

Research Briefing

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The Barnett formula and fiscal devolution



Summary

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Summary

Details of how the devolved administrations are funded, including the Barnett formula, are laid out in HM Treasury’s Statement of Funding Policy. This was last updated for the 2021 Spending Review.

The devolved administrations in Scotland, Wales and Northern Ireland receive grants from the UK Government that fund most of their spending. The largest such grant is the ‘block grant’.

The Barnett formula calculates the annual change in the block grant. The formula doesn’t determine the total size of the block grant just the yearly change. For devolved services, the Barnett formula aims to give each country the same pounds-per-person change in funding.

How does the Barnett formula determine changes to the block grant?

The Barnett formula takes the annual change in a UK government department’s budget and multiplies it by two figures that take into account the relative population of the devolved administration (population proportion) and the extent to which the UK department’s services are devolved (comparability percentage). The calculation is carried out for each UK department and the amount reached is added to the devolved administrations’ block grant.

Change to the UK Government department’s budget	x	Comparability percentage	x	Appropriate population proportion
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For Wales and Northern Ireland the formula includes a needs based factor, which recognises the additional relative need of both. Northern Ireland’s formula also includes a factor recognising that the Northern Ireland Executive gets VAT refunds from more of its spending.

Does the Barnett formula determine changes to other grants?

The UK government provides other grants outside of the block grant. These are often for less predictable demand driven spending. The UK government and devolved administrations negotiate these grants. The Barnett formula does not determine their change.

How has the Barnett formula changed?

The funding system for the devolved authorities has changed in recent years with the devolution of more tax and spending powers, particularly to Scotland. This has meant some adjustments to block grants, to facilitate greater tax and spending devolution, but the Barnett formula itself has been

largely unchanged. The main exceptions are the floors added to Barnett formula for Wales and Northern Ireland that prevent their block grant funding falling below a level related to its needs.

1 The formula

1.1 Introduction

The Barnett formula determines how devolved administrations' block grants change from one year to the next. The formula does not determine the absolute level of the grants.

The devolved administrations in Scotland, Wales and Northern Ireland receive grants from the UK government, which fund much of their spending. The Barnett formula determines how the largest of these grants – the block grants – change from one year to the next.

The Barnett formula aims to give each country the same pounds-per-person change in funding as the change in funding for comparable government services in England.¹ For instance, if the funding for education in England increases by the equivalent of £100 per person, the devolved administrations' block grants will increase by £100 per person. In general, if a service is devolved it is considered comparable.

The devolved administrations can spend the block grant as they wish. If block grants increase because education spending has increased in England, the devolved administrations do not have to spend the additional money on education.

Spending Reviews divide total Government spending between departments. They usually cover several years.

The formula is mainly used at spending reviews, where the UK government sets departments' budgets. The formula calculates the annual change in the devolved administrations' block grants based on the change in UK government departments' budgets.

The UK Government may change departments' budgets outside of the spending review, perhaps at other events such as the Budget. If this happens the Barnett formula is again used to calculate changes to the block grant, but the formula is applied to the individual spending programme rather than at the department level.

1 UK spending system and the devolved administrations

DEL and AME: definitions

UK public spending is divided between Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME).

¹ Or England and Wales, or Great Britain depending on the population served by the UK Government department.

DELs are the amounts that Government departments have been allocated to spend, determined usually in spending reviews. They are firm spending limits set for up to four years. Things that DELs can be spent on include the running of services and the everyday costs of resources such as staff.

AME is more difficult to control as it is spent on demand-led areas such as welfare, tax credit or public sector pensions. As these items are unpredictable or not easily controlled it is not appropriate for departments to be set strict budgets for them.

DEL and AME: the devolved administrations

The Barnett-formula-determined-block-grant makes up the majority of the devolved administrations' DEL; AME allocations are provided in separately negotiated grants.

The devolved administrations' block grants make up the majority of their DELs – which are spent on the day-to-day running of services. Most changes in the devolved administrations' DELs are determined by the Barnett formula. However, there are some items in DEL for which the population-based Barnett formula is not appropriate. DEL items outside of Barnett, often known as non-assigned items, are ring-fenced and specific to their spending priority. Such items, including depreciation, are determined separately between the devolved administration and UK Government.

The population-based approach of the Barnett formula is not appropriate for determining changes in AME grants, because of their demand-led nature, so these are determined periodically between the devolved administration and UK Government.

Each of the devolved administrations' AME includes spending on public sector pensions and student loans.² Other items of AME spend include housing support grant for the Scottish Government and housing revenue account subsidy for the Welsh Government. The Northern Ireland Assembly's AME spending is most significant as it includes social security benefits. The Northern Ireland Assembly is responsible for spending on benefits, whereas in Scotland and Wales this role is performed by the UK Government's Department for Work and Pensions.

1.2

How does the formula work?

The Barnett formula takes the change in a UK government department's budget, specifically its DEL, and multiplies it by two figures that account for the relative population of the devolved administration (population proportion) and the extent to which the UK department's services are

² Specifically the issue and repayment of principle of student loans.

devolved (comparability percentage). The calculation is carried out for each UK department and the amount reached is added to the devolved administrations' block grant.

Change to the UK Government department's budget (DEL)	x	Comparability percentage	x	Appropriate population proportion
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Changes to UK government departments' budgets are generally announced at spending reviews but can be announced at other fiscal events such as the Budget. The two remaining factors of the Barnett formula are discussed below.

Comparability percentage

Comparability percentages capture the extent to which spending by a UK Government department corresponds to services provided by devolved administrations. It measures the extent to which a UK department's services have been devolved.

Comparability percentages range from 0% to 100%. A department's comparability percentage is 0% if none of its services have been devolved to the devolved administration. A department's comparability percentage is 100% if all its services have been devolved.

For example, all the Department for Education's spending is in England. Education is an area which is fully devolved. Education therefore has a comparability factor of 100%.

In practice most UK departments are responsible for a range of devolved and reserved services. The comparability percentage allows for such differences as it reflects the proportion of a department's budget spent on services which are devolved.³ Appendix 1 provides an example of how the Department for Work and Pensions' comparability percentage was calculated for the 2021 Spending Review.

The [2021 Spending Review](#) set out UK Government Department's DELs up to 2024/25. The table below shows the comparability percentages used in the 2021 Spending Review.

³ Each programme area, or service, is given a comparability of either 100% or 0%. A service is 0% comparable if: other arrangements are in place to determine each devolved administration's share of a budget; expenditure is incurred on behalf of the UK as a whole by the UK department; or, the service is deemed unique at a UK level, such as the Channel Tunnel Rail link.

Comparability % used in Spending Review 2021			
	Scotland	Wales	Northern Ireland
Business, Energy and Industrial Strategy	6.8%	6.5%	7.1%
Business Rates	100.0%	100.0%	100.0%
Cabinet Office	0.0%	0.0%	0.0%
DLUHC: Communities	100.0%	99.6%	100.0%
DLUHC: Local Government	100.0%	100.0%	100.0%
Digital, Culture, Media & Sport	68.0%	67.7%	69.9%
Environment, Food & Rural Affairs	96.9%	96.9%	96.9%
Education	100.0%	100.0%	100.0%
Transport	91.7%	36.6%	95.4%
Health and Social Care	99.5%	99.5%	99.5%
Work & Pensions	20.1%	0.0%	97.9%
HM Revenue and Customs	4.0%	4.0%	3.4%
HM Treasury	0.0%	0.0%	0.0%
Home Office	82.5%	1.7%	82.5%
Law Officers' Departments	98.3%	0.0%	90.1%
Justice	100.0%	1.3%	99.9%

Source: HM Treasury. Statement of funding policy, October 2021 (revised February 2023), [para B.12](#)

Population proportions

The Barnett formula also incorporates population proportions so that each administration receives the same pounds-per-person change in funding. The populations used are the latest mid-year estimates from the Office for National Statistics (ONS).

The population proportions used in the formula depend on the coverage of the UK government department concerned. In most cases this is England only, so the proportion relative to population of England is used. The table below shows the population proportions used in the 2021 Spending Review.

Population proportions used in 2021 Spending Review	
Scotland as a proportion of England	9.67%
Scotland as a proportion of England & Wales	9.15%
Wales as a proportion of England	5.60%
Northern Ireland as a proportion of England	3.35%
Northern Ireland as a proportion of England & Wales	3.17%
Northern Ireland as a proportion of Great Britain	2.91%

Source: HM Treasury. Statement of funding policy, October 2021 (revised February 2023), [Table A.1](#) (PDF)

Examples

If planned spending on health and social care in England had increased by £100 million in Spending Review 2021 the increase for Scotland would be:

$\text{£100 million} \times 99.5\% \text{ [health comparability \% for Scotland]} \times 9.67\% \text{ [Scotland's population proportion]} = \text{£9.6 million}$

The outcome from the calculation is often known as the Barnett consequential.

At the spending review the calculation is carried out for each department; these 'Barnett consequentials' are then summed to come up with changes in the block grants.

Appendix 2 shows how the Scotland's 2022/23 block grant changes were calculated in the 2021 Spending Review.

Adjustments to the formula

Changes to Northern Ireland's budget determined by the Barnett formula are reduced by 2.5%.⁴ This is because the Northern Ireland executive does not require funding to meet VAT expenditure as any VAT paid is refunded by HMRC.⁵ This is not the case in the rest of the UK.

Wales's Barnett formula includes a needs-based factor to ensure its relative block grant funding per head doesn't fall below 115% of England's. Northern Ireland's formula also includes a relative needs factor so that its relative block grant funding per head doesn't fall below 124% of England's. See sections 1.4 and 1.5 for more.

1.3

UK Government spending announced outside of a spending review

UK Government departments' medium-term spending plans are set out at a spending review. The government may wish to make subsequent changes to these plans, announcing spending on a new programme, or increasing (or decreasing) spending on an already existing spending programme.

If the announced change increases (or decreases) a department's total budget then the Barnett formula is applied to the change. In such cases the

⁴ HM Treasury. [Statement of funding policy: Funding the Scottish Government, Welsh Government and Northern Ireland Executive](#), October 2021 (revised February 2023), [para 3.22](#) (PDF)

⁵ The Northern Ireland Executive, unlike departments and the Scottish and Welsh governments, has many of the responsibilities of local authorities in the rest of the UK so has its VAT refunded by HM Revenue and Customs

formula is applied to the spending of the individual programme, rather than at the department level.

For example, Budget 2020 announced £1 billion for the Building Safety Fund in 2020/21.⁶ This was new spending – it increased the Ministry for Communities, Housing and Local Government’s DEL – and as the programme was deemed to have 100% comparability and applied to England only, all devolved authorities received a Barnett consequential from it. Scotland received £99 million, Wales £60 million and Northern Ireland £33 million.

1.4

Block grant floor for Wales and Northern Ireland

Wales

The Holtham Commission, which considered funding for devolved government in Wales, recommended the introduction of a floor to prevent underfunding of public service in Wales. The Commission identified a potential gap in the funding provided to the Welsh Government for services, relative to what it would receive if its services were funded on the same basis as in England. The Commission recommended a floor be introduced to prevent this gap widening.⁷ The recommendation was supported across the political spectrum.⁸

The UK Government first introduced a block grant floor for Wales in Spending Review 2015.⁹ In December 2016, the UK and Welsh governments agreed to implement a funding floor that would apply from 2018/19.¹⁰ The new floor – which replaced the original floor introduced in Spending Review 2015 – ensures that Wales’s funding will converge to a level in line with Wales’s needs. The Holtham Commission estimated that Wales’s additional needs mean that its relative block grant funding per head needs to be around 114% to 117% of equivalent funding per head in England. The funding floor adds a needs-based factor to Wales’s Barnett formula:

Change to the UK Government department’s budget (DEL)	X	Comparability percentage	X	Appropriate population proportion	X	Needs-based factor
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⁶ HM Treasury. Budget 2020, March 2020, [para 2.96](#)

⁷ Welsh Assembly Research Service, [Barnett reform: Future funding for Wales](#); National Assembly for Wales, [Explore the Assembly: St David’s Day announcement](#), 2015

⁸ Cardiff University. Wales Governance Centre, [Barnett squeezed? Options for a funding floor after tax devolution](#), December 2016

⁹ HM Treasury, Spending Review and Autumn Statement 2015, November 2015, [para 1.233](#)

¹⁰ HM Treasury. [The agreement between the Welsh Government and the United Kingdom Government on the Welsh Government’s fiscal framework](#), December 2016

Currently, the needs-based factor has been set at 105%, but in the long term the UK and Welsh governments agreed that the factor will be set at 115%. The factor is currently lower (105%) as Wales's relative block grant per head is greater than 115% at around 120% of England's. Once Wales's relative block grant funding reaches 115% of England's the multiplier will be set at 115%.

Northern Ireland

The UK Government and Northern Ireland Executive agreed an interim fiscal framework for Northern Ireland on 21 May 2024.¹¹

From 2024/25, Northern Ireland's Barnett formula will include a needs-based funding factor. Similarly to Wales, the needs-based factor has been set at 105% for a transitional period, but in the long term the factor will be set at 124%.

A review of Northern Ireland's level of relative need will be considered by the UK Government if "multiple independent and credible sources provide evidence that relative need is different to 124%".¹²

The needs-based factor of 124% is based on a range suggested by the independent Northern Ireland Fiscal Council.¹³

1.5

A non-statutory formula

The Barnett formula is non-statutory – it is not set out in legislation. It is Treasury policy and is laid out in the [Statement of Funding Policy](#) (PDF) (the Statement) which is usually updated and published alongside a spending review.¹⁴

The devolved administrations in Scotland, Wales and Northern Ireland are consulted on the Statement. The Treasury commits to consult with them on any proposed changes to it.

¹¹ HM Treasury. [Deal reached on interim Fiscal Framework for Northern Ireland](#), 21 May 2024

¹² HM Treasury. The agreement between the Northern Ireland Executive and the United Kingdom Government on the Northern Ireland Executive's Interim Fiscal Framework, May 2024, [Box 1](#)

¹³ HM Treasury. The agreement between the Northern Ireland Executive and the United Kingdom Government on the Northern Ireland Executive's Interim Fiscal Framework, May 2024, [Box 1](#)

¹⁴ HM Treasury, [Statement of funding policy: Funding the Scottish Government, Welsh Government and Northern Ireland Executive](#), October 2021

In practice the Treasury dictates how the formula works and how it should be applied, although there is a process for dealing with disputes.¹⁵ In theory the formula can be used or changed by the UK government as it wishes.

Box 2: Dispute over spending on the Olympics

In 2007 all spending for the Olympics was deemed by the Treasury to be UK-wide and therefore not within the scope of the Barnett formula. The devolved administrations felt that the Barnett formula should have applied to regeneration and transport elements of Olympic funding. They argued that this spending, focused on East London, would have resulted in Barnett consequentials if carried out outside of the Olympic banner. Each of the devolved administrations raised the issue as a formal dispute.

[An agreement](#) was reached in June 2011 through the [Joint Ministerial Committee](#), the body responsible for co-ordination between the UK Government and the devolved administrations.¹⁶ The agreement provided the devolved administrations with Barnett consequentials for changes to Olympics funding after the Coalition Government took office in May 2010 – spending on the Olympics prior to this was not included. The agreement saw the Scottish Government receive £16 million, the Welsh Government £8.9 million and the Northern Ireland Executive £5.4 million.¹⁷

1.6

Government transparency

Following a recommendation from the House of Commons Procedure Committee for greater block grant transparency,¹⁸ HM Treasury has published information on devolved administrations' block grants. [The Block Grant transparency release](#) includes:

- [a paper](#) (PDF) that sets out how changes in the block grants are calculated and the impact of newly devolved taxes on the block grants
- [a spreadsheet](#) (XLSX) showing a breakdown of changes in the devolved administrations' block grant funding since the 2015 Spending Review

¹⁵ HM Treasury, [Statement of funding policy: Funding the Scottish Government, Welsh Government and Northern Ireland Executive](#), October 2021, paras 2.11-2.13

¹⁶ Cabinet Office Press Release. [JMC agreement on 2012 Olympics consequential funding](#), 22 December 2011

¹⁷ This issue is discussed further, from a Northern Ireland perspective, in [box 1](#) of a briefing from Northern Ireland Assembly's Research and Information Service on Barnett Consequentials.

¹⁸ Procedure Committee, [Authorising Government expenditure: steps to more effective scrutiny](#), 19 April 2017, HC190, [para 119](#)

The level of detail in the spreadsheet is significantly more than was previously published.

1.7 Formula bypass

Although the Barnett formula represents normal procedure, changes to the block grant can be made outside it – a process often referred to as ‘formula bypass’. An example includes funding provided to Northern Ireland as part of a 2017 [Confidence and Supply agreement](#) between the Conservative Party and the Democratic Unionist Party.¹⁹ Funding for City Deals has also been allocated directly to the devolved administrations.²⁰

If the Barnett formula is applied strictly it should lead to convergence in spending per head across the UK’s countries (see section 2.3). Formula bypass is thought to be one factor working against convergence.

1.8 Origins

The Barnett formula was first used for Scotland in 1978 and is named after Joel (latterly Lord) Barnett, the then Chief Secretary to the Treasury. The formula was extended to Northern Ireland in 1979 and Wales in 1980. It was supposed to be a temporary measure, to avoid the annual negotiations that took place during the 1960s and early 1970s, but it has been used with some modification ever since.²¹

A similar formula was introduced in 1888 by the then Chancellor, George Goschen. This formula allocated probate duties to local authorities in England & Wales (80%), Scotland (11%) and Ireland (9%). A variation of this formula continued to be used to distribute support to Scotland over a range of expenditure until 1959 – it even entered statute for certain education expenditure from 1918 to 1959.²²

¹⁹ Further details are available in the Library Insight [Confidence and Supply: Northern Ireland’s £1 billion](#)

²⁰ Committee of Public Accounts, *Funding for Scotland, Wales and Northern Ireland*, 17 July 2019, HC 1751, [paras 10-12](#)

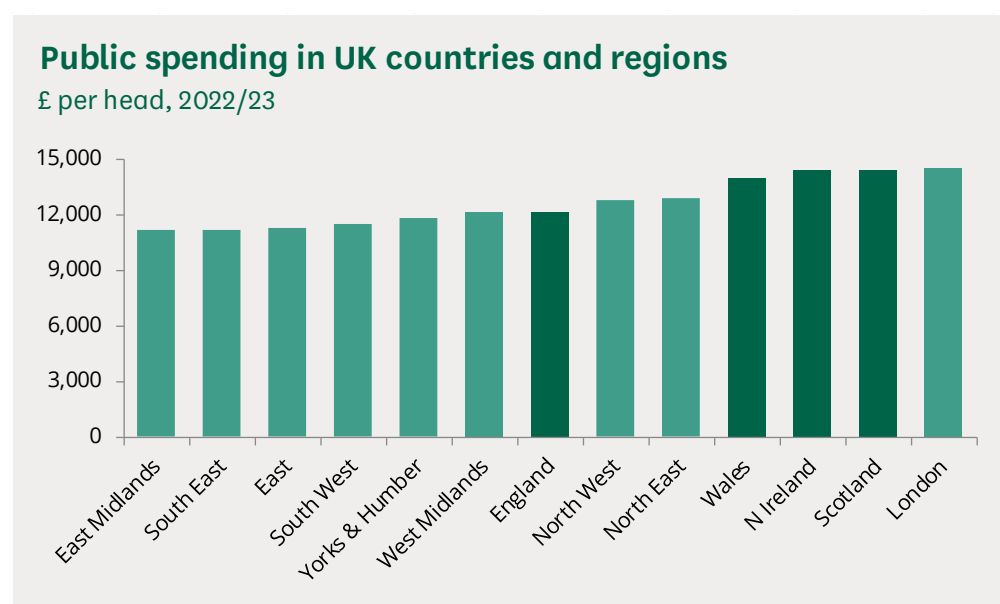
²¹ For further information on Barnett’s origins see: [The Barnett formula](#), Commons Library Research Paper 07/91, 14 December 2007; Treasury Committee, [The Barnett Formula](#), 22 December 1997, HC 341 1997-98; HM Treasury, evidence to the Treasury Committee, *The Barnett Formula*, 22 December 1997, HC 341 1997-98, Ev12; David Heald, *Stair Encyclopaedia* chapter on UK and Scottish public expenditure, 2002, [para 535](#)

²² Institute for Fiscal Studies, [Business as usual? The Barnett formula, business rates and further tax devolution](#), November 2014, Box 1

2 Issues

2.1 Public spending in Scotland, Wales and Northern Ireland

Public spending per head is higher in Scotland, Wales and Northern Ireland than in England. The Barnett formula plays a relatively small role in determining total spending per head in the devolved administrations.



Source: HM Treasury. [Country and regional analysis: 2023](#), Table A.1b

Various arguments have been put forward as to why Scotland, Wales and Northern Ireland need higher levels of public spending per head, including:²³

1. Populations are sparser, making the cost of providing the same level of public services higher.
2. The size of the public sector differs between UK countries. For instance, in Scotland the water industry is publicly owned while in England the water industry is in the private sector.
3. In some areas there are higher levels of demand and need for public services.

²³ Scottish Government, GERS 2013-2014, March 2015, [page 58](#)

However, research carried out both inside and outside of government suggests that need alone may not be enough to explain the higher levels of public spending. Section 1 of the Institute for Government’s report [Funding devolution: The Barnett formula in theory and practice](#) (PDF) discusses the findings of research on the issue.²⁴

The Library briefing [Public spending by country and region](#) discusses public spending across the UK further. It provides various break downs – including by what the money is spent on – and trends.

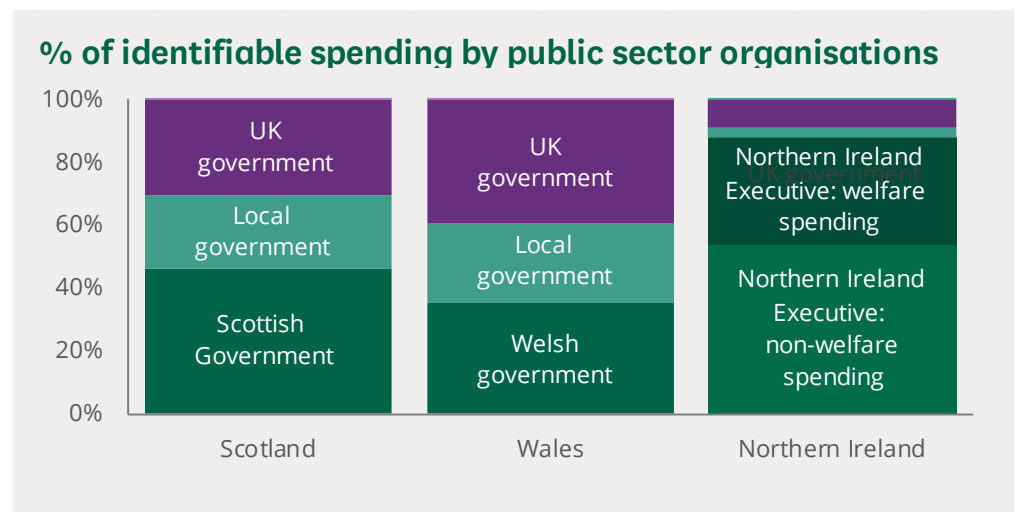
What role does Barnett play in spending differences?

The Barnett formula plays a relatively small role in determining total spending per head in the devolved administrations:

- as the chart below shows, public spending in the devolved countries includes spending by the UK Government which is clearly outside of the Barnett formula.
- the Barnett formula only determines the change in the block grant, not its absolute level. The Barnett formula has no role in determining welfare spending in Northern Ireland.

Further, if applied properly the formula should in fact lead to convergence in public spending across the UK (see section 2.3).

The Institute for Government reports that the “discrepancy in public spending levels is not a direct product of the formula itself, but rather a reflection of historical differences in spending between the UK nations.”²⁵



Source: HM Treasury. [Public Expenditure Statistical Analyses 2023](#), Table 9.21

²⁴ Institute for Government. [Funding devolution The Barnett formula in theory and practice](#), 1 March 2021

²⁵ Institute for Government. [Funding devolution The Barnett formula in theory and practice](#), 1 March 2021, page 11

For Scotland it has been argued that the relatively high levels of public spending precede the Barnett formula's introduction. The Goschen formula (see section 1.8) did not update population proportions after 1888; however, Scotland's population fell substantially relative to England & Wales and by 1959 Scotland received more than its population-based share of UK Government spending.²⁶

2.2 A needs-based formula

For Scotland population is the only consideration of 'need' in the Barnett formula. The introduction of a needs-based factor into the Barnett formula for Wales and Northern Ireland ensures their funding won't fall below a relative needs-based floor (see section 1.4).

There have been calls for the Barnett formula to take greater account of need, or to be replaced with a needs-based formula. Those arguing for such a change say the cost of providing public services is influenced by a range of factors other than just relative population size including, but not limited to, characteristics of the population, deprivation and population density.

In 2010 the Holtham Commission, which considered funding for devolved government in Wales, recommended that a need-based formula should determine the block grant.²⁷ The grant floor introduced for Wales is considered an 'appropriate minimal solution' by the Commission as it simply prevents 'Wales falling further below the lowest of all the estimates of relative needs'.²⁸

After considering devolution in Scotland, the Calman Commission recommended in 2009 that the block grant should be justified by an assessment of need.²⁹

Lords Committees in 2009 and 2015 recommended replacing the Barnett formula with a needs-based formula.³⁰ Similar recommendations were put

²⁶ IFS, [Business as usual? The Barnett formula, business rates and further tax devolution](#), November 2014, Box 1; McLean I, 'Getting and Spending: Can the Barnett formula survive', IPPR New Economy, 2000, p. 76

²⁷ The Holtham Commission, Final Report., July 2010, [para A1.2](#)

²⁸ *ibid*, [para 9.7](#)

²⁹ The Calman Commission, Final Report. Serving Scotland Better: Scotland and the United Kingdom in the 21st Century, June 2009, [para 3.206](#)

³⁰ HL Committee on the Barnett Formula, *The Barnett Formula*, 17 July 2009, HL Paper 139, [conclusions and recommendations](#) HL Economic Affairs Committee, *A Fracturing Union? The Implications of Financial Devolution to Scotland*, 20 November 2015 9, HL Paper 55

forward by the House of Commons Justice Committee in 2009 and by other Parliamentary committees in the past.³¹

Equity

The distribution of public spending across the UK (see section 2.1) has been criticised by some for not being equitable.³² Since devolution such criticisms have increased as devolved administrations have pursued policies different to those of the UK government. There is a perception that devolved administrations have been able to afford better public services, such as free prescriptions and university tuition, due to a “subsidy” from England.³³

Some argue that there are good reasons as to why devolved administrations require per head funding above the English average (see section 2.1). For example, populations are more sparsely populated so providing the same level of service is more expensive. On the other hand, others point out that Scotland’s per capita income is greater than several English regions that receive less public money.

It has been argued that introducing a transparent assessment of needs into the funding of devolved administrations would give legitimacy to differing spending levels, perhaps defusing arguments about equity.³⁴

The Institute for Government recommends that “The Treasury and devolved administrations should jointly conduct or commission a new assessment of the relative spending needs of each part of the UK.”³⁵ They say that even if there is no plan to replace the Barnett formula that the exercise would be valuable to “enable a more informed public and political debate about whether resources are fairly distributed across the UK.”³⁶

³¹ Justice Committee, *Devolution: a decade on*, 24 May 2009, HC 529-I 2008-09, [pp 4](#); HL Select Committee on The Constitution, *Devolution: Inter-Institutional Relations In The United Kingdom*, 17 December 2002, HL Paper 28

³² For instance see: [HC Deb 12 June 2007:c636](#); [HC Deb 21 November 2007 c:154 WH](#); IPPR. [Fair shares? Barnett and the politics of public expenditure](#), July 2008

³³ For instance see: “Scotland freezes council tax – with English subsidy”, *Daily Telegraph*, 15 November 2007; “[Divided Kingdom: English foot the bill for Scots prescriptions](#)”, *Evening Standard* 16 June 2007

³⁴ For instance see: [HC Deb 21 November 2007: c156WH](#); The Holtham Commission, Final Report. Fairness and accountability: a new funding settlement for Wales, July 2010, [para 2.19](#); The Calman Commission, Final Report. Serving Scotland Better: Scotland and the United Kingdom in the 21st Century, June 2009, [paras 36-37](#)

³⁵ Institute for Government. [Funding devolution The Barnett formula in theory and practice](#), 1 March 2021, page 39

³⁶ Institute for Government. [Funding devolution The Barnett formula in theory and practice](#), 1 March 2021, page 39

2.3

Barnett squeeze

Under certain assumptions the Barnett formula would lead to convergence of public spending per head in the four nations of the UK: this is commonly known as the Barnett squeeze.³⁷

If the Barnett formula is followed strictly, the increase in public spending per head is the same in all countries of the UK. Over time, as each country receives the same increase, the higher public spending per head of Scotland, Wales and Northern Ireland should progressively erode. Looking at this another way, the percentage increase in spending per head in Scotland, Wales and Northern Ireland is lower than in England as the base from which they start is higher.

It is hard to verify the extent to which Barnett squeeze is happening, largely due to a lack of comparable data. However, the Holtham Commission, which reported on funding and finance for Wales, found some evidence of Barnett squeeze in Wales by considering functions that are funded by the Welsh Assembly's DEL.³⁸ The Commission reported that the gap in spending per head on such Barnett related functions had roughly halved between Wales and England, since the introduction of the Welsh Assembly. To address this issue the Government introduced a funding floor for Wales's block grant in the 2015 Spending Review (see section 1.4).

There are some factors which may slow or prevent Barnett squeeze.

Formula bypass

For Barnett squeeze to happen the formula must be applied strictly – there must be no formula bypass (see section 1.4). Payments made outside of the formula may slow the speed of convergence.

Population levels

Firstly, if population proportions are not regularly updated convergence can be affected. For instance, until 1992 the 1976 population estimates were used for the Barnett formula. During this time Scotland's population was falling relative to England's, so not updating the population proportions worked against the Barnett squeeze.

Secondly, even if up-to-date populations are used, different rates of population growth may work against the Barnett squeeze. This is because although population changes will be reflected in the annual change, as calculated by Barnett, they are not reflected in the size of the existing block grant. The Institute for Government explains that:

³⁷ Treasury Committee, The Barnett Formula, 22 December 1997, HC 341 1997-98, [para 6](#)

³⁸ The Holtham Commission, First Report. Funding devolved government in Wales: Barnett & beyond, July 2009, [paras 2.22 – 2.24](#)

This feature of the system has acted to the benefit of Scotland and Wales, whose populations have declined relative to England's since the Barnett formula was adopted. According to a House of Lords report, Scotland's share of the UK population declined from 9.3% in 1976 to 8.7% in 1995.³⁹ It has since fallen further, to 8.2%, according to the most recent ONS estimates.⁴⁰ As a result, not only has the higher baseline level of spending in Scotland and Wales been retained by Barnett, but this higher spending has been shared among a gradually falling share of the UK population.⁴¹

Falls in public spending

During periods when spending is falling, if each nation receives the same £ per person fall this will represent a smaller share of the devolved administrations' relatively higher levels of funding. This works against the Barnett squeeze.

³⁹ House of Lords Select Committee on the Barnett formula, '[First Report: The Barnett Formula Session 2008–2009](#)', The Stationery Office, 2009

⁴⁰ Office for National Statistics, '[Population estimates for the UK, England and Wales, Scotland and Northern Ireland: mid-2019](#)', 24 June 2020

⁴¹ Institute for Government. Funding devolution: The Barnett formula in theory and practice, March 2021, [pages 14-16](#)

3 Recent fiscal devolution

The Barnett formula has been little changed by the recent devolution of tax and spending powers to Scotland, Wales and Northern Ireland.⁴² Wales's block grant floor (see section 1.4) is the most significant recent change.

The UK Government and major parties of the UK are generally in favour of keeping the Barnett formula.⁴³ However, to facilitate greater tax and spending devolution block grants have been adjusted:

- Where taxes have been devolved, block grants have been reduced in recognition of the greater revenue raising powers of the devolved administrations.
- Where welfare spending has been devolved, block grants have been increased in recognition of the greater spending requirements.

3.1 Block grant adjustment

Block grants are adjusted to reflect the devolution of new tax powers or welfare responsibilities. The block grant adjustment (BGA) ensures that neither the UK government nor the devolved administration is left worse off simply from the transfer of power. The BGA reflects the fact that devolving power will either generate tax revenues or welfare spending for the devolved administration.

⁴² [Scotland Act 2012](#). Discussion of the preceding Bill is available in the Library Paper [Scotland Bill](#), RP11/06, 18 January 2011; [Scotland Act 2016](#). Discussion of the preceding Bill is available in the Library Paper [Scotland Bill 2015-16 \(Bill 3\)](#), 4 June 2015; [Wales Act 2014](#). Discussion of the preceding Bill is available in the Library Paper [Wales Bill 2013-14](#), RP14/19, 27 March 2014; [Corporation Tax \(Northern Ireland\) Act 2015](#). Discussion of the preceding Bill is available in the Library Paper [Devolution of corporation tax to Northern Ireland](#), SN07078, 12 February 2015

⁴³ See for instance: HM Government. [Wales Bill: Financial Empowerment and Accountability](#), Cm8838, March 2014

Calculation of available funding for the Scottish Budget



Broadly speaking, the block grant adjustment (BGA) can be split into two parts: an initial baseline adjustment and a way of indexing the baseline:

- in the case of a newly devolved tax, the baseline BGA is equal to the UK government's tax receipts raised in the devolved nation in the year prior to devolution. For welfare, the baseline BGA is equal to the UK Government's spending in the devolved nation in the year prior to devolution.⁴⁴
- in subsequent years the BGA is indexed (increased or, potentially, decreased) following an agreed method, linked to growth in related UK government tax revenues (or spending). The initial BGA cannot simply be applied in subsequent years because economic growth and inflation typically lead to tax revenues and welfare spending growing over time. A BGA indexation mechanism needs to be used that: leaves neither government worse off simply from the power being devolved; and, allows for the devolved administrations to face the consequences of the policies they adopt using the devolved powers.

3.2 Indexing BGAs in Scotland

Scotland's BGA indexation is set out in the [fiscal framework](#) agreed by the UK and Scottish Governments.⁴⁵

Indexed Per Capita method

BGAs in Scotland are indexed using the Indexed Per Capita (IPC) approach. This means that the baseline BGAs are indexed by the percentage change in

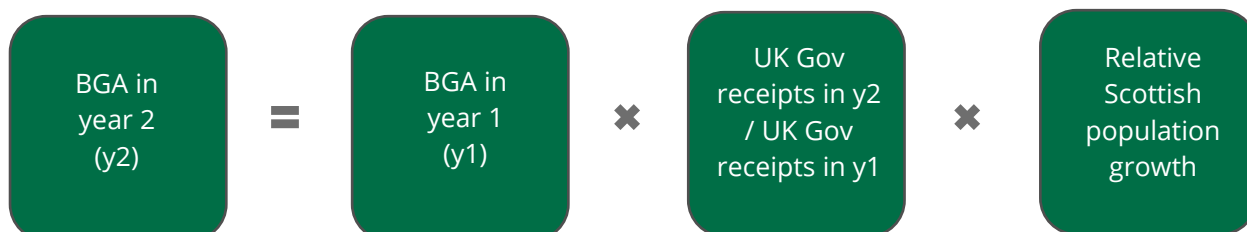
⁴⁴ For Wales, initial baseline block grant adjustments are set out in [Annex B](#) of Wales's fiscal framework (December 2016). For Scotland, initial baseline block grant adjustments for tax and welfare are set out in [para C.8](#) and [para C.10](#), respectively, of Annex C of [Scotland's fiscal framework](#).

⁴⁵ HM Treasury. [The agreement between the Scottish government and the United Kingdom government on the Scottish government's fiscal framework](#), August 2023

comparable tax revenues or welfare spending per capita by the UK Government, and the rate of population growth in Scotland.

This BGA method means that if taxes per head grow quicker in Scotland than the rest of the UK, the Scottish Budget will be better off – conversely, if taxes per head grow more slowly, the Scottish Budget will be worse off.

IPC method for income tax BGA



3.3 Indexing BGAs in Wales

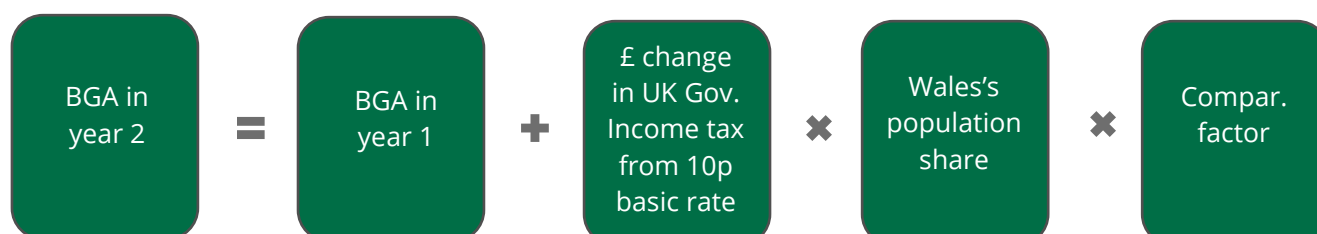
Wales’s BGA indexation is set out in the [fiscal framework](#) agreed by the UK and Welsh Governments.⁴⁶

The Comparable Model

In Wales, the Comparable Model is used to index devolved taxes (stamp duty land tax and landfill tax) and each band of income tax.

The Comparable Model is similar to the Barnett formula. Like the Barnett formula, the Comparable Model includes Wales’s population share and a comparability factor. The comparability factor reflects tax per head in Wales as a proportion of the corresponding UK government tax per head at the point of devolution. Comparability factors for taxes are in effect a measure of Wales’s relative tax capacity.

Comparable model BGA for basic rate of income tax in Wales



⁴⁶ HM Treasury. [The agreement between the Welsh government and the UK government on the Welsh government’s fiscal framework](#), 19 December 2016

3.4

BGA in Northern Ireland

Currently, the only BGA on Northern Ireland's block grant is for air passenger duty (APD). In July 2012 the Northern Ireland Assembly was given powers to set APD rates on direct long-haul flights, and subsequently the Northern Ireland Executive introduced provisions to set these rates to zero from 1 January 2013. To comply with EU rules on State Aid,⁴⁷ the Executive had to bear the full fiscal consequences of this tax cut, so consequential reductions have been made in each subsequent year to its block grant.

Box 3: Borrowing powers of the devolved administrations

The devolved administrations can borrow for capital and resource purposes up to set limits. Capital spending is on assets that last for several years (such as infrastructure or vehicles). Resource spending is on things that are used up (such as salaries, grants, public services, administration).

There are limits on what each administration can borrow according to the purpose of the borrowing.

Scotland⁴⁸

Scotland has an annual **capital borrowing** limit of £450 million and a total (cumulative) capital borrowing limit of £3 billion. Both limits are fixed in real terms at 2023/24 prices. Capital borrowing can be accessed through the UK government (from the National Loans Fund), as a commercial loan (directly from a bank or other lender) or through issuing bonds.

The Scottish Government can borrow up to £600 million annually for **resource purposes** up to a cumulative limit of £1.75 billion. Both limits are fixed in real terms at 2023/24 prices. Annual resource borrowing can be accessed for the following reasons:

1. in-year cash management
2. for forecast error in relation to devolved and assigned taxes and demand-led welfare expenditure arising from forecasts of Scottish receipts/expenditure and corresponding UK forecasts for the block grant adjustments

⁴⁷ For details see, HMG, [Review of the Balance of Competences between the United Kingdom and the European Union: Competition and Consumer Policy Report](#), July 2014 pp25-28

⁴⁸ HM Treasury. [The agreement between the Scottish Government and the United Kingdom Government on the Scottish Government's fiscal framework](#), August 2023; HM Treasury. [Statement of funding policy](#), October 2021

Resource borrowing is accessed through the UK government (from the National Loans Fund).

Wales⁴⁹

The Welsh Government has an annual **capital borrowing** limit of £150 million and a total (cumulative) capital borrowing limit of £1 billion. Capital borrowing can be accessed through the UK government (from the National Loans Fund), as a commercial loan (directly from a bank or other lender) or through issuing bonds.

The Welsh Government can borrow up to £200 million each year for **resource** if tax revenues are lower than forecast. It can borrow up to £500 million for in-year cash management. There is a total cumulative cap of £500 million. Borrowing is accessed through the UK government (from the National Loans Fund).

Northern Ireland⁵⁰

The Northern Ireland Executive can **borrow for capital** purposes up to a cumulative maximum of £3 billion. The annual limit for borrowing was increased from £200 million to £220 million in 2024/25. It will rise with inflation from 2025/26. Borrowing is accessed through the UK government (from the National Loans Fund).

The Northern Ireland Executive can borrow for **resource** up to a maximum outstanding amount of £250 million. The borrowing is for short-term cash management purposes. Borrowing is accessed through the UK government (from the National Loans Fund).

3.5

Reviewing Scotland's fiscal framework

A review of Scotland's fiscal framework was completed in the summer of 2023.⁵¹ Section 3.2 and Box 3 of this briefing reflect the outcome of the review.

⁴⁹ HM Treasury. [The agreement between the Welsh government and the UK government on the Welsh government's fiscal framework](#), 19 Dec 2019; HM Treasury. HM Treasury. [Statement of funding policy](#), October 2021

⁵⁰ HM Treasury. [The agreement between the Northern Ireland Executive and the United Kingdom Government on the Northern Ireland Executive's Interim Fiscal Framework](#), May 2024; HM Treasury. [Statement of funding policy](#), November 2020

⁵¹ HM Treasury, [The updated agreement on the Scottish Government's Fiscal Framework](#), 2 August 2023

The review resulted in some small changes to Scotland's borrowing powers and settled on the Indexed Per Capita (IPC) method as the method for calculating Scotland's BGAs.

Before the review, the Comparable Model was also used to calculate a separate set of BGAs for Scotland, but these were never used. The BGAs calculated by the IPC method were always the ones used for determining Scotland's funding. This arrangement was set up in 2016, when Scotland's fiscal framework was first negotiated.⁵² During negotiations, the Comparable Model was the UK government's preferred indexation method. The Scottish Government preferred the IPC method. The compromise reached meant that while both methods were used to calculate separate BGAs, the actual BGAs used would come from the IPC method. The 2023 review ends this situation with the IPC method becoming the sole method of adjustment.

The 2023 fiscal framework review was informed by an independent report on options for [Scotland's block grant adjustment](#) from Professor David Bell (University of Stirling), David Eiser (Fraser of Allander Institute at the University of Strathclyde) and David Phillips (Institute for Fiscal Studies), who are experts on fiscal devolution.

The Institute for Fiscal Studies and Fraser of Allander Institute – both think tanks – have analysed Scotland's revised fiscal framework:

- Institute for Fiscal Studies, [An immediate response to the Scottish Fiscal Framework review](#), 2 August 2023
- Fraser of Allander Institute, [Fiscal Framework Review finally published – what does it mean for Scotland?](#), 2 August 2023

3.6

Further information about fiscal devolution

There is more to the devolution of tax and spending powers than just providing the powers and adjusting the block grant. For Scotland and Wales, fiscal frameworks also include processes for reconciling forecasts with outturns, costs, dispute resolution etc. As these items aren't directly relevant to the Barnett formula they are not discussed here. The issues are fully covered in the documents set out below.

⁵² HM Treasury, The agreement between the Scottish government and the United Kingdom government on the Scottish government's fiscal framework, February 2016

Scotland

Government documents

- Scottish Government, [Fiscal framework: agreement between the Scottish and UK Governments](#), 2 August 2023
- Scottish Government, [Fiscal framework outturn report: 2023](#), 29 September 2023
- Scottish Government, [Seventh Annual Report on the implementation of the Scotland Act 2016](#), 22 May 2023

Summary/analysis

- Institute for Fiscal Studies, [An immediate response to the Scottish Fiscal Framework review](#), 2 August 2023
- Scottish Parliament Information Centre (SPICe), [The Fiscal Framework](#), 7 November 2016
- Audit Scotland, [Scotland's new financial powers: Operation of the Fiscal Framework 2018/19](#), October 2019
- SPICe, [The \(budgetary\) times they are a changin': 20 years of devolved budgets](#), 5 April 2019
- IFS, [Scotland's fiscal framework: assessing the agreement](#), 22 March 2016
- SPICe, [Scotland's fiscal outlook: possible large reconciliations ahead](#), 31 May 2019
- Institute for Government, [Funding devolution: The Barnett formula in theory and practice](#), 1 March 2021
- Institute for Government, [Devolution at 20](#) [accessed on 9 May 2024]

Wales

Government documents

- Welsh Government and UK Government, [The Welsh Government's fiscal framework](#), 19 December 2016
- Welsh Government, [The seventh annual report by Welsh Ministers about the implementation and operation of Part 2 \(Finance\) of the Wales Act 2014](#), 6 April 2021

Summary/analysis

- Welsh Parliament Finance Committee, [Inquiry into the implementation of the Wales Act 2014 and operation of the Fiscal Framework](#), February 2021
- Wales Audit Office, [Guide to Welsh Public Finances](#), 16 July 2018
- Wales Audit Office, [Fiscal Devolution in Wales: devolved taxes and Welsh rates of income tax](#), December 2018
- Wales Governance Centre & IFS, [Fair Funding for Taxing Times? Assessing the Fiscal Framework Agreement](#), February 2017

Northern Ireland

Government documents

- HM Treasury, [The agreement between the Northern Ireland Executive and the United Kingdom Government on the Northern Ireland Executive's Interim Fiscal Framework](#), May 2024;
- HM Treasury, Statement of funding policy: funding the Scottish Government, Welsh Government and Northern Ireland Executive, October 2021, [Chapter 12 \(PDF\)](#)

Summary/analysis

- Institute for Government, [Devolution at 20](#) [accessed on 9 May 2024]
- National Audit Office, [Investigation into devolved funding](#), 13 March 2019

3.7

Recent legislation and Barnett

Scotland Act 2012

The Scotland Act gave the Scottish Parliament greater responsibility for raising its own revenue. Power to deviate income tax from the UK rate was devolved, as were taxes on land transactions and disposals to landfill.

Scotland's block grant was adjusted in recognition that the Scottish Parliament will have more locally raised tax revenues at its disposal. No change was made to the Barnett formula.

The UK government ruled out any changes to the Barnett formula, while leaving the door open to possible change in the future, when the preceding bill was published. In [Strengthening Scotland's Future](#) the government recognised concerns expressed about the Barnett formula block grant

system, but ruled out any changes before the public finances returned to normal.⁵³

Scotland Act 2016

The Scotland Act 2016 devolved further tax raising powers, giving the Scottish Parliament control over income tax, air passenger duty and aggregates levy, whilst also assigning an element of VAT receipts. It also devolves further spending powers, including elements of welfare.

As with the Scotland Act 2012, whilst the block grant was adjusted to recognise the increase in locally raised tax revenues and increased spending, the Barnett formula was not changed.

Prior to the bill's publication the Smith Commission, brought together to make recommendations on devolution to Scotland, agreed that the Barnett formula should continue to determine changes in the block grant.⁵⁴

Progress

Not all the devolved powers have been implemented yet.⁵⁵

The UK and Scottish governments are working towards assigning VAT the first 10p of the standard rate of VAT and the first 2.5p revenues to Scotland.

The introduction of a replacement for air passenger duty in Scotland has been delayed to allow issues raised in relation to the Highlands and Islands exemption to be resolved.⁵⁶ [Air departure tax](#) is Scotland's planned replacement for air passenger duty.

The Scottish Government is working on a [devolved replacement for the UK aggregates levy](#). The [Aggregates Tax and Devolved Tax Administration \(Scotland\) Bill](#) introduces the necessary legislation. Once enacted, the tax is expected to be introduced from 1 April 2026. Devolution of the aggregates levy had been held up by state aid issues and a UK government review, both of which are now resolved.

The Scottish Government expects to replace the UK government's Winter Fuel Payment in winter 2024.⁵⁷

Wales Act 2014

Tax raising powers over business rates, land transaction tax and landfill tax were all devolved to the National Assembly of Wales in the Wales Act 2014.

⁵³ HM Government, [Strengthening Scotland's Future](#), cm 7979, November 2010, pages 22-23

⁵⁴ The Smith Commission, Report of the Smith Commission for further devolution powers to the Scottish Parliament, 27 November 2014, [para 95 \(1\)](#)

⁵⁵ Scottish Government. [Fiscal Framework Outturn Report: 2023](#), September 2022

⁵⁶ Scottish Government.

⁵⁷ Scottish Government. [Social Security: Heating cost help](#) [accessed on 25 August 2023]

Subject to a referendum, the Act also introduced a Welsh rate of income tax. However, the Wales Act 2017 removed the referendum requirement and from April 2019 the Welsh Assembly became able to set income tax rates in Wales.⁵⁸

Wales's block grant has been adjusted to reflect the new powers. The fiscal framework that sets out the block grant adjustment method also sets out the calculation for the block grant floor (discussed in section 1.4) which adds a needs-based factor to Wales's Barnett formula.

The UK government published [Wales Bill: Financial Empowerment and Accountability](#) alongside the Bill. In the Command Paper the government discussed why it wishes to keep the Barnett formula. Much the same arguments were made in the context of the Scottish legislation discussed above:

While the UK Government recognises some of the concerns expressed about the Barnett formula, the system has many strengths. Resources and risks are shared across the UK, which ensures that the Assembly is provided with stable levels of funding to deliver devolved public services. The system is also simple, transparent and efficient; key requirements for any funding system. The UK Government's priority is to reduce the deficit and it does not have any plans to reform the Barnett formula before the stabilisation of the public finances.⁵⁹

Northern Ireland Corporation Tax (Northern Ireland) Act 2015

The Act devolves corporation tax rates to Northern Ireland, subject to commencement regulations.⁶⁰ Commencement of powers in the Act:

[..] relies on the Northern Ireland Executive meeting the commitments entered into in the Stormont House Agreement, including those around ensuring that the Executive's finances are demonstrated to have been placed on a sustainable footing.⁶¹

Northern Ireland's block grant will be adjusted once the tax is devolved and there will be no change to the Barnett formula.

⁵⁸ Welsh Government. [Income tax](#) [accessed on 15 January 2018]

⁵⁹ HM Government, [Wales Bill: Financial Empowerment and Accountability](#), March 2014, [para 6](#)

⁶⁰ Parliament Bill page [Corporation Tax \(Northern Ireland\) Act 2015](#)

⁶¹ HM Treasury. Statement of funding policy: Funding the Scottish Government, Welsh Government and Northern Ireland Executive, November 2020, [para 12.8](#)

Appendix 1. Calculating comparability percentage

Example comparability calculation: Department for Work and Pensions, Spending Review 2021									
Column----->	a	b	c	d	e = a x b	f = a x c	g = a x d		
		Comparability				Calculation			
	2020/21 provision	Scotland	Wales	NI	Scotland	Wales	NI		
Benefit Delivery - Additional Needs Benefits	863,968	100%	0%	100%	863,968	0	863,968		
Benefit Delivery - Out of Work and Other Benefits	2,448,729	0%	0%	100%	0	0	2,448,729		
Discretionary Housing Payments	219,500	100%	0%	100%	219,500	0	219,500		
Health & Safety Executive	141,205	0%	0%	100%	0	0	141,205		
Housing Benefit Administration	132,200	0%	0%	100%	0	0	132,200		
Labour Market	1,494,547	0%	0%	100%	0	0	1,494,547		
Long Term/Disadvantaged Employment Programmes	84,700	100%	0%	100%	84,700	0	84,700		
Money & Pensions Service	129,900	0%	0%		0	0	0		
National Employment Savings Trust	113,000	0%	0%	100%	0	0	113,000		
National Insurance Fund	431,769	0%	0%	100%	0	0	431,769		
Office for Nuclear Regulation	4,135	0%	0%	100%	0	0	4,135		
Other Employment Programmes	22,300	0%	0%	100%	0	0	22,300		
Pensions Levy	-71,288	0%	0%	100%	0	0	-71,288		
Pensions Regulator	105,145	0%	0%	100%	0	0	105,145		
Social Fund	75,378	100%	0%	100%	75,378	0	75,378		
The Pensions Ombudsman	6,460	0%	0%	100%	0	0	6,460		
Total provision	6,201,648			Weighted sum	1,243,546	0	6,071,748		
		Comparability percentage = weighted sum/ total provision			20.1%	0.0%	97.9%		

Source: HM Treasury. Statement of funding policy, 2021, [page 65](#) (PDF)

Appendix 2. Calculating Scotland's Barnett consequentials

Scotland's 2022/23 consequentials from Spending Review 2021, relative to 2021/22 baseline

<i>UK Department</i>	Comparability percentage	Population proportion	Resource, £ billion		Capital, £ billion		Financial transactions, £ billion	
			UK change on 2021/22	Scottish consequentials	UK change on 2021/22	Scottish consequentials	UK change on 2021/22	Scottish consequentials
Health	99.5%	9.7%	18,549.3	1,783.9	1,256.5	120.8	0.0	0.0
Education	100.0%	9.7%	6,094.3	589.1	783.1	75.7	-61.0	-5.9
Defence	0.0%	0.0%	802.9	0.0	1,162.7	0.0	0.0	0.0
Home Office	74.1%	9.2%	1,512.1	102.5	121.5	8.2	0.0	0.0
Justice	100.0%	9.2%	964.7	88.3	272.5	24.9	0.0	0.0
Local Government	100.0%	9.7%	2,650.3	256.2	...	...	...	...
Work and Pensions	20.1%	9.2%	1,497.5	27.5	288.8	5.3	106.0	1.9
HM Revenue and Customs	4.0%	9.7%	970.9	3.8	75.0	0.3	0.0	0.0
Transport (Excluding Network Rail)	91.7%	9.7%	2.3	0.2	1,365.0	121.0	0.0	0.0
Network Rail	100.0%	9.2%	0.0	0.0	0.0	0.0	0.0	0.0
Business Energy and Industrial Strategy	6.7%	9.7%	264.1	1.7	448.0	2.9	-9.3	-0.1
Communities	100.0%	9.7%	226.7	21.9	354.1	34.2	808.0	78.1
Environment and Rural Affairs	96.9%	9.7%	486.3	45.6	289.7	27.1	-6.0	-0.6
Culture, Media and Sport	68.0%	9.7%	674.1	44.3	-64.8	-4.3	0.0	0.0
Single Intelligence Account	0.0%	0.0%	128.2	0.0	131.4	0.0	0.0	0.0
HM Treasury	0.0%	0.0%	52.1	0.0	-0.7	0.0	0.0	0.0
Cabinet Office	0.0%	0.0%	83.6	0.0	-57.1	0.0	0.0	0.0
Law Officer's Department	98.3%	9.2%	69.5	6.3	-0.3	0.0	0.0	0.0
Business Rates Income	100.0%	9.7%	1,576.3	152.4	...	...	...	...
Total Small and Independent Bodies	...	...	...	5.0	...	0.6	...	...
Total Scottish consequentials				3,128.5		416.9		73.5

Source: [Scottish Parliament Information Centre. Additional funding since the 2021 Spending Review](#) [accessed on 8 July 2022]

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