
The 2020/21 Budget

Accounts Commission briefing

Introduction

1. This paper outlines some of the headlines and themes arising from the 2020/21 Budget and how it will impact on the Accounts Commission's and Audit Scotland's work. This is split into two sections:

- Part 1 gives an overview of the Scottish budget and puts it in context of government plans
- Part 2 summarises the funding for Local Government for 2020/21, as shown in the Scottish budget and the Local Government Funding Settlement.

2. The total expenditure as set out in the 2020/21 Scottish budget is £49.3 billion, a 13.5 per cent increase compared to 2019/20. Much of this increase is due to additional social security payments and farm payments which are new to the budget; excluding these, the like-for-like real terms increase is 3.7 per cent.

3. A further £123 million of resource expenditure and £50 million capital expenditure was added to the budget as a result of the agreement between the SNP and the Greens.

4. SPICe note that for local government, following the budget deal, there is a real terms increase in revenue funding. However, funding through capital grants has decreased in real terms.¹

¹ [SPICe, Budget Bill Stage 1 – a deal, but questions over how it will be funded, 27 February 2020](#)

Part 1

the 2020/21 Scottish budget

The bespoke budget process in 2020/21

5. The 2020/21 budget process is characterised by ongoing uncertainty and unexpected events. The resignation of the Cabinet Secretary for Finance on the day of the budget meant that the budget was instead delivered by the Public Finance Minister, who has now been appointed to the Cabinet Secretary role.

6. The Scottish budget “bespoke” timetable, culminating in approval of Stage 3 of the budget bill on 5 March, remains unchanged, but there is less time between the stages of the budget bill compared to a standard year. In Westminster, the Chancellor of the Exchequer, Sajid Javid, resigned on 13 February and a new Chancellor, Rishi Sunak, previously Chief Secretary to the Treasury, has been appointed. The UK budget is scheduled to proceed as planned on 11 March 2020.

7. Fundamentally, approving a Scottish budget in the absence of a UK budget means that the funding levels estimated as the basis for spending and fiscal decisions in Scotland are more prone to significant change. This is because the UK budget affects all the constituent parts of the Scottish budget funding calculation.

8. The Cabinet Secretary highlighted in her budget statement that the budget “contains our best estimate, minimum level of funding that will be available to the Scottish Government in 2020/21.”² Nevertheless, Scottish local authorities are setting their budgets based on a Scottish Government Budget and Local Government Finance Settlement that may change over the course of the year.

9. As in previous years, to pass the Budget Bill, the minority SNP government must gain the support of at least some MSPs from another party. A deal was agreed with the Green Party the day before the Stage 1 vote, meaning that with the Green Party’s six MSPs, the Stage 1 vote was passed 65 for, and 54 against.³ The deal agreed between the SNP and the Green Party includes an additional £173 million of spending in total.

The Scottish Fiscal Framework

Taxes

10. The funding for the 2020/21 Budget includes revenue from Income Tax, Land and Buildings Transaction Tax and Scottish Landfill Tax. The revenues raised from these taxes is forecast to be £13,147 million. Income Tax revenue is forecast to be £12,365 million, or 94 per cent of this.

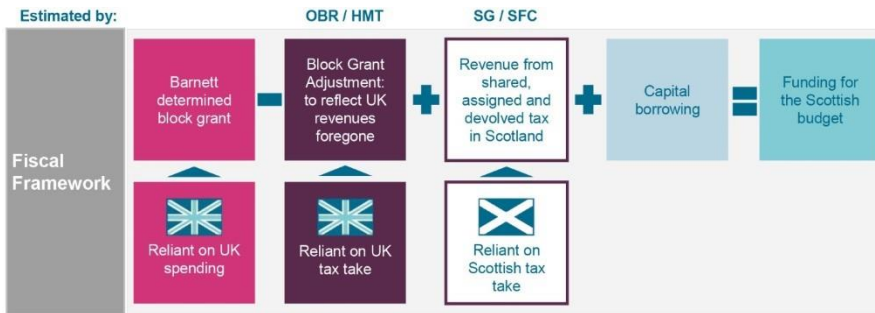
11. The Fiscal Framework determines the funding for the Scottish budget (excluding ringfenced AME funding). The Barnett formula is used to calculate the block grant. As new tax powers are implemented, a deduction is made to the block grant, known as a block grant adjustment (BGA). This based on a forecast made by the Office for Budget Responsibility (OBR) and represents the tax revenues the UK Government has foregone. The Scottish Fiscal Commission (SFC) then forecasts the devolved tax revenues, which is added on to the block grant (Exhibit 1).

² Minister of Public Finance and Connectivity, Budget Statement, Scottish Parliament, 6 February 2020

³ Chamber Official Report, Scottish Parliament, 27 February 2020

Exhibit 1

The relationship between Scottish and rest of the UK in determining the budget



Source: Audit Scotland

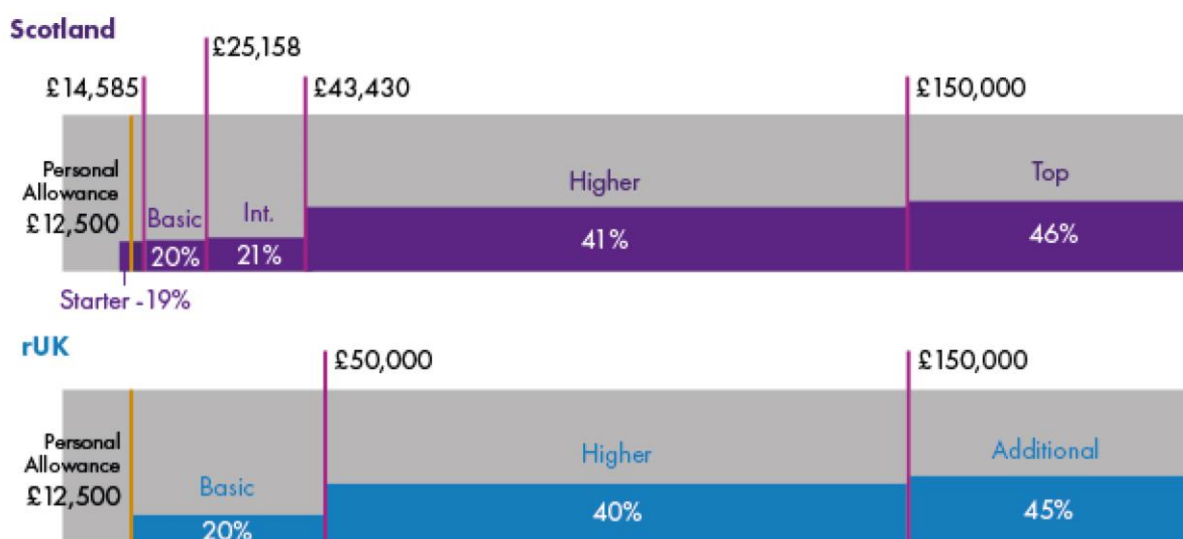
12. In 2020/21 the difference between the OBR and SFC forecast taxes results in a net increase to the Scottish budget of £160 million. OBR forecasts have not been fully updated since March 2019, and new forecasts will be published alongside the 2020/21 UK budget. As a result of changing this OBR figure, the net difference will change, perhaps significantly.

13. The tax policies proposed in the Scottish budget for 2020/21 are for the most part very similar to those set in 2019/20 and result in a small net increase to the Scottish budget of £54 million, of which £51 million relates to income tax. The Fraser of Allander Institute concluded that "income tax policy [is] unchanged, to all intents and purposes".⁴

14. The proposed rates and thresholds for Scottish Income Tax, compared to those currently in place in the rest of the UK are presented in Exhibit 2 below.

Exhibit 2

Income tax rates and thresholds



Source: SPICe

⁴ Scottish Budget 2020/21, Presentation at Budget Event, 7 February 2020, Fraser of Allander.

15. For fully devolved taxes there were similar minimal changes:

- Non-Domestic Rates (NDR)– slight reduction in the large business supplement for properties with rateable value between £51,000 and £95,000. This is expected to reduce NDR revenues by £7 million in 2020/21. The distributable amount of NDR has been set for 2020/21 to a level that will lead to a negative balance of £100 million on the NDR account.
- Land and Buildings Transaction Tax – increased tax rate for high value non-residential leases expected to increase tax take by £10 million.
- Scottish Landfill Tax - no changes to tax policy, but the delay of the full enforcement of the ban on biodegradable municipal waste (BMW) until 2025 (previously January 2021) significantly increases SLfT revenues because BMW continues to be landfilled. While this is a windfall for the Scottish Budget, this delay does not appear to be consistent with the Scottish Government's climate commitments.

16. The Scotland Act 2016 states that half of Value Added Tax raised in Scotland will be assigned to the Scottish Government. On 31 October 2019 the Chief Secretary to the Treasury wrote to the Convener of the Finance and Constitution Committee stating that the full implementation of VAT assignment will be delayed to April 2021.

Social Security spending

17. Social Security will account for around 10 per cent of resource spending for the first time in 2020/21. There remain risks that if the budget for 2020/21 does pass, that this new spending could be delayed.

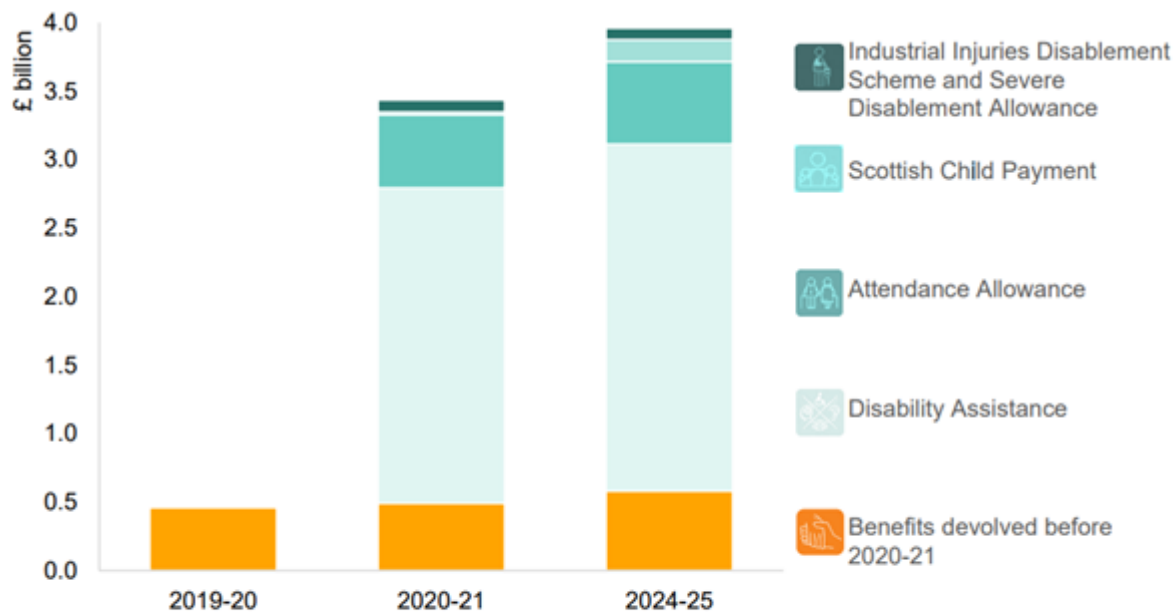
18. From April 2020 onwards, the Scottish Government becomes financially responsible for disability benefits, such as Personal Independence Payments and Disability Living Allowance, taking spending to a forecast £3.6 billion in 2020/21. Overall Social Security spending is forecast to reach a minimum £3.8 billion by 2024/25, based on no divergence from UK policy. (Exhibit 3)

19. The SFC note that its forecasts for the medium term are based on UK social security policy. As responsibility for delivery of the benefits transfers to Social Security Scotland, the Scottish Government can diverge Scottish policy from the UK equivalent, such as choosing to increase age thresholds for children's disabilities payments. The SFC conclude that Scottish policy intentions will likely increase spending on social security, and this will affect future years' forecasts. For 2020/21, the SFC state that "As there is not yet sufficient policy or operational detail available, our forecasts do not include the effect of these changes and are therefore likely to underestimate expenditure."⁵

⁵ [SFC, Economic and Fiscal Forecasts](#), February 2020 (our emphasis)

Exhibit 3

Total social security spending forecast



Source: Scottish Fiscal Commission

Disability Assistance includes spending for Child Disability Assistance, Disability Living Allowance Adult and Personal Independence Payment.

Total social security spending includes all social security portfolio spending as well as spending on Best Start Foods, Employability Services and Scottish Child Payment.

Source: SFC

20. In addition to uncertainties around policies, social security spending is variable and harder to control than other areas of spending, because it is demand-led. The Scottish Government will have to meet this expenditure as it arises. Funding for the Social Security benefits that are being devolved is transferred from the UK Government, through positive Block Grant Adjustments. For the 2020/21 budget, these are provisional BGAs based on OBR forecasts from March 2019. These are likely to change. The Scottish Government faces a risk that if spending in Scotland increases and spending in England and Wales decreases, compared to the figures used in the Scottish Budget, then there could be a significant in-year cash shortfall to manage.

The new Scottish Child Payment

21. The Scottish Child Payment (SCP) was announced in June 2019 as a new benefit to help tackle child poverty by providing additional support for low income families. This will be administered by Social Security Scotland. For children under six years old, the Scottish Government plans to have SCP open for applications in autumn 2020, with first payments made by Christmas 2020. The SFC forecast that the SCP will cost £22 million in 2020/21, £65 million in the first full year of implementation for children under six in 2021/22, and £157 million in the first full year of implementation for all eligible children in 2023/24. As there is no equivalent UK payment, this expenditure is not funded through block grant additions, and instead must be met fully by the Scottish Government from existing budgets each year.

How the 2020/21 budget will be spent

Please note that the analysis below draws on the Budget document as published 6 February, and does not include the £173 million agreed in advance of the Stage 1 debate.

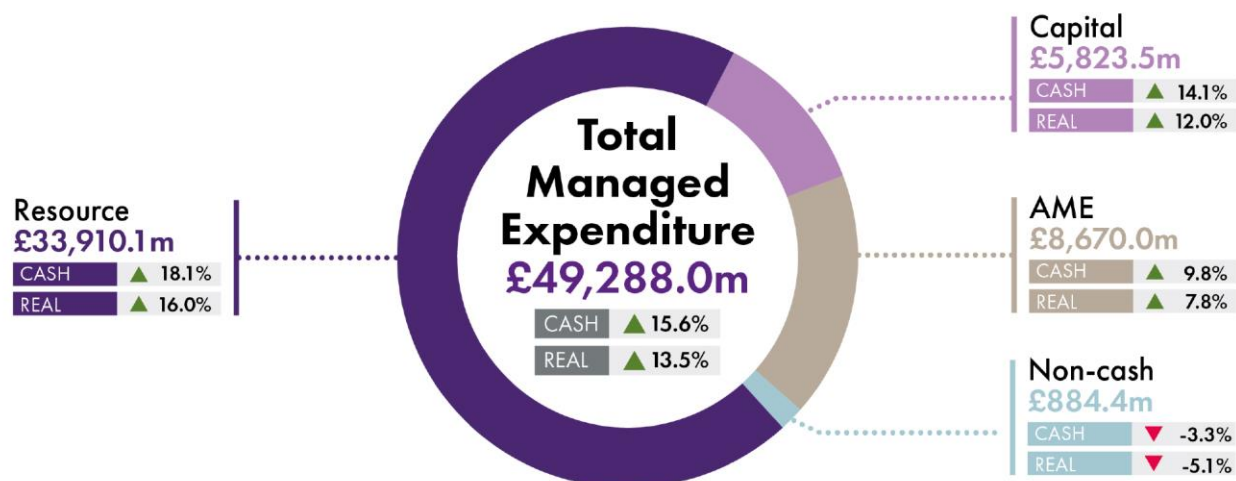
22. The Scottish public spending budget for 2020/21 as proposed is £49,288 million. The budget is made up of:

- Fiscal resource budget (spending on the operating costs for public services)
- Capital budget (investing in capital projects, such as new hospitals or schools. This also includes financial transaction funding, which can be used to make investments in organisations outside the public sector)
- Non-cash budget (used to cover technical accounting and other non-cash items)
- Annual Managed Expenditure (AME; ringfenced funding from the UK Government to cover items such as NHS and Teacher pensions and student loans).

Together, these add to Total Managed Expenditure, TME (Exhibit 4).

Exhibit 4

Total Managed Expenditure 2020/21



If we remove Social Security spending and Farm Payments from the Resource budget, it increases by 5.6% in cash terms and 3.7% in real terms.

Source: SPICe

23. The combined resource and capital budget (a good proxy for the Scottish Government's real spending power) has increased by 17.5 percent in cash terms and 15.4 percent in real terms - growing by slightly more than overall TME. However, both this and the Total Managed Expenditure in the 2020/21 budget include social security payments included for the first time in 2020/21 and newly devolved farm payments, which previously came through the EU. If these are removed, the like-for-like real terms increase is 3.7%.

Breakdown by Scottish Government portfolio

24. Based on the figures provided within the Scottish Budget 2020/21, the Local Government and Communities portfolio overall saw a very small real terms decrease of 0.2 per cent, or £20.3 million. It was the only portfolio that saw a decrease in funding. Overall, there was significant variations across portfolios and spending areas (Exhibit 5).

Exhibit 5

Largest real terms changes (figures in 2019/20 prices)

| Largest real terms increases in 2020/21 on 2019/20 | Largest real terms decreases in 2020/21 on 2019/20 |
|--|--|
| Change in percentage terms | |
| Travel Strategy and Innovation (Transport, Infrastructure and Connectivity) (+1059%) | Business Development (Rural Economy) (-802%) |
| Natural Resources, Peatland and Flooding (Environment, Climate Change and Land Reform) (+534%) | Less Favoured Area Support Scheme (Rural Economy) (-43%) |
| Social Security Scotland (Social Security and Older People) (+341%) | General Capital Grant (Communities and Local Government) (-35%) |
| Change in absolute terms (£ million) | |
| NHS Territorial Boards (restated) (Health and Sport) (+440) | General Capital Grant (Communities and Local Government) (-245) |
| Specific Resource Grants (Communities and Local Government) (+190) | Business Development (Rural Economy) (-193) |
| Social Security Scotland (Social Security and Older People) (+142) | Specific Capital Grants (Communities and Local Government) (-90) |

Source: SPICe Budget 2020-21 spreadsheet, January 2020. These are the largest percentage changes above £20m in the Level 3 budget lines, and the largest absolute changes in the Level 3 budget lines. Level 3 is the breakdown below portfolio and level 2 budget level. These exclude any increases/decreases in AME expenditure which are funded by UK Govt. as well as any increases/decreases in rail infrastructure which are independently determined by the Office of Rail and Road. Also exclude any obvious anomalies such as the £300m transfer from resource to capital in the SFC's budget within the Education portfolio.

25. There are various reasons for the largest increases in spending. Spending on travel strategy and investment in peatlands are a result of the Government's Green agenda and featured heavily in the budget statement. The increase in Social Security spending is part of the planned transfer of specific budgets to Scotland. The increase in Health spending reflects additional UK spending and additional Barnett Consequentials that have been transferred directly to Health – though the Budget document notes that an additional £100 million has been added to the Health budget on top of Barnett Consequentials.

26. The reasons for the largest reductions in spending are less clear. Business Development is shown as a negative as a result of repayments in loans across the portfolio - the Budget describes this as a 'technical adjustment'. The reasons for the large drop in Local Government Capital Grants was discussed at the Finance and Constitution Committee session with the Cabinet Secretary for Finance. She highlighted that this was a result of a number of one-offs in the previous financial year – reprofiling of capital spending and additional funding that year for the Town Centre Fund.⁶

⁶ Meeting of the Finance and Constitution Committee, 12 February 2020

Issues emerging from budget scrutiny relevant to local government

Pre-budget scrutiny

27. As part of their pre-budget scrutiny process, the Local Government and Communities Committee (LGCC) Committee took evidence from Account's Commission in May 2019 on the Local Government in Scotland: Challenges and Performances report, and took further evidence from the Commission on the Local Government in Scotland: Financial Overview 2018/19 in early January 2020.

28. The LGCC's pre-budget scrutiny focused on the challenge of delivering medium to long-term planning in the face of single-year budget settlements. They also highlighted their concern that preventative spending is being curtailed, as much of this spending falls in areas that are non-statutory and suggested that these areas of spending need to be ring-fenced because of the savings they deliver - not just to local government but to the NHS. There was also the suggestion that IJB budgets do not reflect the contribution of Local Government to achieving efficiencies and savings to NHS.

29. The Scottish Government responded to the LGCC pre-budget scrutiny in the budget document. The Scottish Government attributes the current environment of single-year budget settlements to the lack of future funding figures provided at UK Government level and acknowledges preventative spending as a priority.

30. COSLA had raised the issue in its evidence to the Social Security Committee as part of pre-budget scrutiny that the Scottish Welfare Fund (SWF) was under increasing pressure since its introduction due to increasing demand on the fund combined with inflation, and that as a result some authorities were choosing not to advertise the fund due to a lack of resource to cope with resulting demand. The committee in response had raised this in its pre-budget scrutiny as one of the key issues to be addressed in the budget. The SWF then saw a 6 per cent increase in real terms in the Budget, the first rise of any kind since its introduction in 2013.

31. The Health and Sport Committee identified Social Care as its key priority; it highlighted the limited and varied progress of Integration Authorities in achieving their objective of reducing successfully shifting the balance of care into the community and away from the hospital sector and reducing delayed discharges. As a result, funding in the area of Additional Support for Social Care within the Health and Sport Portfolio increased by 80 per cent in real terms in the budget.

Budget scrutiny

32. The Local Government and Communities Committee met with representatives from COSLA, SOLACE, and the Scottish Local Government Directors of Finance, followed by the Cabinet Secretaries for Communities and Local Government and Finance on 19 February.

33. This discussion focused on the difference between the new policy commitments (which COSLA estimate to be £590 million in total) and the funding provided for these commitments, which COSLA estimate to be £495 million, as well raising the issue of local autonomy for council budget.

34. The session considered the link between council services and health and wellbeing and the savings that council spending brings to health services, but the Cabinet Secretary highlighted the commitment to pass on all Health consequentials to the NHS. The change in capital budgets (and the potential for councils to re-profile capital spend) was also discussed.

Developments within the Scottish Budget 2020/21

Partnership working

35. Partnership working is referred to throughout the 2020/21 Budget. The Scottish budget increases investment in Health and Social Care Partnerships to over £9.4 billion and highlights that its priorities are to continue to improve the availability of, and people's access to, community-based services.

36. With regards to City Deals and regional partnerships, the Scottish Government has set its priorities for 2020/21 as being: to secure full City Region Deals for Stirling and Clackmannanshire and Tay Cities, as well as Growth Deals for the Ayrshires and the Borderlands. The Scottish Government has committed to continue to discuss Growth Deals for Moray, Argyll and Bute, Falkirk, and the Islands; and support the development of a Scotland-wide network of Regional Economic Partnerships. £205.6 million is provided to support the City Deals budget in 2020/21.

Scottish Government priorities

37. The 2020/21 Scottish Budget statement was presented as a budget with "wellbeing and fairness at its very heart." As such it aligns with the 2019/20 Programme for Government and the 2019 Scotland's Fiscal Outlook in its focus on:

- Wellbeing – driven by Scotland's National Performance Framework;
- sustainable and inclusive economic growth;
- tackling child poverty; and
- tackling climate change.

38. Previous priority areas, reflected in the 2019/20 budget and 2018 SFO, were more specifically aligned to services, such as healthcare and policing, as opposed to overall outcomes. Key public spending policy measures promoted in the budget to support these priorities are:

- investing around £645 million in the expansion of early learning and childcare
- £220 million funding for the Scottish National Investment Bank
- increasing investment in health and care services by more than £1 billion
- funding to establish the new Scottish Child Payment
- an above real-terms increase to the police budget
- £1.8 billion of investment in low emission infrastructure, including £500 million specifically designed to respond to the climate emergency.

39. Outcomes-based budgeting is a central theme of the new budget process, but there are challenges in the approach that the Scottish budget takes. Firstly, while wellbeing is mentioned throughout the budget document, it is unclear what specifically wellbeing refers to. At its broadest, wellbeing is the central vision encompassing all 11 national performance framework outcomes. As such, all Scottish Government spending should be targeted towards at least one outcome. This means it is difficult to see how wellbeing relates through to the prioritisation of spending towards services or initiatives.

40. The budget includes a number of measures specifically aimed at promoting sustainable and inclusive growth, which is a specific outcome in the NPF. There is limited detail in the budget about how growth will be achieved inclusively.

Chapter 3 of the budget states that infrastructure investment is "vital to deliver the Scottish Government's long-term ambitions for inclusive economic growth", yet the recent report from the Infrastructure Commission is less certain about the link. Citing commissioned research from the Fraser of Allander Institute, the report notes that evidence of the link between infrastructure and traditional economic growth is weak or unavailable.

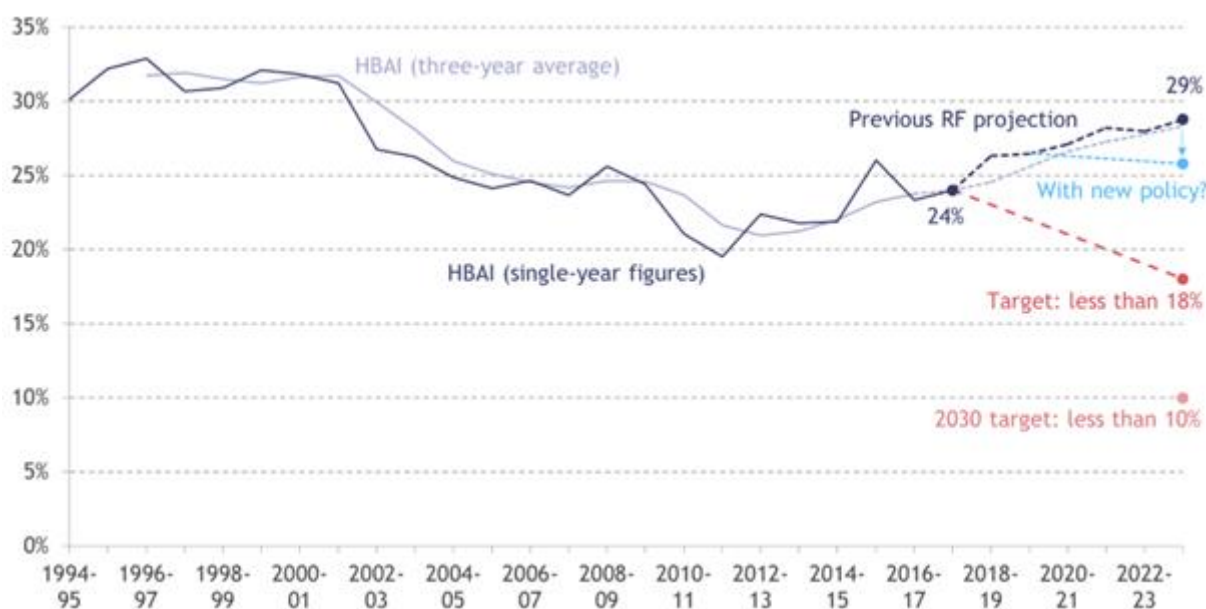
41. Social security spending and the new Scottish Child Payment is highlighted as part of measures tackling child poverty. Outside of this, the largest single spending initiative highlighted in the budget relating to child poverty outcomes is £645 million for the expansion of early learning and childcare. This is included as part of the local government financial settlement, resulting in an overall increased funding proposal for local government. This spending is however reserved for a specific Scottish Government budget initiative and must be spent specifically on this by local authorities, effectively acting as an agent for the Scottish Government.

42. COSLA has stated that the reduction in the amount of core funding over several years will impact local government's ability to contribute towards Scottish Government's objectives on inclusive growth, child poverty, wellbeing and climate change.

43. The Scottish Child Payment was widely welcomed by poverty action groups. The Resolution Foundation has pointed out that while this is expected to reduce child poverty by three percentage points, this is still some way off the Scottish Government's targets for child poverty reduction for 2022/23, and further steps will need to be taken if this is to be achieved (Exhibit 6).

Exhibit 6

Expected impact of SCP on child poverty rates in Scotland



Source: Resolution Foundation

Part 2

Local Government Budget 2020/21

44. This section presents our analysis of local government funding for 2020/21. This follows on from the [Local government financial overview](#), as published in December. The local government performance and challenges report will publish in March 2020 and will develop on these issues further.

45. This summary complements the [Local Government Finance: Budget 2020-21 and provisional allocations to local authorities](#) briefing paper produced by SPICe. SPICe have used the 2019/20 budget figures as set out in the 2020/21 budget, which are based on the 2019/20 Budget Bill. We have used the final budget figures for 2019/20, as published alongside the provisional 2020/21 figures. These are set out in [Circular 01/2020](#), released alongside the 2020/21 budget.

Local Government funding in 2020/21

46. The Scottish budget contains funding for local government spread across several portfolios. The Budget also presents the total figure for local government funding in 2020/21 and reconciles this to the Local Government Finance Settlement (the Finance Settlement), which was published 6 February. Exhibit 7 shows our initial analysis of how the Local Government Settlement is made up, and how this agrees to the Scottish Budget.

Exhibit 7

Local Government funding 2020/21

| Local government funding, £ million | Note | Cash terms | | | Real terms (19/20 prices) | | |
|--|------|-------------------|-------------------|--------------|---------------------------|-------------------|--------------|
| | | 2019/20 Budget | 2020/21 budget | % change | 2019/20 Budget | 2020/21 budget | % change |
| <u>Revenue</u> | - | | | | | | |
| Total Revenue | 1 | 10,308.8 | 10,572.8 | 2.6 | 10,308.8 | 10,381.6 | 0.7 |
| Specific Resource Grants | 2 | 507.7 | 709.8 | 39.8 | 507.7 | 696.9 | 37.3 |
| General Revenue Grant (as per circular) | | 6,948.06 | 7,073.06 | 1.8 | 6,948.1 | 6,945.1 | 0.0 |
| Non Domestic Rates | | 2,853.0 | 2,790.0 | -2.2 | 2,853.0 | 2,739.5 | -4.0 |
| <i>Total GRG + NDR</i> | | <i>9,801.1</i> | <i>9,863.1</i> | <i>0.6</i> | <i>9,801.1</i> | <i>9,684.7</i> | <i>-1.2</i> |
| <u>Capital</u> | - | | | | | | |
| Total Capital | - | 1,092.2 | 763.0 | -30.1 | 1,092.2 | 749.2 | -31.4 |
| General Capital Grant | | 712.0 | 467.9 | -34.3 | 712.0 | 459.4 | -35.5 |
| Specific Capital Grants | 3 | 380.2 | 295.1 | -22.4 | 380.2 | 289.8 | -23.8 |
| Total funding set out in the Finance Settlement | | 11,401.0 | 11,335.8 | -0.6 | 11,401.0 | 11,130.8 | -2.4 |
| Other Scottish Government Funding | 4 | 447.9 | 580.3 | 29.6 | 447.9 | 569.8 | 27.2 |
| Total local government funding in the Scottish Budget | | 11,848.9 | 11,916.1 | 0.6 | 11,848.9 | 11,700.6 | -1.3 |

Notes - sums may not add due to rounding.

1. The Finance Settlement shows that £53 million of this funding is still to be distributed, for national programmes such as the Teacher Induction Scheme, Discretionary Housing Payments, Mental Health Officer shortfall and the implementation of the Barclay Review. Annex B of Local Government Finance Circular No. 01/2020 shows how the remaining £10,520 million distributable revenue funding is shared between councils
2. Includes grants for Early Learning and Childcare Expansion, Pupil Equity Fund, and Criminal Justice Social Work grants.
- 3 Includes the capital element of the Early Learning and Childcare expansion (£121 million) and the Transfer of Management of Development Funding (£92 million).
- 4 Includes revenue funding for programmes such as the Attainment Scotland Fund (£62 million) and the Schools for the Future Programme (£72.4 million), and capital funding for programmes such as City Deals (£201 million) and the Future Transport Fund (£18 million). See Budget Table 6.15

Source: Scottish Budget 2020/21; Local Government Finance Circular No 01/2020, Scottish Government, February 2020

47. The budget deal since agreed between the Government and the Green Party adds £45 million to the GRG and £50 million to the NDR, meaning that total GRG and NDR is almost flat in real terms (a 0.2 per cent decline between 2019/20 and 2020/21). £15 million is added to specific capital grants, but this still means that capital shows 30 per cent real terms drop in year. Overall, including all the Stage 1 additions, total local government funding in the Scottish Budget decreases by 0.3 per cent in real terms.

Commitments to be funded from general revenue funding

- 48.** The Budget sets out that the Scottish Government and COSLA have agreed to allow Council Tax to increase by a maximum of 4.84 per cent (3 per cent plus inflation) in 2020/21. In 2019/20, 12 councils increased Council Tax by the maximum amount.⁷
- 49.** The Local Government Performance and Challenges report, which will be published in March, will comment more on the pressures on local government funding and services.

Capital grant funding

- 50.** Capital funding has increased since 2013/14 in real terms, but for 2020/21 saw a 30 per cent drop in available spending from 2019/20. The change between 2019/20 has been explained by the Scottish Government as resulting from the removal of one-off items that took place in 2019/20. However, the capital allocation is still 15 per cent lower in real terms than in 2018/19. In her evidence on this issue, the Cabinet Secretary for Finance has emphasised local authorities' ability to borrow.⁸
- 51.** However, trend analysis of capital allocations in both the short-term and long-term must be treated with caution, as the Scottish Government has reprofiled capital grant allocations on a number of occasions in recent years. In addition, slippage in projects will impact on the grant figures for individual councils.

Trends in local government funding since 2013/14

- 52.** Based on analysis of Local Government funding in the circulars, funding has declined over the period 2013/14 to 2020/21 in real terms (decreasing by 2.7 per cent). Revenue funding from the General Revenue Grant and Non-

⁷ SPICe, [Local Government Finance: Budget 2020-21 and provisional allocations to local authorities, February 2020](#)

⁸ [Evidence to the LGCC, col 52](#)

Domestic Rates has decreased by 9.6 per cent over the same period. (Exhibit 8).

Exhibit 8

Trends in funding (2013/14 to 2020/21)



Source: Audit Scotland's analysis of Local Government Funding Settlements, 2013/14 to 2020/21, in real terms on 2019/20 basis

Links to further information

There is a large amount of useful analysis performed by commentators and researchers if you are interested in finding out more of the detail.

- [Audit Scotland October briefing paper: Scotland's new financial powers: operation of the Fiscal Framework, 2018/19](#)
- [Fraser of Allander Budget Report](#)
- [Fraser of Allander Budget Report slides](#), from event 7 February 2020
- [SPICe: Local Government Finance: Budget 2019/20 and provisional allocations to local authorities](#)
- [SPICe: Scottish Budget 2020/21 overview](#)
- [SPICe: Tax in Scotland: 2020/21 infographic](#)