

MEETING: 10 FEBRUARY 2022

REPORT BY: INTERIM DIRECTOR OF PERFORMANCE AUDIT AND BEST VALUE

SCOTTISH BUDGET BRIEFING 2022/23

Purpose

1. The purpose of this paper is to brief the Commission on the Scottish Government's Budget for 2022/23, highlighting some of the key implications for local government finances.

Background

2. The Scottish Budget was published on 9 December 2021, which is in line with planned schedules. Previous 2021/22 and 2020/21 Scottish Budgets were published later in the financial year, in January 2021 and February 2020 respectively. This posed challenges for Scottish Parliament's scrutiny and for local authorities planning their budgets. These previous Budgets were published before UK Budgets, which resulted in uncertainty over levels of funding through Barnett consequentials available.
3. For 2022/23 the UK Budget is known, and the UK Government has also published a three-year Comprehensive Spending Review (CSR). This gives some assurance over likely levels of Barnett consequentials for Scotland over a three-year period. The Scottish Government plans to publish a Revenue Spending Review (RSR) by the end of May 2022, as well as an updated Medium Term Financial Strategy (MTFS).
4. The main sources for this briefing are the Scottish Government's Budget for 2022/23, the local government finance settlement published on 20 December 2021 and the Scottish Parliament's associated briefing papers published shortly after the Budget.
5. At time of writing, the Budget has passed stage 1, but has not yet been finalised and there may be changes at stages 2 and 3 in February.

Conclusion

6. The Commission is invited to note this report.

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26 January 2022