



Scottish Fiscal Commission Act 2016

2016 asp 17

Functions

2 Forecasts and assessments

- (1) It is the duty of the Commission to prepare forecasts and assessments to inform the Scottish budget.
- (2) In particular, the Commission must on at least 2 occasions for each financial year prepare reports—
 - (a) containing its 5-year forecasts of receipts from—
 - (i) the devolved taxes,
 - (ii) non-domestic rates, ^{F1}...
 - (iii) income tax attributable to a Scottish rate resolution, ^{F2}... [^{F3}and
 - (iv) assigned VAT receipts,]
 - [^{F4}(aa) containing its 5-year forecasts of [^{F5}devolved] social security expenditure,
 - (ab) containing its forecasts in respect of Scotland's gross domestic product excluding the value of oil, gas and other hydrocarbons produced in the Scottish sector of the UK continental shelf for each of—
 - (i) the remaining quarters (if any) of the financial year in which the report is made and each of the quarters of the subsequent financial year, and
 - (ii) the 4 subsequent financial years, and]
 - (b) setting out its assessment of the reasonableness of the Scottish Ministers' projections as to their borrowing requirements.
- (3) Reports prepared under subsection (2) must, in relation to each forecast and assessment, include an explanation of—
 - (a) the methodology used by the Commission, and
 - (b) the factors which have been taken into account including, in particular—
 - (i) the assumptions which the Commission made, and
 - (ii) the risks which it considered to be relevant.
- (4) The Commission may from time to time prepare reports—
 - (a) containing its forecasts, assumptions or projections in relation to such fiscal factors as it considers appropriate, or

Changes to legislation: There are currently no known outstanding effects for the Scottish Fiscal Commission Act 2016, Section 2. (See end of Document for details)

- (b) setting out its assessment of the reasonableness of the Scottish Ministers' forecasts, assumptions or projections in relation to such fiscal factors as it considers appropriate.
- (5) For the purposes of subsection (4), a “fiscal factor” is anything which the Scottish Ministers use to ascertain the amount of resources likely to be available for the purposes of sections 1 to 3 of the Public Finance and Accountability (Scotland) Act 2000.
- (6) Reports prepared under this section may include such other information relating to the forecasts, assumptions, projections or assessments being made as the Commission considers appropriate.
- (7) Where a policy of the Scottish Ministers is relevant to the Commission's performance of its functions under this section, the Commission—
- (a) must have regard to the policy, but
 - (b) may not consider what the effect of any alternative policy would be.

Textual Amendments

- F1** Word in s. 2(2) repealed (1.7.2018) by [The Scottish Fiscal Commission \(Modification of Functions\) Regulations 2018 \(S.S.I. 2018/213\)](#), regs. 1, **2(2)(a)**
 - F2** Word in s. 2(2) repealed (1.4.2017) by [The Scottish Fiscal Commission \(Modification of Functions\) Regulations 2017 \(S.S.I. 2017/86\)](#), regs. 1, **2(2)(a)**
 - F3** S. 2(2)(a)(iv) and word inserted (1.7.2018) by [The Scottish Fiscal Commission \(Modification of Functions\) Regulations 2018 \(S.S.I. 2018/213\)](#), regs. 1, **2(2)(b)**
 - F4** S. 2(2)(aa)(ab) inserted (1.4.2017) by [The Scottish Fiscal Commission \(Modification of Functions\) Regulations 2017 \(S.S.I. 2017/86\)](#), regs. 1, **2(2)(b)**
 - F5** Word in s. 2(2)(aa) substituted (1.7.2018) by [The Scottish Fiscal Commission \(Modification of Functions\) Regulations 2018 \(S.S.I. 2018/213\)](#), regs. 1, **2(2)(c)**
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Commencement Information

- I1** S. 2 in force at 1.4.2017 by [S.S.I. 2016/326](#), **reg. 2(2)**

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