

Kenneth Gibson MSP  
Convener  
Finance and Public Administration Committee  
Scottish Parliament Edinburgh  
EH99 1SP

11 December 2025

Dear Convener,

The Scottish Fiscal Commission wrote to the Committee on the 8 April 2025 to make you aware of the release of the second Fiscal Sustainability Report. The report projected spending and funding from 2029-30 up to 2074-75, and the balance between the projections was used to make an assessment of the Scottish Government's annual budget gap.

We are writing to you today to inform you that we have published an [Error Correction Notice](#) in relation to this report. This notice explains the impact of two errors we have identified in our projections and sets out the actions we have taken to remedy this and reduce the chance of future errors.

These errors only affect the projections shown in our Fiscal Sustainability Report. Our regular five-year forecasts – which underpin the Scottish Budget process – are not affected.

As we set out in the Error Correction Notice, the core messages of the Fiscal Sustainability Report published in April are unchanged. In particular, we project a negative annual budget gap over time, suggesting that future Scottish Governments will face significant challenges funding devolved public services. The revised projections show a more substantial fiscal challenge. We have now updated the summary of our Fiscal Sustainability Report on our website.

As part of our approach to continuously improving our modelling and analysis, we plan to review and consult on our approach to projecting and reporting the Scottish Government's fiscal sustainability in 2026 ahead of any future work on this topic.

It is important to us that we are transparent and clear where we make errors and correct them in a timely manner in line with our error correction policy. We encourage our teams to internally scrutinise our work. We support staff to be open about any errors so that we can respond appropriately. We have also conducted a review of our process in light of this error to learn lessons and reduce the chance of further errors.

We acknowledge this was an error we made and remain committed to transparency and ensuring stakeholders understand the nature and scale of any errors. I would be happy to discuss this further if you have any questions.

Yours sincerely,



Professor Graeme Roy