

Corporate Plan 2025-2028

Consultation – April 2025



What is a corporate plan?

It's a three-year plan which explains:

- What difference our work makes for Scotland – our vision
- What we do and what we hope that will achieve – our mission, strategic objectives and activities
- How will we know if we've been successful – performance measures
- How we work – our values
- The resources we have available
- The risks and opportunities facing us over the next three years

For more detail on what we do, see our annual business plans: [Business Plans | Scottish Fiscal Commission](#).

Our three-year strategic plan

What shapes our Corporate Plan

Our aspirations

OECD review

Key stakeholders' views

Current context

Founding legislation



What's in the corporate plan

Vision (why)

Mission
(what)

Strategic
Objectives

Main
activities

Values (how)

Performance
Measures

Resources

Risks



We use Corporate Plan for

Objectives for annual
business plan

Skills we need for
Commissioner
recruitment

Measures we report
against in annual report

Basis for scrutiny by
FPAC each year

Guiding how we
approach new or
difficult situations

Shaping our corporate plan

- Our aspirations – greater impact and increased understanding through more frequent publications, broader engagement and further developing our fiscal sustainability, public funding and spending work
- OECD review - [OECD Reviews of the Scottish Fiscal Commission | Scottish Fiscal Commission](#)
- Key stakeholders' views - [Stakeholder Survey - June 2024](#)
- Current context – increased fiscal pressures and long-term pressures from an ageing population, increasing healthcare costs, new social security measures and climate commitments.
- Founding legislation - [Scottish Fiscal Commission Act 2016](#)

Our aspirations

- We're confident that our core forecast work has now matured into a stable, credible operation with resilience and impressive expertise. We now intend to intensify our work on fiscal sustainability, funding and spending analysis. The OECD also recommended we develop these areas of work.
- We hope to increase the impact of our work by spreading out our analysis over the year. We currently focus on the two fiscal events each year (usually May and December). By changing the rhythm of our publications, we can highlight issues that may be overshadowed by a Budget announcement.
- We also want to support Parliament's pre-Budget scrutiny by reporting in late summer on the changes that happen each year after the Budget Bill has passed. To do this, we will need to free up resources by curtailing or rescheduling some existing work. We recognise that the uncertainty the annual fiscal timetable poses may limit our ability to deliver this year-round impact.
- We have been increasing the frequency and reach of our external engagement over the last 18 months, and intend to continue to do so, in line with the OECD's recommendations and our stakeholder survey.
- Fiscal sustainability issues have broader audiences than for forecasts and the fiscal framework and better lend themselves to developing a core set of engagement resources.

Our aspirations

- We will need additional knowledge and experience in our Commissioners in future to meet these aspirations.
- In the past we have struggled to recruit Commissioners from diverse backgrounds, so by seeking expertise outwith economics we hope to increase our diversity and improve our ability to connect to different audiences.
- As we develop thematic fiscal sustainability reports, we need subject expertise that we do not have in-house.
- Just as key partners are essential for us to get the data and information we need for forecasting models and judgements, partners with expert subject knowledge of the themes we are analysing will be vital for our fiscal sustainability work.
- Working with these partners also helps to ensure we have the diversity of thought we need to produce robust, impartial judgements and analysis.

Vision – why does the Commission exist?

Previous	The Scottish Budget is transparent and well-scrutinised, and Government and Parliament understand the inevitable uncertainties and risks relating to devolved public finances.
Our thinking	<p>We want to make this clear statement of why the Commission exists. It’s vital that the decision-makers in Government and Parliament really understand the medium and long term fiscal pressures and risks and we’d like to do all we can to support them.</p> <p>So when we consider new areas of work, alternative approaches, or think about whether we have been successful, we can ask ourselves “Has this / Will this make the Scottish Budget better-scrutinised or more transparent? Will this help Government make the best possible use of finances despite uncertainties? Will this help Parliament better understand an important risk?”</p> <p>Of course, we don’t expect to be able to deliver this vision alone. The Scottish Government, the Scottish Parliament and Audit Scotland have key roles. The work of other organisations such as the Office for Budget Responsibility, the Fraser of Allander Institute, the Institute of Fiscal Studies and the Resolution Foundation supports transparency, understanding and scrutiny.</p>

Vision – why does the Commission exist?

Our thinking

In line with the 2025 OECD review recommendations, we want to increase our ambition. We’re proposing two changes.

The first is to make explicit that trade-offs would be needed help public finances achieve a sustainable path. We want to help key players understand why that is a necessity. We do not make recommendations about particular policies; rather we explain factors driving the long-term fiscal sustainability of current policies.

The other change is to broaden our group of key stakeholders, to recognise that others have roles in supporting the transparency and scrutiny of the Scottish Budget.

Proposed

The Scottish Budget is transparent and well-scrutinised. Government, Parliament and others understand the inevitable uncertainties and risks relating to devolved public finances, and the potential trade-offs needed to ensure public finances are on a sustainable path.

Mission

Previous	We produce independent, robust forecasts and assessments to improve the transparency and scrutiny of the Scottish Budget.
Our thinking	<p>Our core statutory work, providing the official fiscal forecasts, hasn't changed, but we want to use plainer language to make it easier to understand what we do.</p> <p>We want to revise our mission to include our work analysing spending, funding and fiscal sustainability.</p> <p>We feel that "robust" forecasts is more of a technical description, so we've revised this to "authoritative", as that also encompasses the sense that our forecasts carry weight and value, as well as technical quality.</p>
Proposed	<p>We produce independent, authoritative forecasts and assessments of the Scottish Government's tax and spending plans.</p> <p>We improve Scottish Government and Scottish Parliament's understanding of fiscal pressures and risks.</p> <p>Our work makes the Scottish Budget more transparent and better scrutinised.</p>

Strategic objectives – what we do

Our strategic objectives set out what we do to fulfil our mission:

“We produce independent, authoritative forecasts and assessments of the Scottish Government’s tax and spending plans.

We improve Scottish Government and Scottish Parliament’s understanding of fiscal pressures and risks.

Our work makes the Scottish Budget more transparent and better scrutinised.”

We explain how we approach our work in the Values section of the corporate plan.

Our annual business plans give more detailed information about the work we plan each year. [Business Plans | Scottish Fiscal Commission](#)

Proposed strategic objectives

Provide authoritative, independent, official forecasts of Scotland's economy, devolved tax revenues and social security spending, and explain what these mean for the Scottish Budget.

Provide insightful, impartial analysis of the Scottish Government's funding and spending.

Analyse and report on issues with major impacts for the long-term fiscal sustainability of the Scottish Budget.

Be an effective and efficient organisation with skilled, knowledgeable people.

Revising objectives 1 and 2

Previous	<p>Provide robust, independent, official forecasts of Scotland's economy, devolved tax revenues and social security spending.</p> <p>Explain what our forecasts and analysis mean for the Scottish Budget.</p>
Our thinking	<p>We intend to combine these two objectives because our forecasts are of most use when they are well-understood. Our statutory forecasting work is not expected to change substantially in the next three years.</p> <p>We've revised our description of our forecasts because we aspire to producing forecasts that are not just technically robust, but which also carry weight with the Parliament, media and others.</p>
Proposed	<p>Provide authoritative, independent, official forecasts of Scotland's economy, devolved tax revenues and social security spending, and explain what these mean for the Scottish Budget.</p>

Proposed objective 1

Provide authoritative, independent, official forecasts of Scotland's economy, devolved tax revenues and social security spending and explain what these mean for the Scottish Budget.

To produce good forecasts our data, models and judgements must all be robust.

We need reliable, accurate and timely data and information, so we build strong relationships with our data providers. We also have a right of access with Scottish public bodies and publish statements of data needs to set out our priorities for improving data.

Forecasting models can be complicated; with all our models we aim to find the right balance between transparency, story-telling, complexity and forecast accuracy. We follow a rigorous quality assurance process, with three rounds of checks for every major report.

For good judgements, we need expert Commissioners with diversity of thought and a culture of debate and constructive challenge.

We try to explain both how our forecasts are produced and what they mean for the Budget - the "so what?" – in a way that is understandable and accessible. We publish this analysis and provide clear assessment of our forecast accuracy. This adds transparency to the Scottish Budget and the complex Fiscal Framework.

Proposed objective 2 - new

Previous	n/a
Our thinking	<p>Our work considering the Scottish Government’s overall funding position and its spending plans is driven by our duty to assess the reasonableness of the Scottish Government’s borrowing and our power to report on any factor used to ascertain the resources available for the Scottish Budget. Over recent years we have expanded this work, refining our funding commentary and including some spending analysis in our forecast reports.</p> <p>The OECD review noted this work has been well received and identified strengthening our spending analysis as one of three key actions to take. Stakeholders have also requested further work in this area.</p> <p>We plan to develop this work over the next three years:</p> <ul style="list-style-type: none"> • expanding the commentary in our forecast publications • producing a regular “Fiscal Update” in late summer to support the Parliament’s pre-Budget scrutiny • producing “fiscal factor” reports to analyse particular risks • drawing links between our fiscal sustainability analysis and the short and medium-term funding and spending outlook. <p>Therefore, we think we should have a specific objective about this growing area of work.</p>
Proposed	Provide insightful, impartial analysis of the Scottish Government’s funding and spending.

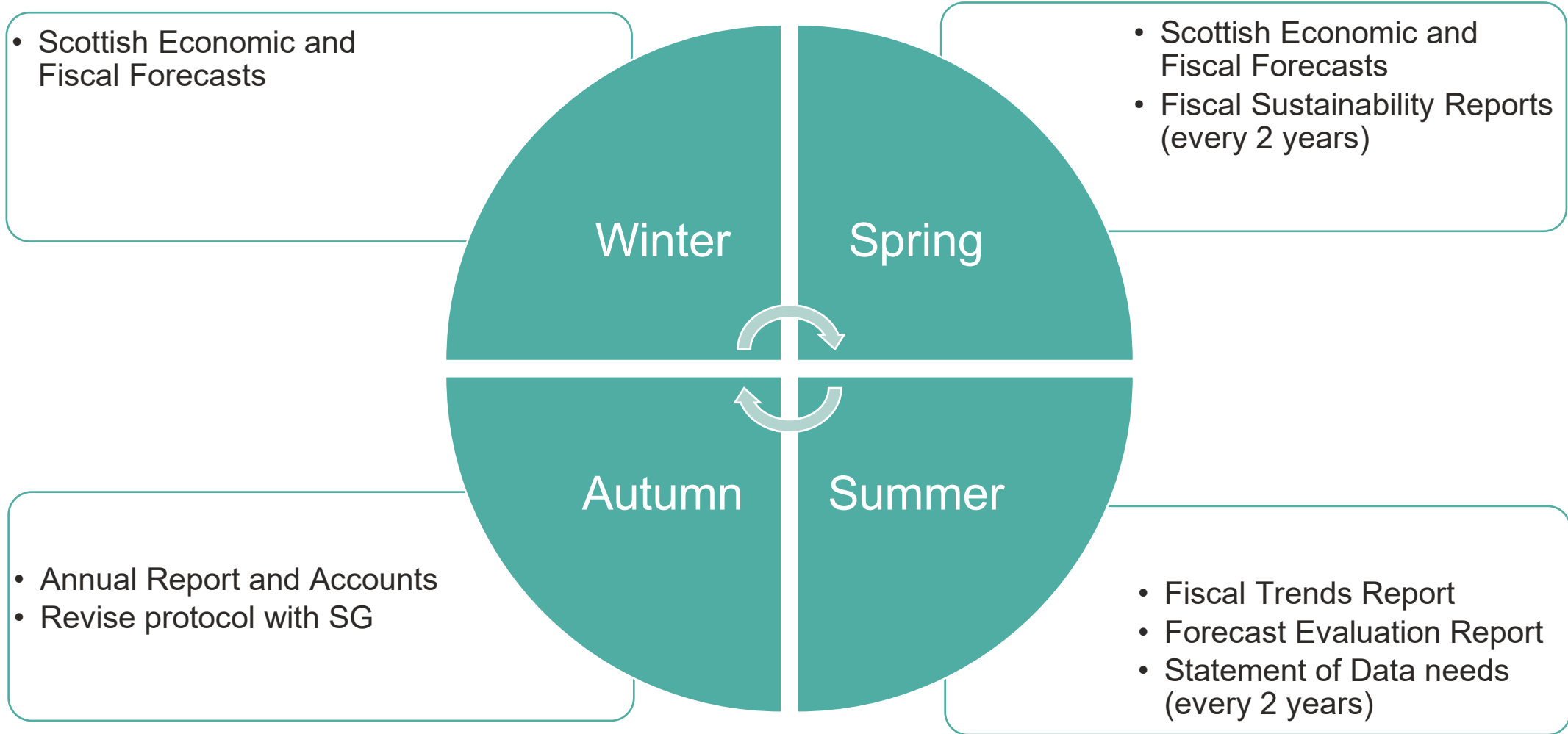
Revising objective 3

Previous	Analyse and explain the medium and longer term risks to the Scottish Budget
Our thinking	<p>This objective focuses on our analysis of the factors which drive the context for public finances, over longer time horizons than our statutory five-year forecasts.</p> <p>Over the next three years we intend to develop our fiscal sustainability work further, in line with the recommendations of the OECD review and our stakeholder survey. We will focus on analysing issues with the most substantial impacts over a longer timescale (up to 50 years), rather than trying to assess all factors which may have an impact.</p> <p>We intend to continue producing updated long-run projections every two years as well as thematic reports. We previously explored demographics and climate change, and our next report focuses on health.</p> <p>As well as exploring new topics in the future, we will revisit existing topics as new information emerges or to further develop analysis of the links to fiscal sustainability.</p> <p>This thematic approach brings our work to new, subject specific audiences, and allows us to engage with different Parliamentary committees to explain key issues that affect fiscal sustainability.</p>
Proposed	Analyse and explain issues with major impacts for the long-term fiscal sustainability of the Scottish Budget.

Retaining objective 4

Previous	Be an effective and efficient organisation with skilled, knowledgeable people.
Our thinking	This strategic objective reflects being a well-run public body with excellent people and of course this remains a valid objective for us in the next three years. We recognise that the skills and knowledge we will need in our staff and Commissioners will evolve as we develop our work.
Proposed (no change)	Be an effective and efficient organisation with skilled, knowledgeable people.

Main activities



Other key activities

Throughout the year

- Evidence to Parliament
- Public engagement events
- Model development
- Business planning

As required

- Policy costings
- Statement of compliance with the official code of statistics
- Occasional papers

Main performance measures

We report on our performance through three reports each year: our forecast evaluation report, our annual report and account, and our Public Service Reform Act report.

Every five years we commission an external, statutory, independent review of our performance. The next review is due in 2029-30.

Much of our performance should be judged on the quality of the core publications for each analytical objective, and our communication of that analysis, but this is difficult to measure quantitatively.

Independent, official forecasts

Scotland's Economic
and Fiscal Forecasts

Analyse funding, spending and borrowing

Fiscal Updates

Scotland's Economic and
Fiscal Forecasts

Long-term sustainability reports

Fiscal Sustainability
Reports

Fiscal Sustainability
Perspectives

In the following pages we set out the performance measures we publish.

Analytical performance measures

What we report	When	What does it show
Forecast evaluation report	Annually	Evaluates how our past forecasts compare to outturn data How our forecast accuracy compares to that of the OBR forecasts for the rest of the UK Lessons for our next forecast
Statement of Data Needs	Every two years	Outline the data we require to create our forecasts
Publications volume	Annual report	Number of analytical reports produced
Parliamentary indicators	Annual report	How often we appear at Scottish Parliament Committees How often we are referenced in Committee Reports How often we are cited in Committee meetings
Engagement indicators	Annual report	Website usage statistics Media coverage Number of events we host and attendance Presentations to other organisations
Code of Statistics	Every three years	Continued voluntary compliance with the official code of statistics Statement of Voluntary Compliance with the Code of Practice for Statistics and Error Policy

Corporate performance measures

What we report	When	What does it show
Staffing and diversity information	Annual report	Staff survey results Number of leavers and joiners in a year and turnover Sickness absence Gender Pay Gap ratio Gender composition at Committee appearances Summary recruitment diversity information
External audit report	Annually	Audit opinion on annual report and accounts Audit conclusions on performance management, corporate governance, financial position and financial sustainability
Public Body corporate indicators	Annual report	Number of complaints Number of leavers and joiners in a year and turnover Number of freedom of information requests Invoices paid within 10 days
Website effectiveness	Every three years	Results of independent audit of website accessibility Website user survey on content and ease of use

Values

Our values express the personality of our organisation. These principles guide how we go about everything we do, how we approach any new work, and they help us to be mindful of our longer-term vision in our daily work.

We want to make sure that our work and our assessments can be trusted. Having the right values, and embodying them in all that we do, is essential for that.

Our current values are based on OECD Principles for Independent Fiscal Institutions, the Civil Service Code, the Code of Practice for Statistics and the Code of Practice for Commissioners. These have not changed.

Stakeholders' perceptions of the Commission as reported in the stakeholder survey are consistent with our current set of values, showing that they are well-embedded.

We therefore propose to retain our current set of values.

Values – retain existing values

Everyone can trust our work because:

- We are independent - we are impartial, honest and objective in everything we do.
- We work well with others.
- We are as transparent as we can be and promote transparency in Scottish public finances.
- We explain complex matters clearly and make our work easy to access.
- We produce quality work which informs public debate.

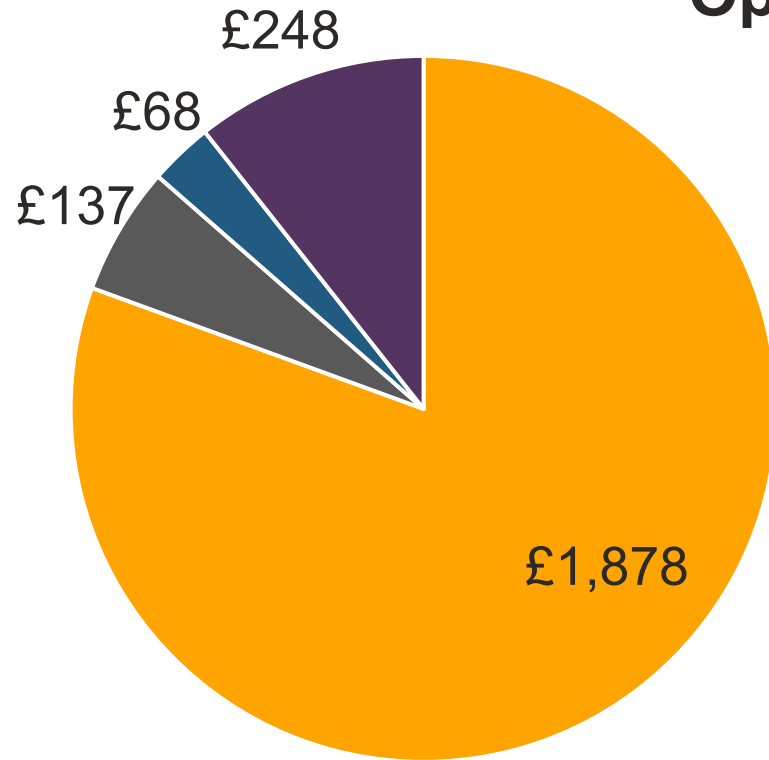
Resources

- The Commission receives an annual budget approved by Parliament in the Scottish Budget process. Our budget is separate to that of Scottish Ministers.
- We also receive an indicative budget for the subsequent two financial years, in line with the OECD’s Principles for Independent Fiscal Institutions.

2025-26 Budget	2026-27 (indicative)	2027-28 (indicative)
£2,765,000	To be confirmed	To be confirmed

Staff costs are by far the largest proportion of our costs. Staff are employed on the same terms, conditions, grading, and remuneration arrangements as Scottish Government staff.

Operating costs 2023-24

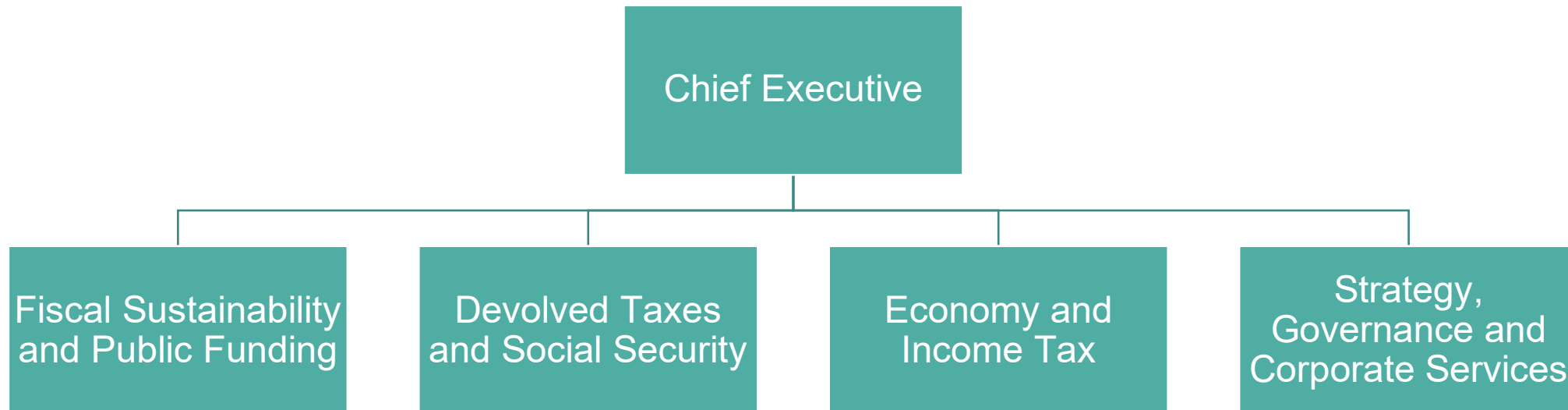


- Staff Costs
- Commissioner Costs
- Other costs
- Shared services including Accommodation and Audit

We have four Commissioners who are collectively responsible for fulfilling the functions and duties set out in the Scottish Fiscal Commission Act 2016.

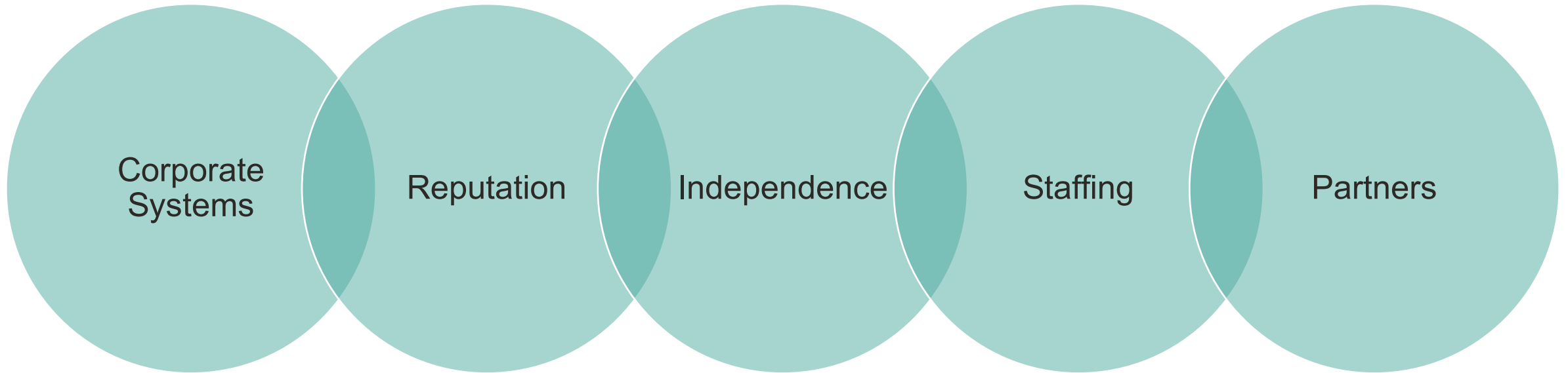
They are Professor Graeme Roy (Chair), Professor Francis Breedon, Professor Domenico Lombardi, and Professor David Ulph. Our Commissioners are appointed by Scottish Ministers with the approval of the Scottish Parliament.

The Commissioners are supported by around 28 staff, grouped into four teams.



Risks

We identify, monitor and assess our risks against these five key themes. These impact one another, our values and whether we can deliver our strategic objectives in various ways.



Corporate Systems

- Corporate systems are not sufficient to deliver our work (financial systems, IT, shared services and governance). This risk covers internal systems, those purchased from the Scottish Government as shared services and website providers.
- This risk could impact on delivery of all four strategic objectives.

Reputation

- The Commission suffers a loss of reputation because of its failure to deal with complex contextual change or the perceived quality of its analysis. Political controversy and adverse expert commentary can undermine our reputation, regardless of whether it is justified
- This risk could particularly impact our value: we produce quality work which informs public debate. Not living our other values – independent, work well with others, transparent and explaining clearly – would increase the likelihood of this risk

Independence

- The Commission's political and institutional independence is undermined, or is perceived to be undermined. The consensus that a Scottish independent fiscal institution is needed breaks down.
- This risk directly concerns our value of independence and delivery of our first three objectives. It also would also increase the likelihood for our reputation, staffing and partners risks.

Risks

Staffing

- The Commission cannot deliver its functions effectively because we do not have appropriate staff or Commissioners, or staff or Commissioners cannot work effectively.
- This risk could impact on delivery of all four strategic objectives. It also would also increase the likelihood for our corporate systems, reputation and partners risks.

Partners

- A deterioration in relationships with the Commission's partner organisations limits its ability to deliver quality forecasts and reports, through limited access to data and information, or limited time in fiscal event processes.
- This directly impacts our work well with others value and could affect any of our strategic objectives, as partners are so vital to our work. It could also affect our independence risk and value, our reputation risk and our transparency value.

Corporate Plan Summary

Mission

We produce independent, authoritative forecasts and assessments of the Scottish Government’s tax and spending plans.
 We improve Scottish Government and Scottish Parliament’s understanding of fiscal pressures and risks.
 Our work makes the Scottish Budget more transparent and better scrutinised.

Strategic objectives (what)

Provide authoritative, independent, official forecasts of Scotland’s economy, devolved tax revenues and social security spending, and explain what these mean for the Scottish Budget.

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Values (how)

Everyone can trust our work because:

- We are independent - we are impartial, honest and objective in everything we do.
- We work well with others.
- We are as transparent as we can be and promote transparency in Scottish public finances.
- We explain complex matters clearly and make our work easy to access.
- We produce quality work which informs public debate.

Vision (why)

The Scottish Budget is transparent and well-scrutinised. Government, Parliament and others understand the inevitable uncertainties and risks relating to devolved public finances, and the potential trade-offs needed to ensure public finances are on a sustainable path.

Any views?

If you have comments or suggestions on our proposed corporate plan for 2025-2028, please email info@fiscalcommission.scot by 5 May 2025.