

Agenda – Y Pwyllgor Cyllid

Lleoliad:	I gael rhagor o wybodaeth cysylltwch a:
Ystafell Bwyllgora 2 – y Senedd	Bethan Davies
Dyddiad: Dydd Mercher, 9 Rhagfyr	Clerc y Pwyllgor
2015	0300 200 6565
Amser: 09.00	SeneddCyllid@Cynulliad.Cymru

1 Cyflwyniadau, ymddiheuriadau a dirprwyon

(09.00)

2 Papurau i'w nodi

(09.00)

Llythyr at Gadeirydd y Pwyllgor Cyllid gan Brif Weithredwr a Chlerc y Cynulliad

(Tudalennau 1 – 2)

Llythyr at Gadeirydd y Pwyllgor Cyllid gan y Gweinidog Cyllid a Busnes y

Llywodraeth

(Tudalen 3)

3 Cyllideb Ddrafft Llywodraeth Cymru 2016–17: Sesiwn dystiolaeth

1

(09.00 – 11.00)

(Tudalennau 4 – 20)

Jane Hutt AC – Gweinidog Cyllid a Busnes y Llywodraeth

Jo Salway – Dirprwy Gyfarwyddwr Cyllidebu Strategol, Llywodraeth Cymru

Margaret Davies – Pennaeth Cyflenwi'r Gyllideb, Llywodraeth Cymru

Jeff Andrews – Cyngorydd Polisi Arbenigol, Llywodraeth Cymru

Papur briffio gan y Gwasanaeth Ymchwil – Trosolwg cyn y Gyllideb Ddrafft 2016–

17



4 Cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y cyhoedd o'r cyfarfod ar gyfer y busnes canlynol:

(11.00)

Eitemau 5, 6, 7 ac 8.

Egwyl

(11.00 – 11.15)

5 Cyllideb Ddrafft Llywodraeth Cymru 2016–17: Trafod y dystiolaeth

(11.15 – 11.30)

(Tudalennau 21 – 25)

Papur 1 – Llythyr ymgynghori drafft

6 Swyddfa Archwilio Cymru: Cynllun Ffioedd ar gyfer 2016–17

(11.30 – 11.40)

(Tudalennau 26 – 51)

Papur 2 – Cynllun Ffioedd Swyddfa Archwilio Cymru ar gyfer 2016–17

7 Rhagolygon Treth Cymru

(11.40 – 11.50)

(Tudalennau 52 – 87)

Papur 3 – Rhagolwg o ran trethi datganoledig

8 Ymchwiliad etifeddiaeth

(11.50 – 12.10)

(Tudalennau 88 – 111)

Papur 4 – Pennod ddrafft: Deddf Cyllid y GIG (Cymru) 2014

Papur 5 – Pennod ddrafft: Cyllid Cymru

Jocelyn Davies AM
Chair, Finance Committee
National Assembly for Wales
Tŷ Hywel
Cardiff Bay
Cardiff

19 November 2015

Dear Jocelyn

When the Public Accounts Committee (PAC) recently scrutinised the Commission's Annual Accounts for 2014-15, we were asked a question about severance schemes. In light of that, and in the interests of transparency, I am writing to both PAC and the Finance Committee to inform you of our decision to run a voluntary severance scheme.

As we have mentioned during scrutiny by your Committee, the Assembly Commission has a formal approach to capacity planning to help ensure that the Commission has the right staffing complement and structure. This ensures that we: align our resources in terms of capacity and skills; improve workforce effectiveness; achieve structural change to best support the business of the Assembly; and integrate capacity and service planning.

As part of this work we have been considering whether to run a voluntary severance scheme and, having carefully weighed the benefits against the negative aspects and risks, we have concluded that we should. This has been discussed and reviewed by Management Board and the Investment and Resourcing Board and is a decision that I have taken within my delegated authority as Accounting Officer. The purpose of the scheme will be to:

- allow the organisation to respond to shifts in our skill requirements;
- facilitate organisational change, including within particular teams;



- improve workforce efficiency; and
- deliver long-term savings where possible and/or avoiding additional costs in meeting skill shortages.

We intend to launch the scheme this week and those employees whose applications are accepted will leave by 31 March 2016 or early in the new financial year. The scheme will be run in accordance with Cabinet Office/Treasury rules, will be similar to the scheme run recently by the Welsh Government and will have robust assessment criteria and decision processes. The Trade Union Side (TUS) has been informed of our intention to run the scheme and they will be invited to observe the decision process.

In planning the scheme, we have taken full account of the recommendations arising from the internal audit review of our previous schemes and from the wider WAO VFM study into severance schemes. The cost, benefits and savings from the scheme will be published as part of the 2015-16 Annual Report and Accounts in July 2016.

This letter is for information only, but please do let me know if you would like any further information.

Best wishes



Claire Clancy

**Prif Weithredwr a Chlerc/Chief Executive and Clerk
Cynulliad Cenedlaethol Cymru/National Assembly for Wales**



Jane Hutt AC / AM
Y Gweinidog Cyllid
Minister for Finance



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref:

Jocelyn Davies AM,
Chair, Finance Committee,
The National Assembly for Wales,
Cardiff Bay,
Cardiff
CF99 1NA

| December 2015

Dear Jocelyn,

I am writing to provide you with advanced notice of the planned timetable for publication of the Second Supplementary Budgets for 2015-16.

As I indicated in April this year, I intend to publish a second in year budget for 2015-16 and plan to table the Second Supplementary Budget for 2015-16 on 9 February.

Given the Spring recess, I have agreed to delay moving the Second Supplementary Budget by a week until 8 March. This provides an additional week beyond the three-week period outlined in Standing Orders.

I hope you find this update helpful.

Bert Hisher,
Jane

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business

Eitem 3

Yn rhinwedd paragraff(au) vi o Reol Sefydlog 17.42

Mae cyfyngiadau ar y ddogfen hon

Mae cyfyngiadau ar y ddogfen hon



Cynllun Ffioedd 2016-17

Cynllun Ffioedd 2016-17

Mae hwn yn gynllun ffioedd a baratowyd gan Swyddfa Archwilio Cymru o dan adran 24 o Ddeddf Archwilio Cyhoeddus (Cymru) 2013.

Cyflwynir y cynllun ffioedd hwn gerbron y Cynulliad Cenedlaethol o dan adran 24(4)(c) o Ddeddf Archwilio Cyhoeddus (Cymru) 2013

Cynnwys

Cynllun Ffioedd

Introduction	4
List of enactments	5
Fee rates and fee scales	6
Charging of fees	10

Atodiadau

Atodiad 1 – Deddf Archwilio Cyhoeddus (Cymru) 2013 – testun llawn adran 24	11
Atodiad 2 – Rhestr o ddeddfiadau y caiff ac y mae'n rhaid i Swyddfa Archwilio Cymru godi ffi odanynt	13
Atodiad 3 – Graddfeydd ffioedd ar gyfer gwaith a wneir mewn cyrff llywodraeth leol	14

Cyflwyniad

- 1 Paratowyd y Cynllun Ffioedd hwn gan Swyddfa Archwilio Cymru o dan adran 24 o Ddeddf Archwilio Cyhoeddus (Cymru) 2013 (y Ddeddf) (**Atodiad 1**). Mae'r Cynllun Ffioedd, wedi iddo gael ei gymeradwyo gan Bwyllgor Cyllid y Cynulliad Cenedlaethol, yn rhoi'r sylfaen i Swyddfa Archwilio Cymru godi ffioedd.
- 2 Am y tro cyntaf, roedd Amcangyfrif Swyddfa Archwilio Cymru (ar gyfer 2016-17), a ystyriwyd gan y Pwyllgor Cyllid ym mis Tachwedd 2015, yn cynnwys Cynllun Ffioedd drafft llawn. Mae'r drefn newydd hon yn adlewyrchu'r ffaith bod Bwrdd Swyddfa Archwilio Cymru yn benderfynol o gynyddu tryloywder ymhellach a dangos y gydberthynas uniongyrchol rhwng ein sylfaen gostau a'i heffaith ganlyniadol ar gyfraddau ffioedd.
- 3 Mae'r Bwrdd wedi gwrando'n astud ar adborth rhanddeiliaid ar ein agenda cost-ffeithlonrwydd a'r cyfraddau ffioedd a bennwn. Wrth geisio cymeradwyaeth y Cynulliad Cenedlaethol i'n Hamcangyfrif ar gyfer 2016-17, gwnaethom gynnig y canlynol yn yr Amcangyfrif:
 - Rhewi cyfraddau ffioedd a graddfeydd ffioedd mewn termau arian parod am yr ail flwyddyn, a fyddai'n boblogaidd yn ôl yr adborth.
 - Talu rhywfaint o'r £1 filiwn o bwysau ariannol sy'n gysylltiedig â chyflogau staff, chwyddiant a chostau eraill drwy arbedion ac effeithlonrwydd mewnol er mwyn osgoi effeithio ar ffioedd.
 - Parhau i bennu targedau o dan ein Rhaglen Effeithlonrwydd ac Effeithiolrwydd i adeiladu ar yr arbedion a gynhyrchwyd eisoes.
 - Parhau i ariannu gwaith y Fenter Twyll Genedlaethol o'r arian a gawn o Gronfa Gyfunol Cymru yn hytrach na thrwy godi ffioedd ar y cyrff sy'n cymryd rhan. Dangosodd yr adborth fod cyrff a archwilir yn croesawu'r drefn hon.
 - Cynnig cyfleoedd i'n hyfforddeion cyfrifyddu fynd ar secondiad yn y sector cyhoeddus, heb effeithio ar y ffioedd a godir am waith archwilio.
 - Creu capasiti ar gyfer meddwl trawsnewidiol yn ein gwaith archwilio. Atgyfnerthodd yr adborth yr angen i ni wneud mwy o waith datblygu er mwyn helpu i gydbwysu cost gyffredinol gwaith archwilio i gyrff cyhoeddus.

- 4 Mae'r Cynllun Ffioedd hwn yn adlewyrchu'r Amcangyfrif a gymeradwywyd ac, yn fras, mae'n nodi'r canlynol:
- Y deddfiadau y caiff Swyddfa Archwilio Cymru godi ffioedd archwilio odanynt.
 - Y trefniadau ar gyfer pennu'r ffioedd hynny, sy'n cynnwys naill ai:
 - graddfeydd ffioedd sy'n nodi'r amrediad ffioedd a godir am feysydd penodol o waith archwilio mewn llywodraeth leol; neu
 - gyfraddau ffioedd am waith na chaiff ei gynnwys mewn graddfeydd ffioedd.
- 5 Yn gyffredinol, caiff 71 y cant o'n gwariant ei ariannu drwy ffioedd a godir ar gyrff a archwilir a grant gan Lywodraeth Cymru i gefnogi gwaith asesu gwelliant. Darperir y 29 y cant arall yn uniongyrchol o Gronfa Gyfunol Cymru, drwy bleidlais y Cynulliad Cenedlaethol. Mae rhagor o wybodaeth am ein gwariant a'n cyllid yn ein hamcangyfrifon blynyddol o incwm a gwariant a osodir gerbron y Cynulliad Cenedlaethol.

Rhestr deddfiadau

- 6 Mae **Atodiad 2** yn rhestru'r deddfiadau y caiff ac y mae'n rhaid i Swyddfa Archwilio Cymru godi ffi odanynt.

Cyfraddau a graddfeydd ffioedd

- 7 Nid yw Swyddfa Archwilio Cymru yn gwneud elw o ffioedd. O dan y ddeddfwriaeth, ni chaiff y ffioedd a godir gennym fod yn uwch na'r gost lawn sy'n gysylltiedig â chyflawni'r swyddogaeth y codir y ffi amdani. Pennir ein cyfraddau ffioedd er mwyn adennill y gost honno'n llawn.
- 8 Mae tensiwn rhwng nodi ffi am y gwaith a wneir ar archwiliadau penodol ymlaen llaw i gyrff a archwilir a chael gweithdrefn ddigon hyblyg sy'n cydnabod bod amrywiadau yn anochel. Pennir ein ffioedd archwilio yn seiliedig ar ein gwariant amcangyfrifedig, y cymysgedd sgiliau amcangyfrifedig a nifer amcangyfrifedig y diwrnodau sydd eu hangen i gwblhau'r gwaith. Os bydd y gwaith sy'n ofynnol yn sylweddol fwy na'r hyn a amcangyfrifwyd yn wreiddiol, oherwydd cymhlethdodau a gododd yn ystod yr archwiliad, gallwn godi ffi uwch, yn unol â deddfwriaeth.
- 9 Yn amlwg, mae ein trefniadau ar gyfer codi ffioedd yn gymhleth, yn llafurus ac yn ddrud i'w gweinyddu ac mae rhai yn ystyried nad ydynt yn gwneud dim mwy na chylchredeg arian o fewn y sector cyhoeddus. Byddwn yn parhau i ystyried trefniadau amgen mewn trafodaethau â Phwyllgor Cyllid y Cynulliad Cenedlaethol. Byddai'r Bwrdd yn croesawu camau i symleiddio gofynion Deddf Archwilio Cyhoeddus (Cymru) 2013 mewn perthynas â chodi ffioedd archwilio.
- 10 Aethom gam ymhellach na'r gofynion statudol i ymgynghori ar ffioedd ac, ym mis Medi 2015, gwnaethom ymgynghori â'r holl gyrff a archwilir a rhanddeiliaid eraill ar ein graddfeydd a'n cyfraddau ffioedd ar gyfer 2016-17. Cawsom 19 o ymatebion, sy'n fwy na'r 12 a gafwyd y flwyddyn flaenorol. Dangosodd yr ymatebion y canlynol:
 - Mae'r cam i rewi cyfraddau ffioedd yn cael ei groesawu'n fawr, yn ogystal â'r graddfeydd ffioedd cymharol debyg a'r penderfyniad i ariannu cyfranogiad yn y Fenter Twyll Genedlaethol.
 - Caiff yr ymdrech i wella tryloywder ei chroesawu, ond ceir anogaeth i fynd ymhellach.
 - Caiff y posibilrwydd o ad-daliadau ffioedd ei groesawu ond mae'r gallu i godi costau ychwanegol yn peri pryder i gyrff a archwilir.
 - Mae pryder mawr ymhlith cyrff a noddir gan Lywodraeth Cymru ynglŷn â'r posibilrwydd y daw eu cymhorthdal ffioedd i ben. Mae ein Hamcangyfrif yn nodi ein rhesymau dros wneud hynny.

- Mae pryderon ynghylch y newidiadau i godi ffioedd am waith archwilio mewn Cynghorau Tref a Chymuned. Rydym wedi bod yn hysbysebu'r newidiadau hyn ers cryn amser a rhaid inni ddechrau adennill costau'r gwaith a wneir mewn Cynghorau llai o faint. Yn ei adroddiad diweddar, nododd yr Archwilydd Cyffredinol er bod Cynghorau Tref a Chymuned bellach yn cyflwyno cyfrifon diwedd blwyddyn yn fwy prydlon yng Nghymru, mae lle o hyd i'r sector yn ei gyfanwydd wella ei drefniadau rheoli a llywodraethu ariannol.
 - Mae galw sylweddol am ddull archwilio symlach er mwyn helpu i leihau cyfanswm y ffioedd a godir am waith archwilio. Mae ein Hamcangyfrif yn egluro ein bod yn cydnabod bod archwilio mewn cyfnod o gyni cyllidol yn galw am ailystyried y gwaith archwilio a wnawn a'n dulliau archwilio. Rydym wedi blaenoriaethu capasiti ar gyfer meddwl trawsnewidiol.
- 11 Croesawodd y Bwrdd yr adborth hwn ac mae'n ymateb iddo drwy'r Cynllun Ffioedd hwn a'n fframwaith cynllunio busnes.
12. Mae **Arddangosyn 1** yn nodi'r cyfraddau ffioedd fesul awr am staff archwilio sy'n adlewyrchu costau uniongyrchol a chyfran briodol o orbenion. Caiff y model costio ei archwilio gan archwilwyr allanol Swyddfa Archwilio Cymru.

Arddangosyn 1: Cyfraddau ffioedd am staff archwilio - ar gyfer yr holl waith archwilio

Gradd	Cyfradd ffioedd 2016-17 (£ yr awr)	Cyfradd ffioedd ers 1 Ebrill 2014 (£ yr awr)
Cyfarwyddwr/arweinydd ymgysylltu	162	162
Rheolwr archwiliad	111	111
Arweinydd archwiliad perfformiad	93	93
Arweinydd tîm archwiliad ariannol	75	75
Archwilydd perfformiad	65	65
Archwilydd ariannol	56	56
Hyfforddeion archwilio	43	45

Mae'n ofynnol i ni ragnodi graddfeydd ffioedd ar gyfer y canlynol:

- gwaith sy'n ymwneud ag archwilio cyrff llywodraeth leol;
 - gwaith o dan Fesur Llywodraeth Leol (Cymru) 2009; a
 - gwaith paru data (y Fenter Twyll Genedlaethol).
- 14 Mae'r graddfeydd ffioedd am archwilio cyfrifon ariannol 2015-16 ac archwiliadau ac asesiadau gwella 2016-17 ar gael yn **Atodiad 3 ar gyfer gwaith a wneir mewn perthynas ag awdurdodau unedol, awdurdodau tân ac achub, awdurdodau parciau cenedlaethol, comisiynwyr heddlu a throseddau a phrif gwnstabiliaid, cynghorau tref a chymuned a chronfeydd pensiwn llywodraeth leol**. Ceir graddfa ffioedd wahanol ar gyfer y Fenter Twyll Genedlaethol.
- 15 Mae'r graddfeydd ffioedd yn ffordd o reoleiddio costau archwiliadau cyhoeddus, drwy bennu terfynau ac adolygu ffioedd yn erbyn y terfynau hynny. Mae graddfeydd ffioedd hefyd yn rhoi fframwaith i archwilwyr asesu faint o waith archwilio blynyddol sydd ei angen a'r ffi i'w chodi am y gwaith hwnnw o fewn y corff penodol a archwilir.
- 16 Yn achos cyrff a archwilir nad yw'r gofyniad statudol am raddfa ffioedd yn berthnasol iddynt (fel cyrff y GIG, cyrff llywodraeth ganolog, Cyrff Cyhoeddus a Noddir gan Lywodraeth Cymru, y Comisiynwyr statudol a Chomisiwn y Cynulliad), caiff eu ffioedd archwilio amcangyfrifedig eu cyfrifo yn yr un ffordd â'r rhai y mae'r gofyniad statudol yn berthnasol iddynt. Hynny yw, caiff eu cyfrifo drwy gymhwyso'r cyfraddau a gyhoeddir yn y Cynllun Ffioedd hwn at y cymysgedd sgiliau amcangyfrifedig yn y tîm a'r oriau sydd eu hangen i gynnal yr archwiliad. Nid ydym yn darparu graddfeydd ffioedd ar gyfer y cyrff hyn, ond gallwn ddarparu dadansoddiad o gyfrifon y ffioedd.
- 17 Caiff archwilwyr hefyd wneud gwaith ardystio grantiau ar ran yr Archwilydd Cyffredinol. Mae lefel y gwaith ardystio grantiau a wneir mewn unrhyw flwyddyn yn dibynnu ar nifer y cynlluniau a gaiff eu harchwilio a nifer y cyrff a archwilir sy'n cymryd rhan yn y cynlluniau hynny. Codir tâl am y gwaith hwn gan ddefnyddio'r cyfraddau ffioedd ac adlewyrchu maint, cymhlethdod neu unrhyw faterion penodol sy'n gysylltiedig â'r grant dan sylw.

- 18 Mae'r cyfraddau ffioedd yn gymwys i'r holl waith archwilio y bydd Swyddfa Archwilio Cymru yn codi tâl amdano, ac eithrio i'r graddau y mae'r graddfeydd ffioedd, lle bo hynny'n gymwys, yn rheoleiddio'r swm a godir (neu yn achos gwaith a wneir dan gytundebau cyn 1 Ebrill 2014, mae'r cyfraddau yn unol â'r rhai y cytunwyd arnynt yn y telerau). Os ymddengys yn ddiweddarach i Swyddfa Archwilio Cymru bod y gwaith sydd ynghlwm wrth archwiliad penodol yn sylweddol wahanol i'r gwaith a ragwelwyd yn wreiddiol, caiff Swyddfa Archwilio Cymru godi ffi sy'n wahanol i'r ffi a nodwyd yn wreiddiol.
- 19 O ran unrhyw wasanaethau gweinyddol, proffesiynol neu dechnegol eraill a ddarperir, caiff ffioedd eu codi yn unol â'r cytundeb perthnasol, ar yr amod y caiff y cyfryw symiau eu capio yn unol â chost lawn darparu'r gwasanaeth. Er mwyn cyflawni eu cyfrifoldebau statudol, mae'n rhaid i archwilywyr o bryd i'w gilydd wneud gwaith sydd y tu hwnt i'w dyletswyddau cyffredinol. Gall gwaith ychwanegol gynnwys adroddiadau er budd y cyhoedd, archwiliadau eithriadol, arolygiadau arbennig a gwaith pellach sy'n ymwneud â chwestiynau a gwrthwynebiadau gan etholwyr, ac atal gwariant anghyfreithlon. Bydd ffioedd am y mathau hyn o waith yn adlewyrchu natur y gwaith a fydd yn ofynnol.
- 20 Os bydd angen cymorth arbenigol neu gyngor cyfreithiol neu broffesiynol arall, codir tâl ar y gyrff a archwilir yn ychwanegol at gost staff Swyddfa Archwilio Cymru.
- 21 Pan ddarperir cyllid drwy'r Amcangyfrif, caiff Swyddfa Archwilio Cymru sybsideiddio'r ffioedd a godir ar gyrff a archwilir ar sail drosiannol hyd nes y caiff y cyllid ei gymeradwyo.

Codi ffioedd

- 22 Bydd Swyddfa Archwilio Cymru yn cytuno â chyrrff a archwilir ar drefniadau codi ffioedd a gallai'r rhain gynnwys ffioedd un-tro, achlysurol, rheolaidd neu flynyddol, fel y bo'n briodol o dan yr amgylchiadau.
- 23 Disgwylir i gyrff a archwilir dalu anfonebau Swyddfa Archwilio Cymru yn unol â'u targed perfformiad ar gyfer talu credydwyr, sef 10 diwrnod fel arfer yn y sector cyhoeddus. Gallwn godi ffi am unrhyw gostau gweinyddol yr awn iddynt wrth fynd ar drywydd taliadau hwyr.
- 24 Ar ôl cwblhau aseiniadau archwilio, byddwn yn asesu'r costau gwirioneddol yr aed iddynt wrth gyflawni'r aseiniad o gymharu â'r ffi a godwyd. Byddwn yn ad-dalu unrhyw ffioedd a dalwyd yn fwy na'r gost ac, i'r gwrthwyneb, gallwn godi tâl ychwanegol pan fo'r ffi yn rhy fach. Byddwn yn prosesu ad-daliadau a thaliadau ychwanegol gan geisio lleihau costau gweinyddol i'r eithaf, drwy eu gwrthbwysu yn erbyn ffioedd yn y dyfodol neu ffioedd am agweddau eraill ar weithgarwch archwilio, er enghraifft.

Atodiad 1 – Deddf Archwilio Cyhoeddus (Cymru) 2013 – testun llawn adran 24

- (1) Rhaid i Swyddfa Archwilio Cymru baratoi cynllun sy'n ymwneud â chodi ffioedd gan Swyddfa Archwilio Cymru.
- (2) Rhaid i'r cynllun gynnwys y canlynol:
 - (a) rhestr o'r deddfiadau y caiff Swyddfa Archwilio Cymru godi ffi odanynt;
 - (b) pan fo'r deddfiadau hynny yn gwneud darpariaeth i Swyddfa Archwilio Cymru ragnodi graddfa neu raddfeydd ffioedd, y raddfa honno neu'r graddfeydd hynny;
 - (c) pan fo'r deddfiadau hynny yn gwneud darpariaeth i Swyddfa Archwilio Cymru ragnodi swm i'w godi, y swm hwnnw;
 - (ch) pan nad oes darpariaeth wedi ei gwneud ar gyfer rhagnodi graddfa neu raddfeydd ffioedd, na rhagnodi swm, y modd y bydd Swyddfa Archwilio Cymru yn cyfrifo'r ffi a godir.
- (3) Caiff y cynllun wneud y canlynol ymysg pethau eraill:
 - (a) cynnwys darpariaeth wahanol ar gyfer achosion gwahanol neu ddsbarthau ar achosion gwahanol, a
 - (b) darparu ar gyfer yr adegau a'r modd y bydd taliadau yn cael eu gwneud.
- (4) O ran y cynllun:
 - (a) rhaid i Swyddfa Archwilio Cymru ei adolygu o leiaf unwaith mewn blwyddyn galendr,
 - (b) caiff Swyddfa Archwilio Cymru ei ddiwygio neu ei ail-wneud ar unrhyw adeg, ac
 - (c) rhaid i Swyddfa Archwilio Cymru ei osod (a gosod unrhyw ddiwygiad iddo) gerbron y Cynulliad Cenedlaethol.

- (5) Pan fo Gweinidogion Cymru yn rhagnodi graddfa neu raddfeydd ffioedd o dan:
- (a) adran 64F o Ddeddf Archwilio Cyhoeddus (Cymru) 2004 (ffioedd am baru data), neu
 - (b) adran 27A o Fesur Llywodraeth Leol (Cymru) 2009 (pŵer Gweinidogion Cymru i ragnodi graddfa ffioedd),

i gael effaith yn lle graddfa neu raddfeydd ffioedd a ragnodwyd gan Swyddfa Archwilio Cymru, rhaid i Swyddfa Archwilio Cymru ddiwygio'r cynllun i gynnwys y raddfa neu'r graddfeydd ffioedd a ragnodwyd gan Weinidogion Cymru yn lle'r rhai a ragnodwyd gan Swyddfa Archwilio Cymru.
- (6) Nid oes rhaid cael cymeradwyaeth y Cynulliad Cenedlaethol os mai diwygiad a wneir yn unol ag is-adran (5) yw'r unig ddiwygiad i gynllun.
- (7) Bydd y cynllun yn cael effaith pan fydd wedi cael ei gymeradwyo gan y Cynulliad Cenedlaethol neu, yn achos diwygiad a wneir yn unol ag is-adran (5), unwaith y bydd wedi cael ei osod gerbron y Cynulliad.
- (8) Rhaid i Swyddfa Archwilio Cymru gyhoeddi'r cynllun (ac unrhyw ddiwygiad iddo) cyn gynted ag y bo'n rhesymol ymarferol wedi iddo gael effaith.

Atodiad 2 – Rhestr o ddeddfiadau y caiff ac y mae'n rhaid i Swyddfa Archwilio Cymru godi ffi odanynt

Natur y gwaith	Deddfiadau ¹
Caiff Swyddfa Archwilio Cymru godi ffioedd am y gweithgareddau canlynol	
<ul style="list-style-type: none"> Archwilio cyfrifon gan yr Archwilydd Cyffredinol (ar wahân i gyfrifon llywodraeth leol) 	<ul style="list-style-type: none"> Adran 23(2) o Ddeddf Archwilio Cyhoeddus (Cymru) 2013
<ul style="list-style-type: none"> Astudiaethau gwerth am arian a wneir drwy gytundeb 	<ul style="list-style-type: none"> Adran 23(3)(a)-(c) o Ddeddf Archwilio Cyhoeddus (Cymru) 2013
<ul style="list-style-type: none"> Unrhyw wasanaethau gweinyddol, proffesiynol neu dechnegol a ddarperir gan Swyddfa Archwilio Cymru neu'r Archwilydd Cyffredinol drwy drefniant o dan adran 19 o Ddeddf Archwilio Cyhoeddus (Cymru) 2013 	<ul style="list-style-type: none"> Adran 23(3)(d) o Ddeddf Archwilio Cyhoeddus (Cymru) 2013
<ul style="list-style-type: none"> Archwiliad eithriadol o gorff llywodraeth leol 	<ul style="list-style-type: none"> Adran 37(8) o Ddeddf Archwilio Cyhoeddus (Cymru) 2004
<ul style="list-style-type: none"> Ymarferion paru data 	<ul style="list-style-type: none"> Adran 64F(A1) o Ddeddf Archwilio Cyhoeddus (Cymru) 2004 Rhaid rhagnodi graddfa ffioedd ar gyfer y gwaith hwn
Rhaid i Swyddfa Archwilio Cymru godi ffioedd am y gweithgareddau canlynol	
<ul style="list-style-type: none"> Gwaith o dan Fesur Llywodraeth Leol (Cymru) 2009 	<ul style="list-style-type: none"> Adran 27 o Fesur Llywodraeth Leol (Cymru) 2009 Rhaid rhagnodi graddfa ffioedd ar gyfer y gwaith hwn
<ul style="list-style-type: none"> Gwasanaethau ardystio grantiau 	<ul style="list-style-type: none"> Adran 23(4)(a) o Ddeddf Archwilio Cyhoeddus (Cymru) 2013
<ul style="list-style-type: none"> Astudiaethau ar gais cyrff addysgol o dan adran 145B o Ddeddf Llywodraeth Cymru 1998 	<ul style="list-style-type: none"> Adran 23(4)(b) o Ddeddf Archwilio Cyhoeddus (Cymru) 2013
<ul style="list-style-type: none"> Archwilio cyfrifon corff llywodraeth leol a gwneud astudiaethau drwy gytundeb â chorff llywodraeth leol 	<ul style="list-style-type: none"> Adran 20(A1)(a)-(b) o Ddeddf Archwilio Cyhoeddus (Cymru) 2004 Rhaid rhagnodi graddfa ffioedd ar gyfer archwilio cyfrifon cyrff llywodraeth leol
Darpariaethau eraill sy'n codi ffioedd	
<ul style="list-style-type: none"> Astudiaethau gweinyddu budd-daliadau i'r Ysgrifennydd Gwladol. Rhaid i'r ffi fod yn swm rhesymol y mae'r Ysgrifennydd Gwladol a Swyddfa Archwilio Cymru yn cytuno arno. 	<ul style="list-style-type: none"> Adran 45 o Ddeddf Archwilio Cyhoeddus (Cymru) 2004
<ul style="list-style-type: none"> Cynorthwyo Prif Arolygydd Ei Mawrhydi dros Addysg a Hyfforddiant yng Nghymru 	<ul style="list-style-type: none"> Adran 41A o Ddeddf Addysg 1997

¹ Unwaith y caiff ei roi ar waith, bydd paragraff 32 o Atodlen 4 i Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 yn diwygio adran 23 o Ddeddf Archwilio Cyhoeddus (Cymru) er mwyn galluogi Swyddfa Archwilio Cymru i godi ffi mewn perthynas ag archwiliadau o dan adran 15 o Ddeddf 2015. Fodd bynnag, nid yw Llywodraeth Cymru wedi pennu dyddiad eto i roi paragraff 32 o Atodlen 4 i Ddeddf 2015 ar waith.

Atodiad 3 – Graddfeydd ffioedd ar gyfer gwaith a wneir mewn cyrff llywodraeth leol

Awdurdodau unedol

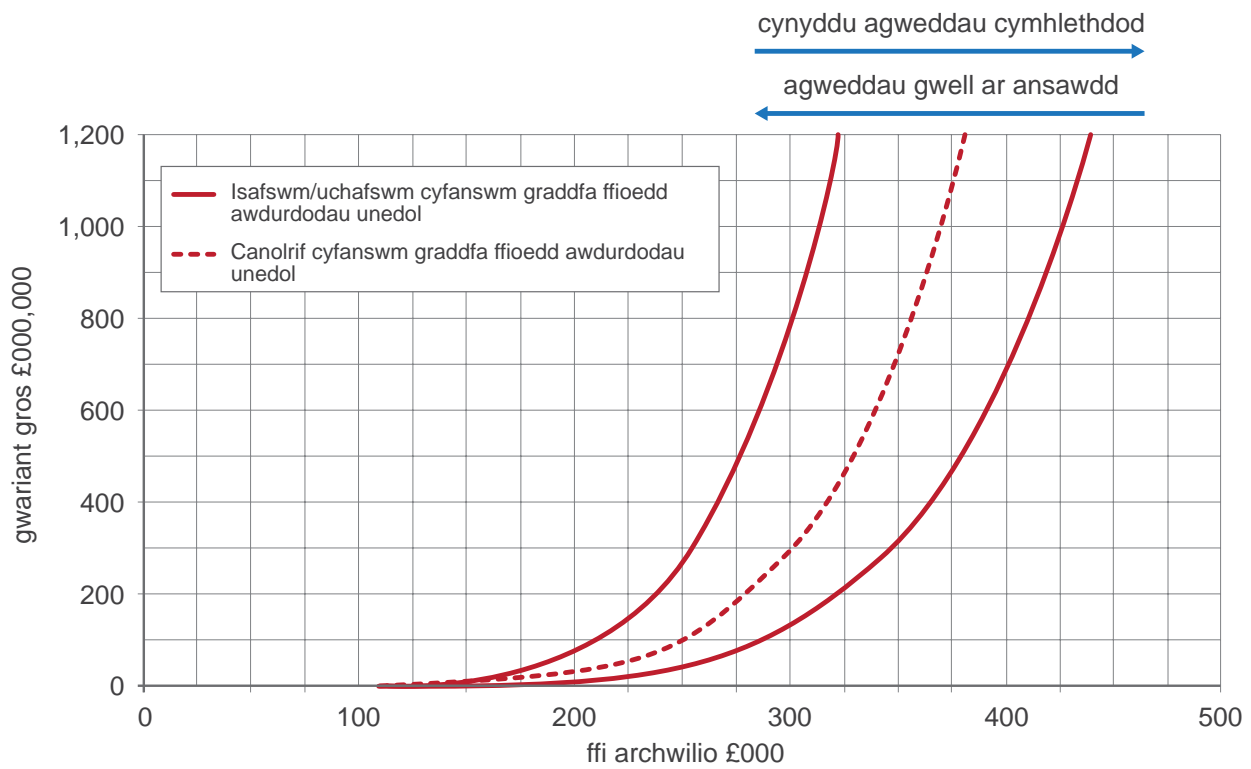
Graddfa ffioedd ar gyfer archwilio cyfrifon 2015-16

Gwariant gros £000,000	Amrediad ffioedd £000			Canolrif y flwyddyn flaenorol £000
	Isafswm	Canolrif	Uchafswm	
100	119	140	161	140
200	143	168	193	168
300	159	187	215	187
400	172	202	232	202
500	182	214	246	215
600	191	225	259	225
700	199	234	270	235
800	206	243	279	243
900	213	251	288	251
1,000	219	258	296	258
1,100	225	264	304	265
1,200	230	271	311	271

Graddfa ffioedd 2016-17 ar gyfer archwiliadau gwella, asesiadau ac arolygiadau arbennig o dan Fesur Llywodraeth Leol (Cymru) 2009

Pob awdurdod unedol	Amrediad ffioedd £000			Canolrif y flwyddyn flaenorol £000
	Isafswm	Canolrif	Uchafswm	
	94	112	130	112

Graff o'r raddfa cyfanswm ffioedd ar gyfer awdurdodau unedol



Awdurdodau tân ac achub

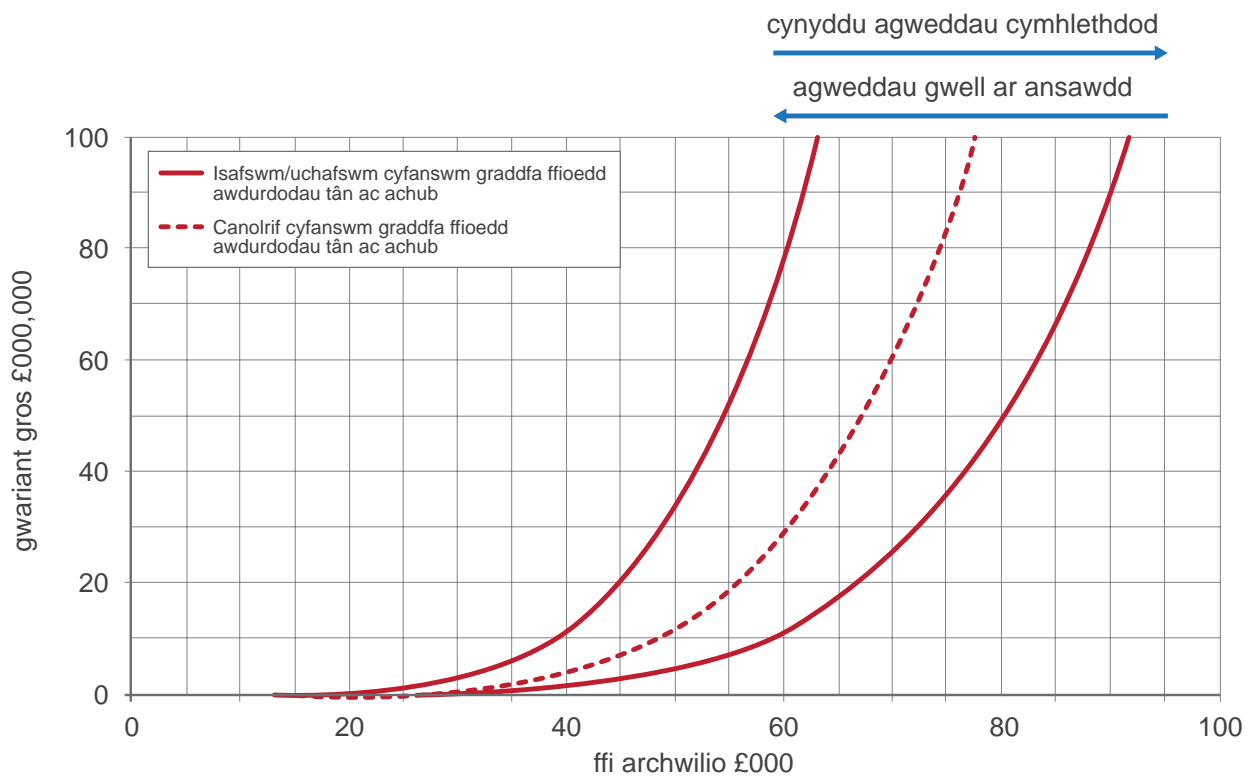
Graddfa ffioedd ar gyfer archwilio cyfrifon 2015-16

Gwariant gros £000,000	Amrediad ffioedd £000			Canolrif y flwyddyn flaenorol £000
	Isafswm	Canolrif	Uchafswm	
20	35	41	47	41
40	42	49	57	49
60	47	55	63	55
80	50	59	68	59
100	53	63	72	63

Graddfa ffioedd 2016-17 ar gyfer archwiliadau gwella, asesiadau ac arolygiadau arbennig o dan Fesur Llywodraeth Leol (Cymru) 2009

Pob awdurdod tân ac achub	Amrediad ffioedd £000			Canolrif y flwyddyn flaenorol £000
	Isafswm	Canolrif	Uchafswm	
	9	14	19	15

Graff o'r raddfa cyfanswm ffioedd ar gyfer awdurdodau tân ac achub



Awdurdodau parciau cenedlaethol

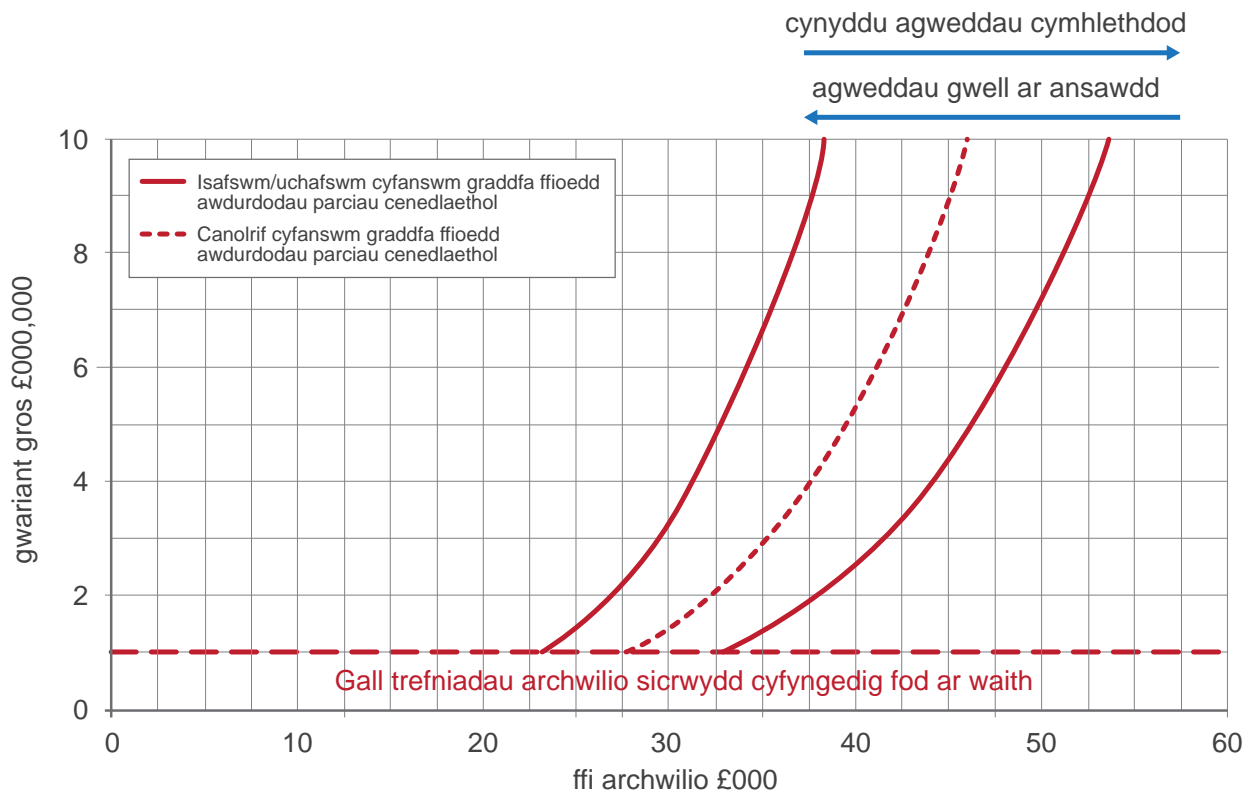
Graddfa ffioedd ar gyfer archwilio cyfrifon 2015-16

Gwariant gros £000,000	Amrediad ffioedd £000			Canolrif y flwyddyn flaenorol £000
	Isafswm	Canolrif	Uchafswm	
2	22	25	29	25
4	26	31	35	31
6	29	34	39	34
8	31	37	42	37
10	33	39	45	39

Graddfa ffioedd 2016-17 ar gyfer archwiliadau gwella, asesiadau ac arolygiadau arbennig o dan Fesur Llywodraeth Leol (Cymru) 2009

Pob awdurdod parc cenedlaethol	Amrediad ffioedd £000			Canolrif y flwyddyn flaenorol £000
	Isafswm	Canolrif	Uchafswm	
	5	7	9	7

Graff o'r raddfa cyfanswm ffioedd ar gyfer awdurdodau parciau cenedlaethol



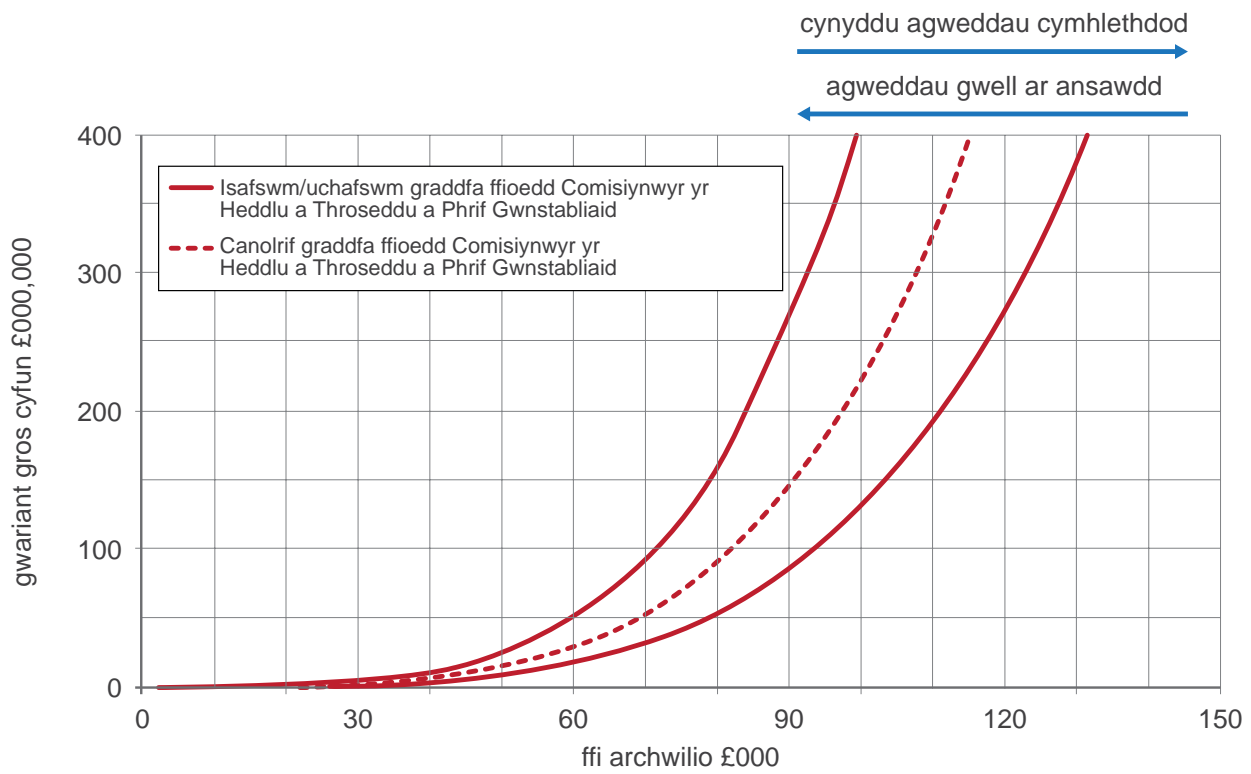
Comisiynwyr heddlu a throseddu a phrif gwnstabiliaid

Mae archwilwyr yn cynnal archwiliadau o'r ddau gorff statudol a geir mewn ardal heddlu, sef y Comisiynwyr Heddlu a Throseddu (CHTh) a'r Prif Gwnstabiliaid (PG). Mater i'r archwilwyr fydd penderfynu sut y caiff cyfanswm y ffi ei rannu rhwng y ddau gorff mewn ardal heddlu benodol, yn seiliedig ar ofynion cyfrifyddu a'r trefniadau gweithredol a roddwyd ar waith gan bob corff.

Graddfa ffioedd ar gyfer archwilio cyfrifon 2015-16

Gwariant gros cyfunol CHTh a PG £000,000	Amrediad ffioedd cyfunol ar gyfer CHTh a PG £000			Canolrif y flwyddyn flaenorol £000
	Isafswm	Canolrif	Uchafswm	
50	61	70	79	70
100	71	82	94	83
150	78	91	103	91
200	84	98	111	98
250	89	103	117	103
300	93	108	123	108
350	96	112	128	112

Graff o'r raddfa cyfanswm ffioedd ar gyfer comisiynwyr heddlu a throseddu a phrif gwnstabiaid



Cynghorau tref a chymuned sydd ag incwm neu wariant blynyddol o lai na £2.5 miliwn

Mae cynghorau tref a chymuned yng Nghymru yn ddarostyngedig i'r drefn archwilio 'sicrwydd cyfyngedig'. Ar gyfer 2016-17, byddwn yn newid i godi ffioedd am waith ar sail amser yn hytrach nag ar y sail hanesyddol o godi ffi benodedig yn unol â'r band gwariant/incwm. Cyfraddau'r ffioedd fydd y cyfraddau a bennir yn **Arddangosyn 1**. Dangosir amcangyfrif o effaith y newid hwn yn y tabl isod.

Mewn amgylchiadau pan fo angen rhagor o dystiolaeth ar yr archwilydd er mwyn cyflawni ei gyfrifoldebau yn briodol, megis ar ôl cyhoeddi adroddiad perthnasol er lles y cyhoedd, bydd profion ychwanegol yn cael eu cynnal er mwyn ymateb i bryderon yr archwilydd.

Pwysleisir y bydd y ffi wirioneddol a godir ar unrhyw gorff penodol yn dibynnu ar yr amser a dreulir mewn gwirionedd ar yr archwiliad penodol hwnnw. Mae'r amrediadau yn y tabl isod wedi eu darparu at ddibenion dangosol yn unig.

Amcangyfrif o'r ffioedd amser am archwilio cyfrifon 2015-16 cynghorau tref a chymuned

Incwm neu wariant blynyddol (mae'r ffioedd yn daladwy ar sail pa un bynnag yw'r mwyaf ym mhob blwyddyn)	Ffi waelodlin ddangosol	Ffi uchafswm ddangosol	Ffi'r flwyddyn flaenorol
£Dim – £99	£Dim	£Dim	£Dim
£100 – £5,000	£30	£280	£30 – £80
£5,001 – £100,000	£160	£320	£175 – £350
£100,001 – £500,000	£200	£380	£415 – £650
£500,001 – £2,500,000	£240	£460	£920

Cronfeydd pensiwn llywodraeth leol

Graddfa ffioedd ar gyfer archwilio cyfrifon 2015-16

Pob cronfa bensiw	Amrediad ffioedd £000			Canolrif y flwyddyn flaenorol £000
	Isafswm	Canolrif	Uchafswm	
	30	40	50	40

Cyfraddau ffioedd am waith arall mewn llywodraeth leol

Archwilio mathau eraill o gyrff llywodraeth leol, gwaith sy'n mynd y tu hwnt i ddyletswyddau cyffredinol yr Archwilydd Cyffredinol, a gwaith ardystio grantiau

Ac eithrio'r mathau hynny o gyrff y mae graddfeydd ffioedd wedi eu rhagnodi ar eu cyfer, mae nifer fach o fathau eraill o gyrff llywodraeth leol. Ar gyfer y cyrff hyn, byddwn eto'n cynllunio archwiliadau yn y dull 'ar sail sero', ac yn trosi'r gofynion o ran adnoddau yn ffioedd, naill ai'n uniongyrchol ar sail y gost o gyflawni'r gwaith neu drwy gymhwyso'r cyfraddau ffioedd a bennir yn [Arddangosyn 1](#).

Er mwyn i gyrff llywodraeth o bob math fodloni eu cyfrifoldebau statudol, mae angen weithiau i'r Archwilydd Cyffredinol wneud gwaith sy'n mynd y tu hwnt i'w ddyletswyddau cyffredinol (sef y rhai a bennir yn adran 17 o Ddeddf Archwilio Cyhoeddus (Cymru) 2004). Gall y gwaith ychwanegol gynnwys adroddiadau er lles y cyhoedd, archwiliad eithriadol, arolygiadau arbennig a gwaith pellach mewn cysylltiad â her etholwr ac atal gwariant anghyfreithlon. Bydd ffioedd am y mathau hyn o waith yn adlewyrchu natur y gwaith a fydd yn ofynnol.

Gall archwilwyr ymgymryd hefyd â gwaith ardystio grantiau mewn cyrff llywodraeth leol ar ran yr Archwilydd Cyffredinol. Mae maint y gwaith ardystio grantiau a ymgwymerir yn ystod unrhyw flwyddyn yn dibynnu ar nifer y cynlluniau sy'n ddarostyngedig i'w harchwilio a nifer y cyrff a archwilir a fydd yn cymryd rhan yn y cynlluniau hynny. Codir ffioedd am y gwaith hwn ar y sail fesul awr, a bydd y ffioedd yn adlewyrchu maint a chymhlethdod y gwaith ac unrhyw faterion penodol ynglŷn â'r grant dan sylw.

Rydym yn cydweithio'n agos gyda Llywodraeth Cymru yn y gobaith y gallwn gytuno ar fodel a fydd yn canolbwyntio mwy ar allbynnau a chanlyniadau gweithgarwch a ariennir gan grantiau, gan ymbellhau wrth y dull traddodiadol o archwilio anfonebau. Dylai hyn roi dealltwriaeth gliriach i Lywodraeth Cymru a chyrrff a archwilir o'r gwahaniaeth y mae gweithgarwch a ariennir gan grantiau yn ei wneud, yn ogystal â lleihau cost gwaith ardystio grantiau. Disgwylwn gael cyfle i beilotia'r dull hwn yn ystod 2016-17, a byddwn yn trafod y goblygiadau i ffioedd gyda'r awdurdodau peilot.

Dangosir isod amcangyfrifon o gyfrannau cymharol y graddau staff archwilio ariannol a ddefnyddir ar gyfer gwahanol fathau o waith grantiau.

Graddau staff	Cymysgedd staff ar gyfer grantiau cymhleth %	Cymysgedd staff ar gyfer yr holl grantiau eraill %
Cyfarwyddwr ymgysylltu	1 i 2	0 i 1
Rheolwr archwiliad	4 i 6	1 i 2
Arweinydd tîm	18 i 21	12 i 16
Aelod tîm/hyfforddai	77 i 71	87 i 81

Mae grantiau cymhleth yn cynnwys:

- BEN01 Cynllun budd-daliadau tai a threth gyngor
- LA01 Ffurflen ardrethi annomestig cenedlaethol
- PEN05 Ffurflen pensiynau athrawon

Graddfeydd ffioedd ar gyfer gwaith o dan y Fenter Twyll Genedlaethol (paru data)

Er mwyn cynorthwyo cyrff cyhoeddus i ymladd twyll, mae'r Archwilydd Cyffredinol yn cynnal yr MTG yng Nghymru ar sail eilflwydd Caiff y Fenter ei chynnal yn Lloegr, yr Alban a Gogledd Iwerddon hefyd. Mae'r Fenter yn paru data ar draws sefydliadau a systemau er mwyn helpu cyrff cyhoeddus i ddod o hyd i unrhyw hawliadau a thrafodion a allai fod yn dwyllodrus neu'n wallus. Bu'n arf effeithiol iawn ar gyfer darganfod ac atal twyll a gordaliadau. Ers iddi gychwyn yn 1996, mae ymarferion y Fenter wedi canfod ac atal twyll a gordaliadau gwerth £26 miliwn yng Nghymru, ac £1.17 biliwn ledled y DU.

Cynhelir y Fenter gan yr Archwilydd Cyffredinol drwy arfer ei bwerau paru data statudol o dan Ran 3A o Ddeddf Archwilio Cyhoeddus (Cymru) 2004.

Ar gyfer 2015-16, cymeradwyodd y Cynulliad Cenedlaethol gynllun ffioedd a oedd yn cynnwys graddfa ffioedd o £dim ar gyfer pob corff sy'n cymryd rhan. Cyllidir y gwaith yn hytrach gan Swyddfa Archwilio Cymru, gyda thaliad o Gronfa Gyfunol Cymru a gymeradwywyd drwy'r Amcangyfrif. Mae hyn yn cyd-fynd â dymuniad y Pwyllgor Cyfrifon Cyhoeddus i annog rhagor o gyrff i gymryd rhan, nad ydynt o dan orfodaeth i gyfranogi. Ar yr un pryd, yn unol â dyhead y Bwrdd am system gyllido symlach, pennir graddfa ffioedd o £dim ar gyfer y cyfranogwyr sydd o dan orfodaeth hefyd. Bydd hyn yn osgoi dryswch ac yn cyfleu neges eglur ynglŷn â'r gost o gymryd rhan yn y Fenter. Mae holl waith y Fenter, felly, yn waith nas cyllidir drwy godi ffioedd. Ond fel sy'n ofynnol gan y ddeddfwriaeth, dangosir y ffioedd ar gyfer cyfranogwyr gorfodol isod.

Arddangosyn 2: Ffioedd y Fenter Twyll Genedlaethol

Math o gorff	Ffi 2016-17 £	Ffi flaenorol 2014-15 £
Awdurdod unedol	Dim	3,650
Comisiynwyr heddlu a throseddu a phrif gwnstablaid	Dim	1,000
Awdurdod tân ac achub	Dim	1,000
Ymddiriedolaeth y GIG	Dim	1,000
Bwrdd iechyd lleol	Dim	1,000
Arall - gwirfoddol	Dim	Darostyngedig i gytundeb gyda phob corff yn unigol

Bydd cyfranogwyr gorfodol yn cael mynediad yn ddi-dâl hefyd i Wiriwr Ceisiadau'r Fenter.

Wales Audit Office

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru

24 Heol y Gadeirlan

Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru

Office for
**Budget
Responsibility**

Economic and fiscal outlook
Devolved taxes forecast

November 2015

1 Introduction

- 1.1 The Office for Budget Responsibility (OBR) was established in 2010 to provide independent and authoritative analysis of the UK's public finances. Alongside the UK Government's Budgets and Autumn Statements, we produce forecasts for the economy and the public finances. We publish these in our *Economic and fiscal outlook (EFO)*.
- 1.2 Since 2012, we have forecast some tax streams that are devolved to the Scottish Parliament, and since last year we have also produced forecasts of taxes that are likely to be devolved to the National Assembly for Wales. Our forecasts for devolved taxes are published alongside each *EFO* and are consistent with our main UK forecasts. As with those UK forecasts, these extend over a five-year forecast period – to 2020-21 in this *EFO*.

The Scotland Act 2012

- 1.3 The Scotland Act 2012 gave new powers to the Scottish Parliament relating to taxation and borrowing. In April 2015, stamp duty land tax (SDLT) and landfill tax were fully devolved to the Scottish Parliament. The Scottish Government replaced SDLT with a new land and buildings transaction tax (LBTT). From April 2016, the Scottish Parliament will be asked to set a Scottish rate of income tax, to replace a 10p reduction from each rate of UK income tax.
- 1.4 The Command Paper: *Strengthening Scotland's Future*¹ – published alongside the Scotland Bill in 2010 – set out our role in providing forecasts of Scottish income tax, landfill tax, stamp duty land tax and aggregates levy receipts.
- 1.5 In September 2014, the Smith Commission recommended the devolution of air passenger duty (APD) to the Scottish Parliament and the assignment of a share of VAT revenues. It also proposed more flexible powers over income tax than those in the 2012 Act. In May 2015, the UK Government committed to implement the Smith Commission recommendations in full, and the resulting Scotland Bill 2015-16 is currently going through the legislative process.

The Wales Act 2014

- 1.6 The Wales Act 2014 gave new powers to the Welsh Assembly relating to taxation and borrowing. It provides for the full devolution of SDLT and landfill tax from April 2018. Subject to the outcome of a referendum in Wales on the introduction of Welsh rates of income tax, the Welsh Assembly will also be able to set new Welsh rates for each band of

¹ *Strengthening Scotland's Future*, November 2010, Cm 7973.

income tax that would replace a 10p reduction in the rates of UK income tax. The timing of such a change has not yet been specified. The Government is also intending to devolve aggregates levy, subject to the resolution of current legal challenges.

- 1.7 The Command Paper: *Wales Bill: Financial Empowerment and Accountability*² – published alongside the Wales Bill in 2014 – required us to begin to forecast Welsh taxes alongside Autumn Statement 2014 and twice a year thereafter. This currently includes forecasts for stamp duty land tax, landfill tax, aggregates levy and the Welsh rate of income tax. Our forecasts will reflect any Welsh replacement taxes – as with LBTT in Scotland – when details of any changes become sufficiently clear. The Welsh Government’s Budget will not be varied in line with fluctuations in tax receipts until the devolution of these taxes has been fully implemented.
- 1.8 The Welsh Government announced, in its *Tax Collection and Management (Wales) Bill* in July 2015, its intention to replace SDLT with a ‘land transaction tax’ and landfill tax with a ‘land disposals tax’. The intended date of Royal Assent for this bill is spring 2016, with a further bill introducing the legislation expected later in the year.

Methodology

- 1.9 We published a methodology note in March 2012 that described how we planned to forecast Scottish tax receipts.³ It explained that it is not possible to replicate in full the methodology we use to produce our UK-wide forecasts. In particular, the macroeconomic data that we would need to produce a Scottish macroeconomic forecast and economic determinants were generally not available at a Scottish level or were only available with a long lag. That remains the case. We are therefore not able to produce a Scottish macroeconomic forecast to drive the Scotland tax forecast. These challenges apply equally to forecasting Welsh taxes.
- 1.10 Given these challenges, the methodologies we use are generally based on estimating and projecting Scottish and Welsh shares of relevant UK tax streams. We typically assume that the shares will continue at recent average levels, unless available evidence suggests we should adjust those assumptions to ensure our forecasts are central. For example, if a newly announced policy can be expected to have a disproportionate impact on the Scottish or Welsh share of a particular tax, or there is evidence pointing to different trends in an underlying tax base.
- 1.11 The exception to this is our LBTT forecast. As the Scottish Government has to date only published a forecast of LBTT receipts for one year, we sought assistance from HM Revenue and Customs (HMRC) in producing a five-year LBTT forecast. As a new tax, this forecast will clearly be subject to even greater uncertainty than our previous forecasts for the Scottish share of UK SDLT receipts. That forecast was itself subject to considerable uncertainty given its sensitivity to the growth of property transactions, which can be volatile from year to year,

² *Wales Bill: Financial Empowerment and Accountability*, March 2014, Cm 8838.

³ *Forecasting Scottish taxes*, March 2012.

and the composition of those transactions, since total receipts are heavily skewed towards transactions at high prices.

- 1.12 As with our UK forecasts, the methodology and the forecasts represent the collective view of the three independent members of the OBR's Budget Responsibility Committee (BRC). The BRC takes full responsibility for the judgements that underpin them.
- 1.13 We consider these methodologies to remain work-in-progress. The OBR's role in forecasting started three years ahead of the initial devolution of these taxes in Scotland. This has allowed us to develop and improve forecasts in light of experience and the availability of new information sources.

The forecast process

- 1.14 The process for producing the devolved tax forecasts has been as follows:
- HMRC officials produced draft Scottish and Welsh tax forecasts on our behalf using our near-final pre-measures UK economy and fiscal forecasts. This took into the latest available information on LBTT and landfill tax in Scotland, which have been in effect since April 2015. The BRC and OBR staff discussed these forecasts with HMRC, Scottish Government, Scottish Fiscal Commission and Welsh Government officials on 6 November; and
 - in the final week before the Autumn Statement, HMRC officials provided us with a final set of Scottish and Welsh forecasts using our final post-measures UK economy and fiscal forecasts, and taking into account Autumn Statement policy measures. Due to the confidentiality of the measures, we were unable to involve the Scottish Government and Welsh Government in this stage of the process.
- 1.15 The Scottish Government produced a forecast for 2015-16 receipts from the new Scottish LBTT and landfill tax in its Draft Budget in October 2014. The Scottish Government has not provided us with information about expected receipts from these taxes over the remainder of our five-year forecast period, so HMRC produced these forecasts at our request. We will continue to work with the Scottish and Welsh Governments, and with the Scottish Fiscal Commission, to ensure that we can bring all relevant information to bear in producing these forecasts. At this stage, the forecast we present in this document is our own. Differences between our own forecast and the Scottish Government forecasts for 2015-16 are explained in Chapters 3 and 4.

Summary of forecasts

- 1.16 Tables 1.1 and 1.2 detail the forecasts for the Scottish and Welsh taxes.

Table 1.1: Summary of November 2015 Scottish tax forecasts

	£ million					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Income tax	4649	4900	5226	5521	5802	6148
LBTT	397	496	557	628	700	769
Landfill tax	140	131	120	120	127	140
Aggregates levy	46	43	39	39	42	46
Total	5232	5569	5942	6309	6671	7104

Table 1.2: Summary of November 2015 Welsh tax forecasts

	£ million					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Income tax	2023	2124	2267	2400	2528	2681
SDLT	163	184	204	227	251	273
Landfill tax	46	44	40	40	42	47
Aggregates levy	29	29	31	31	31	32
Total	2260	2381	2543	2698	2852	3032

2 Income tax

Scottish rate of income tax

- 2.1 Under the Scotland Act 2012, the existing basic, higher and additional rates of income tax levied by the UK Government will, from April 2016, be reduced by 10p in the pound for those individuals defined as Scottish taxpayers. The Scottish Parliament will then levy a new Scottish rate of income tax, which will apply equally to Scottish taxpayers in all the main UK bands. The new Scottish rate of income tax will need to be set every year by the Scottish Parliament. The block grant from the UK Government to the Scottish Government will then be reduced to reflect the fiscal impact of the devolution of these tax-raising powers.
- 2.2 The Scottish rate of income tax will be paid by Scottish taxpayers, who will be defined as a UK taxpayer either resident in Scotland or whose closest connection is with Scotland. It will be levied on non-savings, non-dividend income liabilities (i.e. earnings from employment, self-employment, pension income, foreign income, taxable benefits and income from property). Tax liabilities for a particular year would include both PAYE (pay-as-you-earn income tax, which is largely paid in the same year as the activity that created the tax liability) and self-assessment (which is usually paid in the year after the activity that took place to create the tax liability).
- 2.3 The Scotland Bill 2015-16 currently going through Parliament allows for wider ranging powers over income tax, including the power to vary the three rates – basic, higher and additional – separately, as well as creating new bands. These would still on a non-savings, non-dividend basis. However, until sufficient detail about the new proposals is available, our forecast continues to be based on the 2012 definition. Similarly, as the Scottish Government has not yet set rates, we assume a 10p rate is levied in every year.

Welsh rate of income tax

- 2.4 The Wales Act 2014 includes provision for a referendum to determine whether the Welsh Assembly will be able to introduce a Welsh rate of income tax. The income tax levied by the UK Government would be reduced by 10p in the pound for those individuals defined as Welsh taxpayers. The Welsh Assembly would then levy separate Welsh rates for each band of income tax. The new Welsh income tax rates would need to be set every year by the Welsh Assembly. The block grant from the UK Government to Wales would then be reduced to reflect the fiscal impact of the devolution of these tax-raising powers.
- 2.5 The forecasts presented in this document assume that the referendum results in the implementation of Welsh rates of income tax and that the Welsh Assembly then levies a 10p

rate across all the income tax bands in every year. It will also be levied on non-savings, non-dividend income liabilities.

Methodology

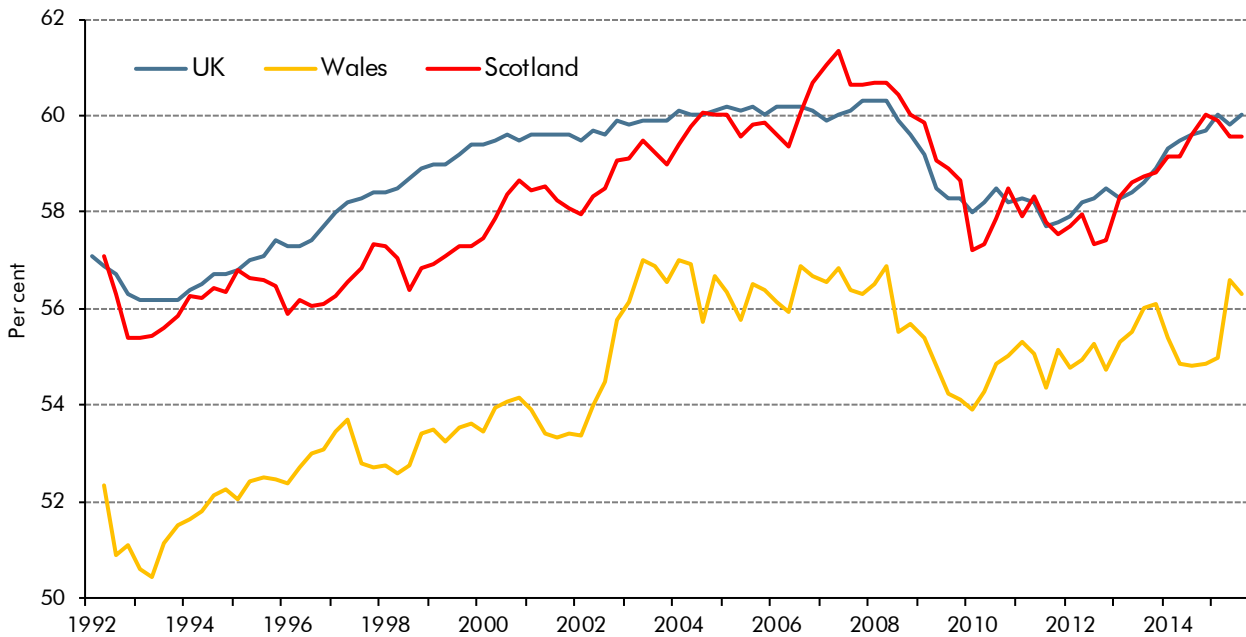
- 2.6 We generate a UK forecast for non-savings, non-dividend income tax liabilities from the full UK income tax liabilities forecast published in our *EFO*. The key components of the UK forecast are:
- total pay-as-you-earn (PAYE) liabilities;
 - self-assessment (SA) liabilities on non-savings, non-dividend income. The UK forecast for SA in the *EFO* is on a receipts basis (i.e. when the cash is received). For this forecast this is adjusted to be on a liabilities basis (i.e. when the activity occurred) and to exclude the savings and dividend elements of SA; and
 - PAYE repayments and repayments to pension providers, from our income tax repayments forecast.
- 2.7 We apply the latest estimated Scottish and Welsh shares to the UK total of these forecast components. We then include deductions in respect of the Scottish and Welsh shares of Gift Aid repayments. Finally, we add estimates of the Scottish and Welsh income tax element of new policy measures announced in this Autumn Statement.
- 2.8 Information on the share of UK income tax in Scotland and Wales is derived from the Survey of Personal Incomes (SPI), an annual survey based on a sample of about 700,000 individuals in contact with HMRC during the course of the year through the PAYE, SA or repayment claim systems. This is only available with a long lag, with data currently only available up to 2012-13. In the run up to the devolution of the Scottish rate of income tax, HMRC will identify each individual taxpayer as Scottish or not, and flag them as such on its PAYE and SA systems. Once this has been done, it will be possible to determine the Scottish share of UK liabilities with much greater precision and timeliness.
- 2.9 The Scottish and Welsh shares can be affected by a number of factors. These include:
- different economic trends between Scotland/Wales and the UK as a whole;
 - different movements in the income distribution between Scotland/Wales and the UK; and
 - different effects of policy measures.
- 2.10 The Scottish share was very stable from 2001-02 to 2010-11 – with the share close to 3.15 per cent in most years – but fell in both 2011-12 and 2012-13. The share in Wales has been more uneven and it has trended down since 2003-04. Table 2.1 shows the estimates of the Scottish and Welsh share from the SPI.

Table 2.1: Scottish and Welsh historic income tax shares

	Per cent of UK total for non-savings, non-dividend liabilities													
	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13
Scotland	3.04	3.03	3.14	3.15	3.23	3.15	3.13	3.15	3.14	n/a	3.16	3.15	3.08	3.04
Wales	1.45	1.40	1.48	1.51	1.55	1.53	1.50	1.47	1.44	n/a	1.42	1.42	1.37	1.34

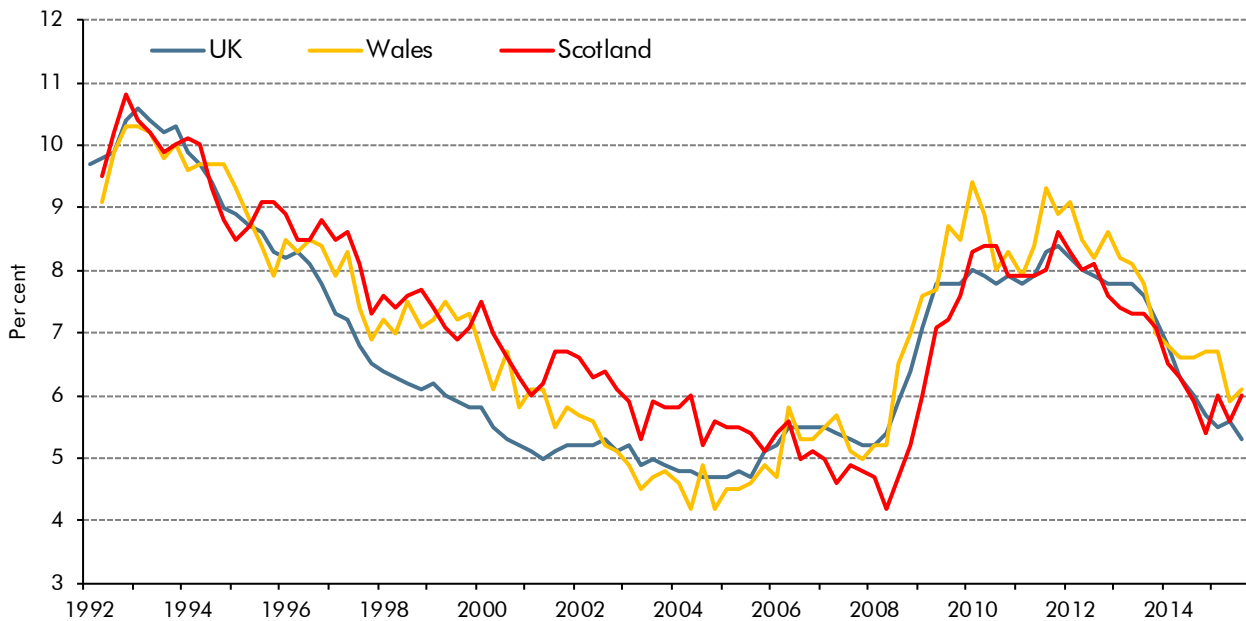
2.11 These different shares of UK income tax can partly be explained by different labour market trends in Wales and Scotland relative to the rest of the UK. Charts 2.1 and 2.2 show that employment and unemployment trends in Scotland have generally been more similar to the UK as a whole than has been the case in Wales. In particular, the employment rate has typically been lower in Wales, mainly reflecting a higher inactivity rate. The latest unemployment rate in Wales is 6.1 per cent; in Scotland it is 6.0 per cent. Both are significantly higher than the current unemployment rate of 5.3 per cent in the UK as whole.

Chart 2.1: Employment rates in the UK, Scotland and Wales



Source: ONS

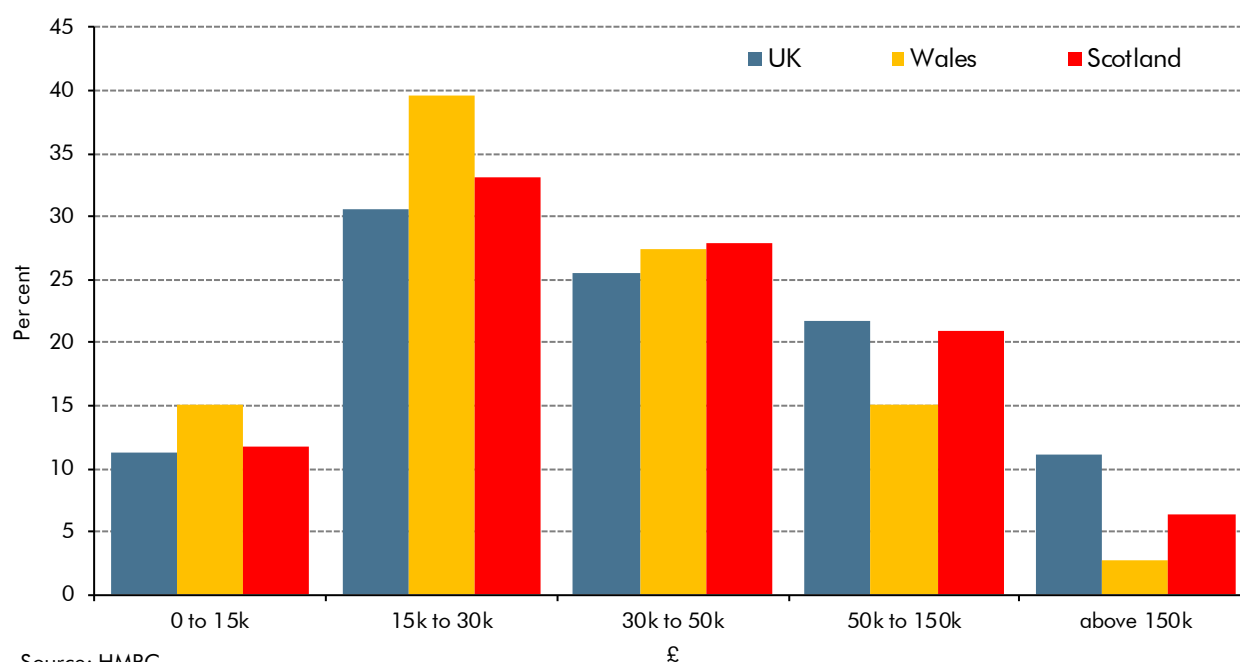
Chart 2.2: Unemployment rates in the UK, Scotland and Wales



Source: ONS

- 2.12 The main factors behind the drops in Scottish and Welsh shares of income tax since 2009-10 are likely to be the asymmetric effects of policy measures. In recent years, revenue-raising policies have generally affected the top end of the income distribution. These include the additional rate of income tax that applies to incomes over £150,000, the withdrawal of personal allowances over £100,000, freezes in the basic rate limit and higher rate thresholds and a number of anti-avoidance measures. In contrast, tax cuts such as raising the personal allowance to £11,000 by 2016-17 have had more of an effect at the lower end of the income distribution.
- 2.13 Chart 2.3 shows the proportion of total taxpayer income by income bands. Compared to the UK, the proportion of taxpayer income attributable to individuals with incomes below £30,000 is higher in Scotland, and particularly so in Wales. We have therefore made adjustments to the Scottish and Welsh share to account for recent policy measures that are not yet reflected in the SPI data.

Chart 2.3: Proportion of total taxpayer income by income bands (2012-13)



Source: HMRC

2.14 The final step in our forecast process is to add the estimated Scottish and Welsh share of newly announced policy measures to generate the post-measures forecast.

UK forecast

2.15 Table 2.2 shows the UK forecast of tax liabilities on non-savings, non-dividend income. To aid comparison we present both the current and previous July forecast before the effect of policy measures. Compared to our July forecast, estimates of outturn receipts have been revised down in 2012-13 but up in 2013-14. Analysis of 2013-14 SA returns suggests that liabilities for non-savings, non-dividend income were stronger than we estimated in July. This provides a higher starting point for the SA element of the forecast that is pushed through the forecast. The higher forecast for SA liabilities also pushes up the provisional UK outturn in 2014-15. Compared with July, our latest forecast rises faster in the near term but slows in later years, resulting in a forecast that is little changed by 2020-21. Receipts are expected to rise by 32 per cent over the forecast period.

2.16 In terms of the main economic determinants that feed into the income tax forecast, wages and salaries growth is slightly higher over the first few years of the forecast but lower thereafter, with the cumulative growth over the period a little lower than in July. That has been the main driver of the revised profile of tax liabilities shown in Table 2.2. Within that, employment growth has been revised up a little, while average earnings growth is stronger in 2015-16 but has been revised down a little in each subsequent year, partly due to our assumption that employers will pass most of the cost of the new apprenticeship levy onto their employees.

Table 2.2: UK forecast of tax liabilities on non-savings, non-dividend income

	£ billion								
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015 (excluding July measures) (a)	142.2	147.2	153.3	160.5	171.7	182.0	191.8	203.7	217.6
November 2015 (inc July measures)	141.5	148.8	155.4	164.5	175.0	185.4	195.3	205.4	217.5
November 2015 (exc July measures) (b)	141.5	148.8	155.4	164.3	173.3	184.5	194.9	205.4	217.5
Difference (b) - (a)	-0.7	1.7	2.1	3.8	1.6	2.5	3.1	1.7	0.0

2.17 PAYE receipts in 2015-16 have been boosted by the pension flexibility reforms. Pension withdrawals have been slightly higher than expected so far this year and we assume a yield of around £0.9 billion from these withdrawals over the whole of 2015-16, around £0.2 billion higher than previously assumed. Estimates of pension withdrawals and the extent to which the reforms also lead to higher pension contributions (and higher tax relief) remain subject to significant uncertainty. We have not revised our forecast for future years. The July Budget announced a delay in the implementation of the March 2015 measure on secondary annuities to 2017. That reduces receipts by around £0.5 billion in 2016-17 but increases them in 2018-19 as the effect has simply been pushed forward a year. We still consider this costing to be subject to very high uncertainty, with the range of possible outcomes around the central estimate including the possibility that a secondary market does not develop and no receipts are generated.

2.18 SA receipts in 2015-16 should be boosted by previously announced measures on partnership income and accelerated payments, and by the strong growth in self-employment in 2014. A number of other measures announced in the July Budget – including the changes in non-domicile rules, HMRC compliance measures and restrictions on residential landlords' deductions from taxable income – are all expected to boost receipts.

2.19 A number of policy measures that increase non-savings, non-dividends income tax receipts have been announced in this Autumn Statement:

- an increase in company car tax;
- the introduction of penalties linked with the general anti-abuse rule;
- a measure that encourages small business to pay their tax digitally;
- restrictions on the use of reliefs for energy investments by venture capital trusts; and
- the postponement of two planned increases in pensions contributions for automatically enrolled employees.

2.20 Two measures announced in this Autumn Statement lead to a fall in non-savings, non-dividends income tax receipts:

- a higher rate of SDLT on the purchase of additional residential properties (which only affects the forecast for Welsh income tax, given that no higher rate has been announced for Scotland's land and buildings transactions tax); and
- the impact on employer supported childcare of the changes to eligibility for tax-free childcare.

2.21 The measure to restrict company distributions is forecast to raise income tax receipts in the UK by between £25 million and £55 million a year, but it will not affect the definition used in either the Scottish or the Welsh rate of income tax since it affects dividend income.

Scottish forecast

2.22 Table 2.3 shows our latest forecast of the Scottish share of income tax. Data from the 2012-13 SPI became available in January 2015 and suggests that the Scottish share in 2012-13 was 3.04 per cent. This is the same information on which we based our July forecast. We expect a further fall in the Scottish share over the forecast period as a result of the asymmetric effect of policy measures in recent years. This pattern continues with the new policy measures announced in this Autumn Statement, with the tax increases focused on those with higher incomes, which reduces the Scottish share. We have not made any further adjustments to the share as the effects of the measures are dealt with separately.

Table 2.3: Scottish share of income tax

	Per cent of UK total for non-savings, non-dividend liabilities								
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015	3.04	2.91	2.91	2.89	2.89	2.89	2.89	2.88	2.88
November 2015	3.04	2.91	2.91	2.89	2.88	2.87	2.87	2.87	2.87

2.23 Table 2.4 provides a forecast for Scottish income tax liabilities on non-savings, non-dividend income. These are the liabilities specifically for the Scottish rate. Prior to a decision in the Scottish Parliament on the new Scottish tax rate for 2016-17, the forecast assumes that a 10p Scottish rate will be levied. In line with the UK forecast, we expect higher growth in tax liabilities in the near term but slower growth in the final years of the forecast compared with July.

Table 2.4: Scottish income tax forecast

	£ million								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	
Scottish income tax liabilities (pre-measures)	4288	4449	4648	4894	5208	5501	5793	6134	
New measures		0	1	6	18	20	9	15	
Scottish income tax liabilities (post-measures)	4288	4449	4649	4900	5226	5521	5802	6148	

2.24 Table 2.5 provides a breakdown of the change in the Scottish income tax forecast since July. Receipts are higher in every year of the forecast except for 2020-21. The main driver of this is the UK forecast outlined above but there is also a positive effect from Autumn Statement measures, particularly from changes to automatic enrolment pension contributions and company car tax. These outweigh the reduction in the forecast for the Scottish share shown in Table 2.3.

Table 2.5: Changes in Scottish income tax since July

	£ million							
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015	4240	4415	4590	4868	5147	5431	5781	6187
November 2015	4288	4449	4649	4900	5226	5521	5802	6148
Change in income tax	49	34	59	32	78	90	21	-38
of which:								
Scottish share	-1	-2	-2	-11	-18	-18	-19	-24
Other (including previous measures)	0	-25	-56	-59	-19	-14	-20	-27
New measures	0	0	1	6	18	20	9	15
UK forecast	49	61	115	97	97	103	50	-2

Welsh forecast

2.25 Table 2.6 shows our forecast for the Welsh share of income tax. The 2012-13 SPI data published in January 2015 indicate a Welsh share of 1.34 per cent. This is the same information on which we based our July forecast. As with the Scottish share, the asymmetric effect of policy measures is likely to be the key factor behind the recent drop. We expect the share to edge lower until 2016-17, from where we assume it will be flat at a slightly lower level than we assumed in July.

Table 2.6: Welsh share of income tax

	Per cent of UK total for non-savings, non-dividend liabilities								
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015	1.34	1.27	1.27	1.26	1.25	1.25	1.26	1.26	1.26
November 2015	1.34	1.27	1.27	1.26	1.25	1.25	1.25	1.25	1.25

2.26 Table 2.7 provides a forecast for Welsh income tax liabilities on non-savings, non-dividend income. These are the liabilities specifically for the Welsh rate. It assumes that a 10p rate is implemented by the Welsh Assembly. Again, in line with the UK forecast we expect higher growth in tax liabilities in the near term, but slower growth in the final years of the forecast period compared with July.

Table 2.7: Welsh income tax forecast

	£ million							
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Welsh income tax liabilities (pre-measures)	1868	1940	2022	2122	2259	2391	2522	2675
New measures		0	1	3	8	10	6	6
Welsh income tax liabilities (post-measures)	1868	1940	2023	2124	2267	2400	2528	2681

2.27 Table 2.8 provides a breakdown of the changes in the Welsh income tax forecast since July. Receipts are higher in every year of the forecast except 2020-21. The main driver of this is the UK forecast outlined above. As with Scotland, there is also a positive effect from announced measures in this Autumn Statement, particularly from changes to automatic enrolment pension contributions and company car tax. This outweighs the small reduction in the forecast for the Welsh share shown in Table 2.6.

Table 2.8: Changes in Welsh income tax since July

	£ million							
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015	1846	1924	1996	2107	2228	2357	2515	2695
November 2015	1868	1940	2023	2124	2267	2400	2528	2681
Change in income tax	22	16	27	17	39	43	13	-14
of which:								
Welsh share	0	0	0	0	-1	-1	-1	-2
Other (including previous measures)	0	-11	-24	-27	-10	-10	-14	-17
New measures	0	0	1	3	8	10	6	6
UK forecast	21	27	50	42	42	45	22	-1

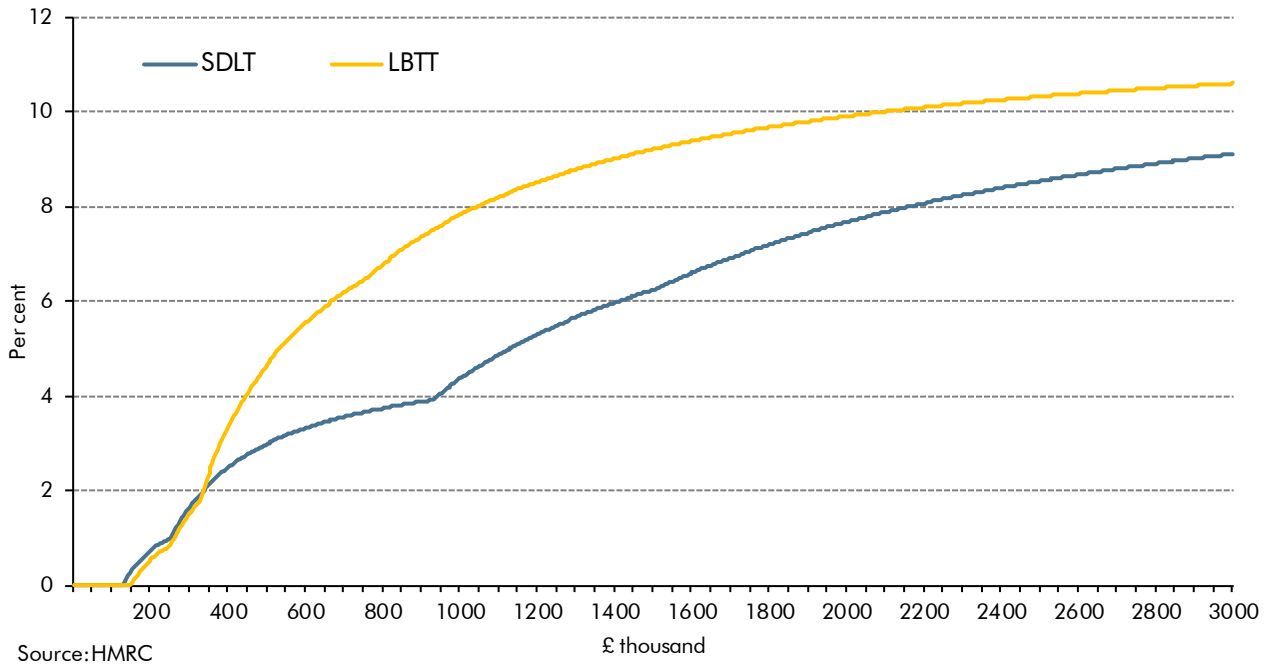
3 Taxes on property transactions

Scottish land and buildings transaction tax

- 3.1 The Scotland Act 2012 provided for stamp duty land tax (SDLT) to be entirely devolved to Scotland in April 2015, which included the power to change the tax system as well as tax rates. The system was changed through the Land and Buildings Transaction Tax (Scotland) Act 2013, which received Royal Assent on 31 July 2013.
- 3.2 In April 2015, the land and buildings transaction tax (LBTT) replaced UK-wide SDLT in Scotland. Prior to that there were also reforms to the UK SDLT tax system that took place in December 2014. The main changes that have affected the taxation of property transactions in Scotland are:
- on 4 December 2014, the UK residential SDLT regime moved from a 'slab' to a 'slice' system. As a result, between December 2014 and March 2015 property transactions in Scotland were taxed under the new UK SDLT regime, before moving to the LBTT regime in April 2015. The UK changes were discussed in detail in our December 2014 *EFO*;
 - a requirement to pay LBTT prior to registration of the title, intended to encourage prompt payment; and
 - modifications to reliefs and exemptions, including the withdrawal of sub-sale relief arrangements.
- 3.3 The Scottish Government announced LBTT rates and bands in its October 2014 Draft Budget. These were amended in January 2015. For residential property the rates are:
- 0 per cent on residential property transactions up to £145,000;
 - 2 per cent on the portion above £145,000 up to £250,000;
 - 5 per cent on the portion above £250,000 up to £325,000;
 - 10 per cent on the portion above £325,000 up to £750,000; and
 - 12 per cent on the portion above £750,000.
- 3.4 Chart 3.1 shows how the amount of tax paid on transactions at different property prices differs between the reformed UK SDLT regime and the Scottish LBTT system. It shows that there are substantial differences at some prices. For example, the purchaser of a £260,000

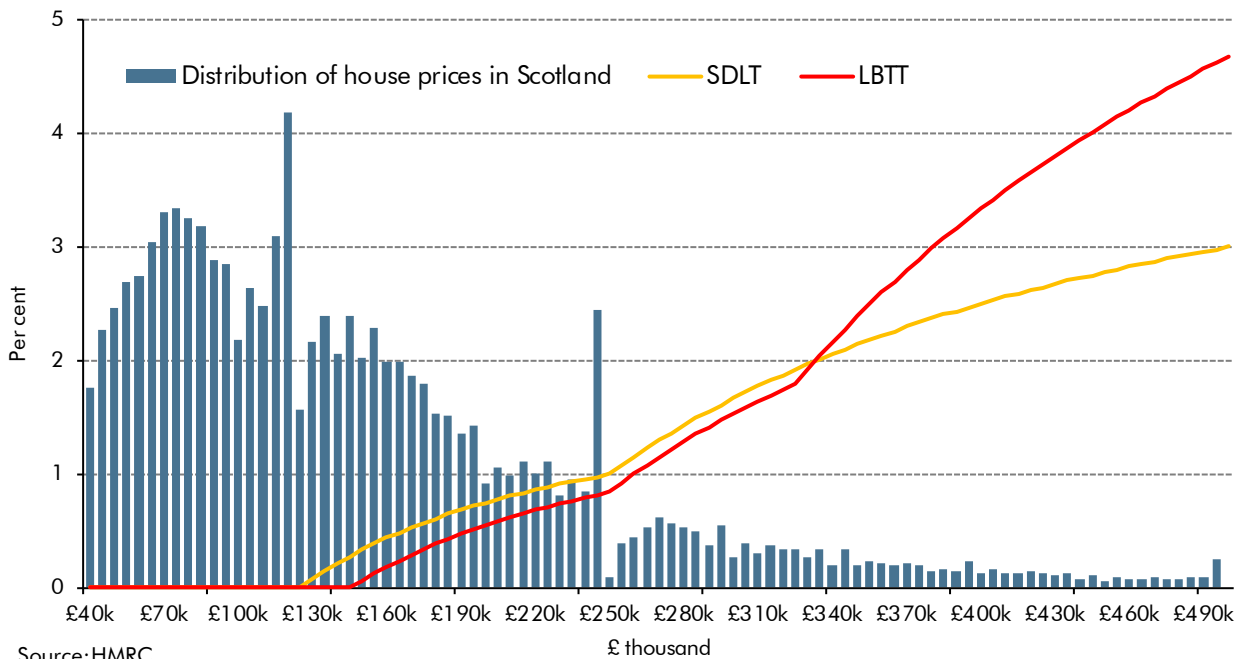
house – just above the 2 per cent threshold in both systems – would pay £400 less in tax in Scotland. By contrast, the purchaser of a £1.5 million house would pay £45,000 more tax under the Scottish system.

Chart 3.1: UK SDLT and Scottish LBTT tax schedules for residential property



3.5 Chart 3.2 shows LBTT and SDLT tax schedules for property transactions up to £500,000 against the distribution of house prices in Scotland. From this it is clear that for the majority of properties in Scotland there would be a zero rate under either system. It is also clear that a significant proportion is likely to face a lower rate under LBTT than SDLT. A relatively small proportion would be subject to the higher rates under LBTT and few properties in Scotland would be subject to the 10 and 12 per cent LBTT rates.

Chart 3.2: Distribution of house prices in Scotland under LBTT and SDLT, 2013-14



3.6 The new rates for Scottish non-residential property are:

- 0 per cent on non-residential property transactions up to £150,000;
- 3 per cent between £150,000 and £350,000; and
- 4.5 per cent above £350,000.

Welsh property transactions tax

3.7 The Wales Act 2014 provides for SDLT to be fully devolved to Wales in April 2018. The Welsh Government announced, in its Tax Collection and Management (Wales) Bill in July 2015, its intention to replace SDLT with the 'land transaction tax'. The intended date of Royal Assent for this bill is spring 2016 with a further bill introducing the legislation for the land transaction tax expected later in the year. Until sufficient detail about the new tax is available, including rates and thresholds, our forecast is based on estimating the Welsh share of our UK SDLT receipts forecast.

Methodology

3.8 The forecast for residential LBTT and the share of Welsh residential SDLT uses the HMRC stamp duty model (SDM). This is a microsimulation model that allows us to apply the tax schedules for LBTT and SDLT to a representative 10 per cent sample of transactions from a given year and grow them in line with our price and transactions forecasts for the residential property markets. We assume that Scottish and Welsh prices and transactions grow in line with those for the UK as a whole from 2015-16 onwards.

- 3.9 The forecast for commercial LBTT and the Welsh share of commercial SDLT is modelled using HMRC's stamp duty plus model (SDM+). This works in a similar way to the SDM, with the main difference being that rather than a sample, it takes all Scottish and Welsh property transactions from a given year, before applying price and transactions forecasts for the commercial sector. Again, we assume that Scottish and Welsh prices and transactions grow in line with those for the UK as a whole from 2015-16 onwards.
- 3.10 Table 3.1 shows how the Scottish and Welsh shares of SDLT receipts have evolved since 2007-08. It shows that they have generally been on a declining path, which has reflected the relative strength of London prices over the period. UK SDLT receipts fell sharply in 2008-09 and only returned to their pre-crisis levels in 2014-15. Scottish and Welsh residential SDLT receipts in 2014-15 were still 21 and 19 per cent below the 2007-08 levels. Commercial SDLT receipts in Scotland in 2014-15 were 9 per cent below the 2007-08 level while they were 13 per cent lower in Wales.
- 3.11 We will add any additional effect from new policy measures to produce the post-measures forecast.

Table 3.1: Historical Scottish and Welsh shares of SDLT receipts

	£ million							
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
UK:	9958	4796	4885	5960	6130	6907	9273	10738
<i>of which</i>								
Residential	6680	2950	3290	4040	4220	4905	6450	7500
Commercial	3278	1846	1595	1920	1910	2002	2823	3238
	Totals							
Scotland:	565	320	250	330	275	283	390	475
<i>of which:</i>								
Residential	340	185	135	165	155	170	215	270
Commercial	225	135	115	165	120	113	175	205
Wales:	210	115	100	115	125	105	150	172
<i>of which:</i>								
Residential	130	55	55	65	65	70	90	105
Commercial	80	60	45	50	60	35	60	67
	Per cent of UK total							
Scotland:								
Residential share	5.1	6.3	4.1	4.1	3.7	3.5	3.3	3.6
Commercial share	6.9	7.3	7.2	8.6	6.3	5.6	6.2	6.3
Wales:								
Residential share	1.9	1.9	1.7	1.6	1.5	1.4	1.4	1.4
Commercial share	2.4	3.3	2.8	2.6	3.1	1.7	2.1	2.1

UK SDLT forecast

- 3.12 SDLT from residential property has been weaker than expected so far in 2015-16. We have revised receipts down by £0.3 billion from our July forecast. Growth in overall residential transactions and house prices in recent months have been a little higher than we assumed

in July, with the weakness concentrated at the top end of the housing market. In particular, SDLT receipts are weaker because transactions among properties worth at least £2 million have fallen. While the 10 per cent year-on-year drop in the first half of 2015-16 represents only around 350 fewer transactions, each transaction pays a very large amount of SDLT. Assuming an average transaction price in this bracket of £4 million would imply a £140 million drop in receipts.

- 3.13 Compared with July, we have revised our pre-measures residential SDLT forecast down by over £2 billion by 2020-21. This revision reflects a combination of pushing the 2015-16 receipts weakness through the forecast, allowing for an additional downward effect from expensive properties and a lower forecast for overall residential transactions. In contrast, we have revised our commercial SDLT forecast up since July to allow for greater buoyancy in the effective tax rate, given rising prices and thresholds fixed in cash terms. These changes are partly offset by the policy measure of a 3 per cent SDLT surcharge on additional properties (mostly second homes and buy-to-let properties), which adds around £0.9 billion to the forecast by 2020-21.

Scottish forecast

LBTT receipts outturn

- 3.14 At the time we closed this forecast, six months of LBTT receipts outturn had been published by Revenue Scotland. These are shown in Table 3.2. For the year to date, total receipts are £183 million, with £96 million of those from residential transactions and £87 million from commercial transactions.
- 3.15 The pattern of receipts from April to June suggests people responded to changes in the tax system by shifting the timing of property transactions – an effect known as ‘forestalling’ that is often important when estimating the effect of policy changes that are pre-announced. Residential properties purchased for more than £335,000 are subject to a lower rate under UK SDLT than LBTT, as shown in Chart 3.2. It appears that a material number of such purchases were brought forward so that they took place before the April 2015 introduction of LBTT.
- 3.16 Residential LBTT receipts were low in April 2015, then jumped 63 per cent in May and a further 62 per cent in June. The number of residential transactions increased by 14 per cent from April to May and a further 28 per cent from May to June. Some of this is explained by the seasonal pattern of property transactions – transactions in Scotland tend to rise from April to June before remaining relatively flat across the summer months – but the high growth does suggest some forestalling behaviour. That can be seen more clearly when looking at the amount of LBTT paid per residential transaction. It almost doubled between April and June – from £1,017 in April to £1,460 in May and £1,844 in June. This suggests sales of higher value properties might have been depressed in the early months of LBTT, again consistent with forestalling behaviour shifting those transactions forward to before the introduction of LBTT.

3.17 The outturns suggest there may also have been some forestalling with commercial transactions, though the month-on-month growth is less pronounced.

Table 3.2: Land and buildings transaction tax outturn

	£ million					
	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15
Total	18	24	32	38	37	34
of which						
Residential	7	11	19	19	21	19
Commercial	11	13	14	18	16	16
	Transactions					
Total	7490	8620	10980	10910	10440	10010
of which						
Residential	6880	7810	10030	9940	9540	9040
Commercial	610	810	950	970	900	970

LBTT forecast

3.18 Our forecast for Scottish LBTT is based on the LBTT rates for residential property announced in January 2015. Table 3.3 shows our latest forecasts for residential and commercial LBTT. We have revised our forecast down since July, but still expect total LBTT receipts to rise by 93 per cent between 2015-16 and 2020-21. Strong growth in LBTT receipts is explained by higher house prices and rising residential property transactions. Relative to our SDLT forecast, rising house prices will lead to a steeper rise in the effective tax rate for LBTT, given the marginal tax rates shown in Chart 3.1.

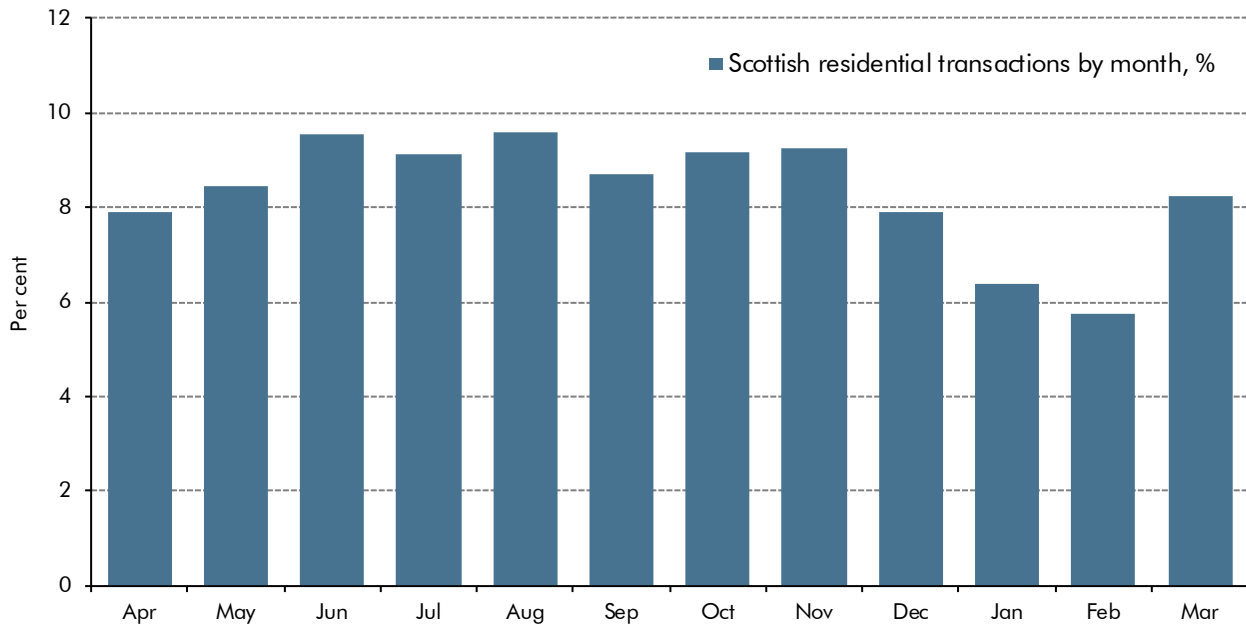
Table 3.3: Land and buildings transaction tax forecast

	£ million					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Total LBTT						
July 2015	540	616	689	780	874	974
November 2015	397	496	557	628	700	769
Difference	-142	-120	-132	-152	-174	-205
Residential LBTT						
July 2015	264	324	385	462	541	623
November 2015	178	253	302	360	418	473
Difference	-86	-72	-83	-102	-123	-150
Commercial LBTT						
July 2015	275	291	304	318	333	351
November 2015	220	243	255	268	282	296
Difference	-56	-49	-49	-50	-51	-55

3.19 Tables 3.4 and 3.5 show the sources of changes since our July forecast. Residential LBTT has been revised down substantially in each year, largely due to the receipts outturns shown in Table 3.2. In the year to September, total residential receipts have been £96 million, well below the level that would have been consistent with our July forecast. Chart 3.3 shows that typically more residential transactions take place in the first half of the year, so there is

unlikely to be a major rebound in the remainder of the year, so the forecast has been revised down by £116 million in 2015-16 and £85 million for future years.

Chart 3.3: Proportion of Scottish residential property transactions by month



Source: HMRC

3.20 Some of the difference is explained by the estimated level of forestalling. Our July forecast assumed that transactions with a LBTT value of £20 million had been brought forward into 2014-15. We now estimate the effect was larger at £30 million. This type of behaviour only affects the timing rather than the underlying level of transactions, which is why the reduction attributed to receipts outturn is lower in later years. The other main effect is from the forecast for UK property transactions, which we have revised down to reflect new evidence on the average length of time between sales of properties in the owner-occupied and private-rented sectors. We have assumed that effect applies equally in Scotland, which has reduced our LBTT forecast by £42 million by 2020-21. There is also an effect from changes to UK house price inflation, which is slightly higher than our July forecast in the shorter term but lower in later years.

Table 3.4: Changes in residential LBTT since July

	£ million					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Change in residential LBTT	-86	-72	-83	-102	-123	-150
of which:						
Receipts outturn	-116	-85	-85	-85	-85	-85
House prices	5	9	10	10	3	-17
Property transactions	9	9	-3	-21	-35	-42
Modelling changes	16	-5	-5	-6	-6	-6

3.21 Our forecast for commercial LBTT receipts has also been revised down by between £49 and £55 million a year. Again, the main cause is the outturn shown in Table 3.2: receipts in the

first half of 2015-16 were well below the level consistent with our July forecast. We have also lowered our commercial property prices and transactions forecast, which together lowers LBTT receipts by £23 million by 2020-21. We have also included a £10 million estimate for commercial property transactions forestalling.

Table 3.5: Changes in commercial LBTT since July

	£ million					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Change in commercial LBTT	-56	-49	-49	-50	-51	-55
of which:						
Receipts outturn	-47	-37	-36	-35	-34	-33
Property prices	-7	-7	-8	-9	-11	-13
Property transactions	-4	-6	-6	-7	-8	-10
Modelling changes	1	1	1	1	1	2

3.22 Our revised forecast for Scottish LBTT receipts in 2015-16 of £397 million is now similar to the Scottish Government’s estimate of £381 million. However, there remains significant uncertainty around estimating the fiscal effect of a new tax and forecast revisions to residential property transactions in particular can be substantial. More detail on the modelling undertaken to estimate the impact of reforms to UK SDLT and the introduction of the Scottish LBTT can be found in Box 4.5 of our December 2014 *EFO*.

Welsh forecast

3.23 As described above, the Welsh residential SDLT forecast has been estimated using HMRC’s SDM and our UK-wide house price and residential transaction forecasts. Welsh commercial SDLT has been forecast using HMRC’s SDM+ model and our UK forecast for commercial property prices and transactions. We then include the assumed Welsh share of SDLT policy measures in order to produce a final post-measures forecast. There are two Autumn Statement policy measures that affect the UK SDLT forecast:

- stamp duty land tax – higher rates on additional properties; and
- stamp duty land tax – bringing forward payments.

3.24 Table 3.6 shows that we expect Welsh SDLT to increase by 67 per cent between 2015-16 and 2020-21. Relative to our July forecast, Welsh residential SDLT has been revised down substantially in all years.

Table 3.6: Welsh SDLT forecast

	£ million					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Total SDLT						
July 2015	179	197	220	248	277	307
November 2015	163	184	204	227	251	273
Difference	-16	-13	-16	-21	-26	-34
Residential SDLT						
July 2015	101	116	136	162	188	215
November 2015	84	100	115	134	153	170
Difference	-17	-16	-21	-28	-35	-45
Commercial SDLT						
July 2015	78	81	84	86	89	92
November 2015	79	84	88	93	98	103
Difference	1	3	5	7	9	11

3.25 Table 3.7 shows that the most significant factor driving the downward revision since July has been lower than expected receipts in 2015-16, which reduces the forecast by £20 million a year. The effect from house prices and property transactions is consistent with the effect on our overall SDLT forecast described above.

Table 3.7: Changes in Welsh residential SDLT forecast since July

	£ million					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Changes to residential SDLT	-17	-16	-21	-28	-35	-45
of which:						
Receipts outturn	-20	-20	-20	-20	-20	-20
House prices	2	3	3	3	1	-6
Property transactions	3	3	-1	-7	-12	-14
Modelling changes	-2	-2	-3	-4	-4	-5

3.26 Our Welsh commercial SDLT forecast has been revised up in all years. Table 3.8 shows that this has been driven by a change in forecast methodology, with the shift to using the SDM+ model slightly outweighing negative effects from lower receipts and lower property prices. We consider that the SDM+ model meets more fully the criteria we use to assess the performance of forecast models (described in Box 4.1 of our 2015 *Forecast evaluation report*).

Table 3.8: Changes in Welsh commercial SDLT forecast since July

	£ million					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Changes to commercial SDLT	1	3	5	7	9	11
of which:						
Receipts outturn	-7	-7	-7	-7	-7	-7
Property prices	-4	-5	-4	-5	-5	-6
Property transactions	1	1	1	1	1	1
Modelling changes	12	14	16	18	20	23

3.27 The proportion of transactions in Wales close to the 2 per cent threshold in the new UK SDLT regime (£125,000) is relatively high, as shown in Chart 3.3. This creates greater fiscal drag in Wales in the SDM modelling of Welsh SDLT receipts than was implied under the old slab regime, which encouraged bunching below thresholds because of the substantial impact on the amount of tax paid when moving from below to above a threshold. The change to a slice system in December 2014 means that transactions at prices just below the threshold are more likely to move up into the SDLT regime over time.

Chart 3.4: Distribution of house prices in Wales compared to the UK, 2013-14



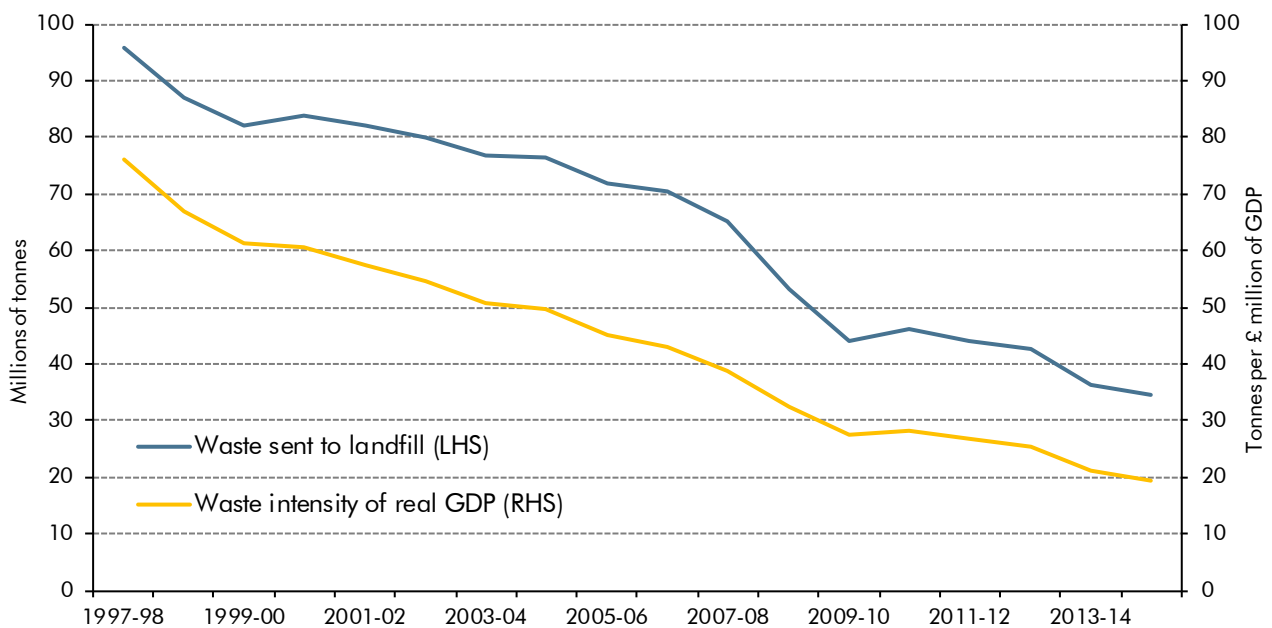
4 Environmental taxes

Landfill tax

Trends in UK landfill tax receipts

- 4.1 Landfill tax was introduced in 1996. It is a tax that applies to all waste disposed of by way of landfill at a licensed landfill site unless the waste is specifically exempt. Our forecast for UK landfill tax is driven by the tax base (the amount of waste sent to landfill) and the effective tax rate that will be paid (largely driven by policy decisions on the rates paid, but also by the composition of waste sent to landfill as there are two different tax rates). Both elements represent sources of uncertainty in the forecast.
- 4.2 Since waste is largely a by-product of economic activity, we would expect growth in the tax base to be associated with GDP growth. And since the tax is paid on the volume of waste (per tonne), the relationship should be with real GDP. As Chart 4.1 shows, that relationship has been one of declining volumes of waste per unit of real GDP. Indeed, since landfill tax was introduced, there has been a clear downward trend in the amount of waste sent to landfill in the UK, falling from 96 million tonnes in 1997-98 to 34 million tonnes in 2014-15.

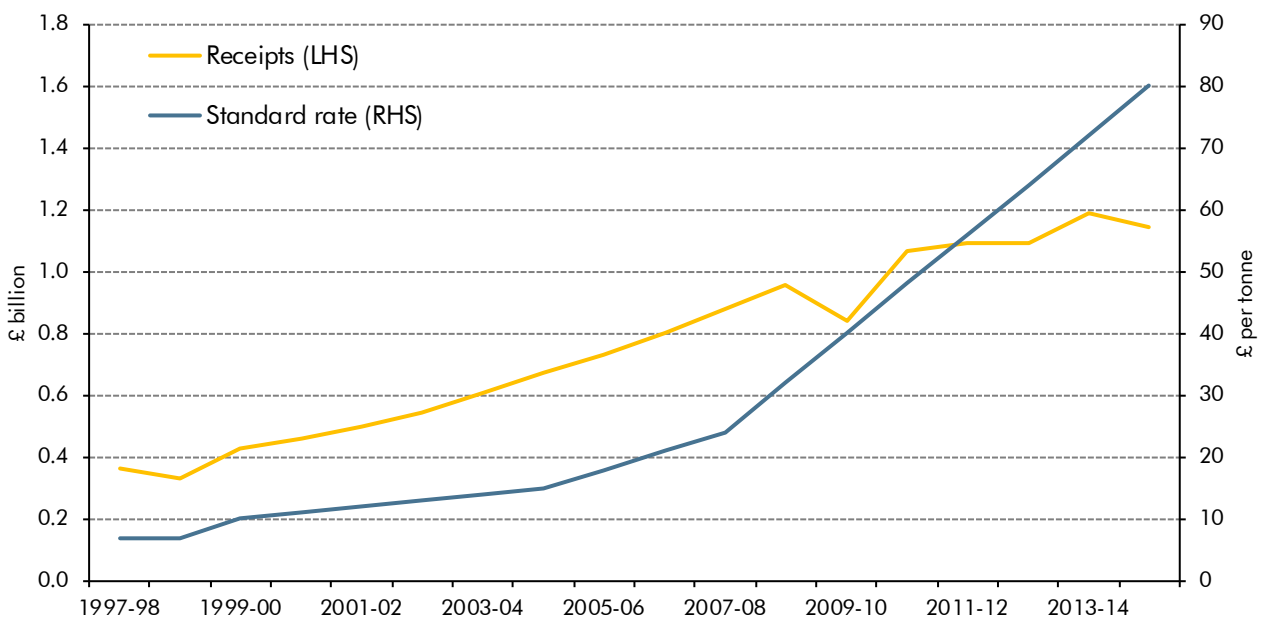
Chart 4.1: UK landfill waste tonnage relative to economic activity



Source: HMRC, ONS, OBR

4.3 As Chart 4.2 shows, despite a declining tax base, landfill tax receipts have risen significantly over the past 15 years, mainly due to large increases in the duty rate. The standard rate has been raised from £7 a tonne in 1997-98 to £80 a tonne in 2014-15 and £82.60 since April 2015. This has more than offset the reduction in the effective tax rate due to a steady decline in the proportion of waste sent to landfill that is subject to the standard rate – itself partly due to HMRC losing a court case that led to a narrowing of the scope of the standard rate.

Chart 4.2: UK landfill tax standard rate and receipts



Source: HMRC, ONS, OBR

Scottish rate

4.4 Landfill tax was fully devolved to the Scottish Government in April 2015. In October 2014, as part of the Scottish Government’s Draft Budget, it was announced that landfill tax rates will be set in line with those in the rest of the UK in 2015-16.

Welsh rate

4.5 The Wales Act provides for landfill tax to be fully devolved from April 2018. The Welsh Government announced, in its Tax Collection and Management (Wales) Bill in July, its intention to replace landfill tax with the ‘land disposals tax’. The intended date of Royal Assent for this bill is spring 2016 with a further bill introducing the legislation for the land disposals tax expected later in the year. Until sufficient detail about the new tax is available, including rates, our forecast is based on estimating the Welsh share of UK landfill receipts.

Methodology

- 4.6 The Scottish and Welsh landfill tax forecasts are produced by applying an assumption about the path of the Scottish and Welsh share of landfill tax to the UK forecast. The Scottish landfill tax forecast also takes into account the latest receipts outturn from Revenue Scotland.
- 4.7 As noted above, the UK forecast is compiled using a forecast for the tonnage of waste sent to landfill, which is multiplied by the appropriate tax rate. The tonnage forecast is generated from separate Department for Environment, Food and Rural Affairs (DEFRA) projections of municipal solid waste, and commercial and industrial waste, sent to landfill. The expected amount of municipal waste sent to landfill is estimated by comparing the cost of alternative waste treatment options. DEFRA's detailed models cover England, so are scaled up to get to a UK-wide forecast. The split between standard and lower tax rates is based on historical trends. The tax rates are assumed to be updated in line with RPI inflation, consistent with the default updating assumption set by the Government.
- 4.8 Data on Scottish landfill tax are still limited, as only one quarter of outturn data has been published by Revenue Scotland. The Welsh share of landfill tax receipts is not currently available either, since landfill operators submit data returns that cover sites across all of England, Wales and Northern Ireland. The shares are therefore estimated from various data sources on landfill tonnages. The Scottish share uses data from the Scottish Environment Protection Agency that covers only Scotland. The Welsh share is calculated using data from Natural Resource Wales. This is a detailed dataset that offers comprehensive coverage of the amount of waste sent to landfill in Wales. Data for Northern Ireland is sourced from the Department of the Environment Northern Ireland to allow us to complete the picture for total UK landfill tonnage and calculate the Scottish and Welsh shares.
- 4.9 We add the effect of any new policy measures to produce our post-measures forecast.

UK forecast

- 4.10 The latest available landfill tonnage data are shown in Table 4.1. As in our July forecast, 2013-14 remains the latest year of available data and shows a continuation in the downward trend. The UK total has fallen by 37 per cent since 2006-07, while there have been steeper declines in both Scotland (43 per cent) and Wales (44 per cent).

Table 4.1: Landfill tonnage in the UK

	Tonnes (million)							
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
England	63.9	59.0	51.4	43.9	43.8	44.0	41.6	41.0
Scotland	7.1	7.0	5.7	4.7	4.6	4.6	4.4	4.1
Wales	3.8	3.1	2.8	2.5	2.3	2.2	2.2	2.1
Northern Ireland	1.5	1.4	1.3	1.2	1.1	1.0	0.9	0.8
UK	76.3	70.5	61.2	52.2	51.8	51.8	49.1	48.1
	Per cent of UK total							
Scotland	9.4	9.9	9.4	8.9	8.8	8.9	8.9	8.4
Wales	5.0	4.4	4.6	4.7	4.4	4.2	4.4	4.4

4.11 The UK landfill tax forecast in Table 4.2 has been revised up in the near term since July and down from 2017-18 onwards. That reflects updated DEFRA projections of local authority waste sent to landfill. There is one landfill tax policy measure at the Autumn Statement that will apply in England, Wales and Northern Ireland: the reform to the landfill communities fund, which has raised the UK-wide forecast by £20 million a year from 2016-17 onwards.

Table 4.2: UK landfill tax forecast

	£ million						
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015	1122	1059	990	974	1008	1084	1156
November 2015	1125	1077	1006	925	924	979	1081
Difference	3	18	16	-49	-84	-106	-74

Scottish landfill tax receipts outturn

4.12 Since our July forecast, the first receipts outturn for Scottish landfill tax has been released by Revenue Scotland. Scottish landfill tax receipts were £37 million from April to June 2015 (monthly data are unavailable). In July we forecast receipts would total £94 million in 2015-16. As there is no particular seasonal pattern in landfill receipts that would suggest the first quarter of the fiscal year should account for significantly more than a quarter of full-year receipts, our July forecast appears to have been an underestimate.

Scottish forecast

4.13 The forecast for Scottish landfill tax in Table 4.3 has revised up considerably to reflect higher than expected receipts so far in 2015-16. Receipts are now forecast to be £140 million in 2015-16. That increase has been pushed through the rest of the forecast. Our new estimates imply a larger share of receipts for Scotland (13 per cent) than the overall share of waste tonnage sent to landfill shown in Table 4.1. This was a possibility we noted in July when considering why our 2015-16 estimate in that forecast was considerably lower than the £118 million included in the Scottish Government's Draft Budget.

4.14 This forecast has not taken into account the aspirations of the Scottish Government to reduce landfill tonnage more rapidly than in England. If this aspiration can be translated to

a firm policy target with relevant supporting analysis we can then consider it for the forecast. For now it is noted as a fiscal risk.

Table 4.3: Scottish landfill tax forecast

	£ million					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015	94	88	87	90	96	103
November 2015	140	131	120	120	127	140
Difference	46	43	33	30	31	38

Welsh forecast

4.15 The Welsh landfill tax forecast in Table 4.4 moves in line with our UK forecast. The main change is a small fall in the assumed Welsh share of UK receipts to reflect the higher Scottish share described above. For 2015-16 Wales is now assumed to account for 4.3 per cent of the UK's landfill tax receipts from 2015-16 onwards. Relative to our July forecast, receipts are lower by up to £7 million a year. The fall from £50 million in 2014-15 to £39 million in 2017-18 before rising to £46 million in 2020-21. Applying the estimated Welsh share to the costing of the landfill communities fund measure adds less than £1 million a year to our Welsh landfill tax forecast.

4.16 Once again, this forecast does not make allowance for the Welsh Government's aspiration to reduce landfill tonnage at a faster pace than in England. If this can be converted to a firm policy target with relevant supporting analysis we can then consider it for the forecast. For now it is noted as a fiscal risk.

Table 4.4: Welsh landfill tax forecast

	£ million						
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015	50	47	44	43	45	48	51
November 2015	50	46	43	39	39	42	46
Difference	0	-1	-1	-4	-6	-7	-5

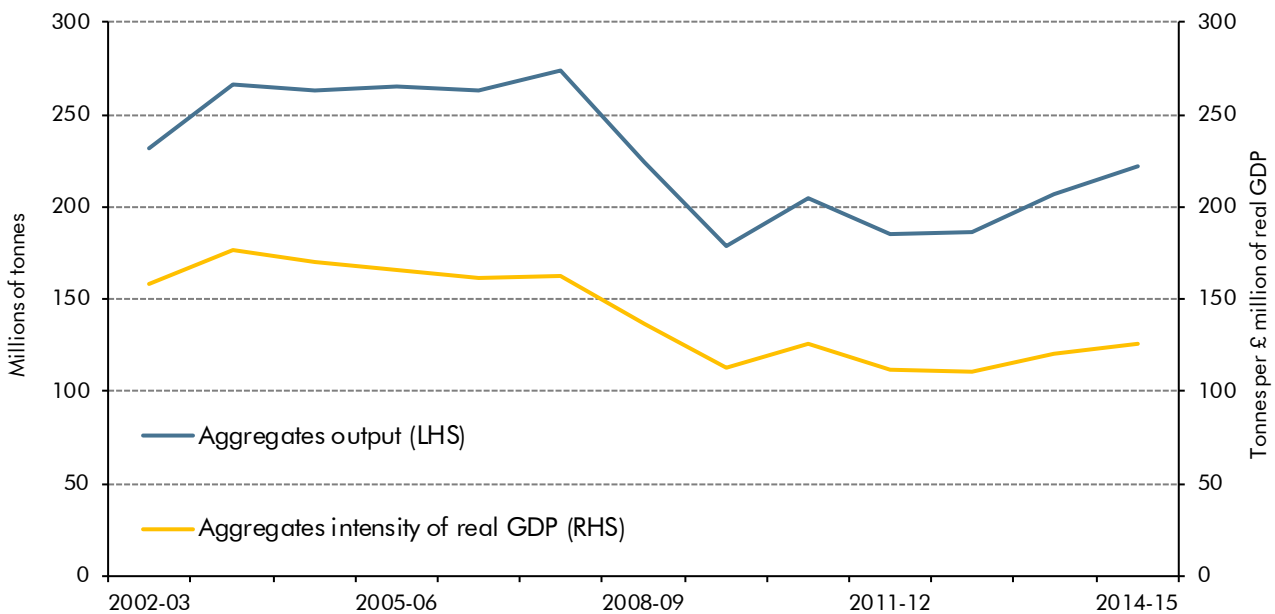
Aggregates levy

Trends in UK aggregates levy receipts

4.17 The aggregates levy is a tax on the commercial exploitation in the UK of rock, sand and gravel. It is due from any business that quarries, dredges or imports these products. The levy came into effect in 2002. Our forecast for UK aggregates levy is driven by the tax base (the volume of aggregates exploited) and the effective tax rate that will be paid (largely driven by policy decisions on the rates paid, but also by the composition of the tax base as some aggregates are relieved or exempt from the levy). The tax base represents the main source of uncertainty in the forecast.

4.18 Since aggregates are largely an input into broader economic activity, we would expect the growth in the tax base to be associated with GDP growth. And since the tax is paid on the volume of aggregates (per tonne), the relationship should be with real GDP. As Chart 4.3 shows, that relationship has been one of relatively stable volumes of aggregates per unit of real GDP, with a shift in the level during the late 2000s recession that has persisted. Since the aggregates levy was introduced, output in absolute terms was relatively stable during the pre-crisis period, and then fell sharply in 2009-10. It was relatively stable again until 2012-13, but recently updated data suggest it has picked up again since then.

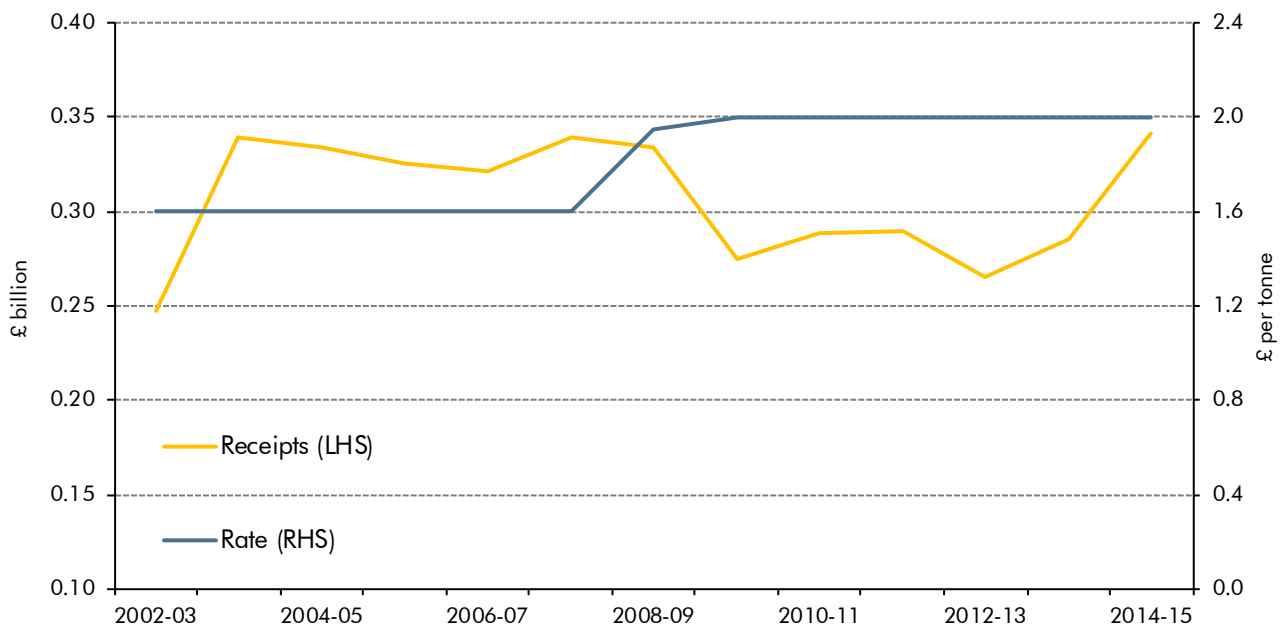
Chart 4.3: UK aggregates output relative to economic activity



Source: HMRC, ONS, OBR

4.19 As Chart 4.4 shows, aggregates levy receipts fell significantly after 2008-09 but have now returned to their pre-crisis levels. The increases in the rate per tonne in 2008-09 and 2009-10 were not sufficient to offset the fall in the tax base in 2009-10. With the rate per tonne frozen in recent years, receipts have been lifted by the pick-up in economic activity.

Chart 4.4: UK aggregates levy rate and receipts



Source: HMRC

Scottish and Welsh rates

4.20 The Government has committed to keeping the devolution of aggregates levy to Scotland and Wales under review. It intends, subject to the resolution of a legal challenge in the European courts, to devolve this tax in the future.

Methodology

4.21 The UK forecast is generated from a projection of the tax base multiplied by the tax rate. An econometric model relates the sales of primary aggregates to construction sector growth. The model also allows for the usage of recycled aggregates to increase over time and for substitution away from the extraction of primary aggregates. The tax rate is assumed to be uprated in line with RPI inflation, consistent with the default uprating assumption set by the Government.

4.22 To produce Scottish and Welsh aggregates levy forecasts, we apply our assumptions for their respective shares to the UK receipts forecast. These shares are estimated using data on the Scottish and Welsh share of aggregates production from the United Kingdom Mineral Yearbook 2013, which are shown in Table 4.5.

Table 4.5: Aggregates tonnage in the UK

	Tonnes (million)						
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
England	140.1	136.8	106.2	95.4	104.8	95.9	97.9
Scotland	37.2	32.3	28.4	28.6	27.5	24.8	22.1
Wales	20.8	18.0	12.2	12.6	13.6	12.3	12.9
Northern Ireland	6.7	5.3	4.8	3.9	20.0	18.4	18.4
UK	204.8	192.5	151.6	140.5	165.9	151.3	151.3
	Per cent of UK total						
Scotland	18.2	16.8	18.7	20.3	16.6	16.4	14.6
Wales	10.2	9.4	8.1	9.0	8.2	8.1	8.5

4.23 Finally, we add the Scottish and Welsh element of any policy measures to produce the post-measures forecast.

UK forecast

4.24 Table 4.5 shows that the decline in aggregates tonnage across the UK since 2007-08 has been 26 per cent. The decline has been significantly greater in Scotland (33 per cent) and Wales (41 per cent). An important element of the UK forecast is the result of a European Commission ruling that permitted the reinstatement of aggregates levy exemptions from 2015-16. Those exemptions help to explain the drop in receipts between 2014-15 and 2015-16. Relative to our July forecast, stronger than expected cash receipts has led to a higher estimate for 2014-15 accrued receipts, which is reflected in other years of the forecast. There are no aggregates levy policy measures in this Autumn Statement.

Table 4.6: UK aggregates levy forecast

	£ million						
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015	352	314	335	340	343	346	349
November 2015	357	334	343	368	363	366	370
Difference	5	20	8	28	20	20	21

Scottish forecast

4.25 Table 4.5 shows that the Scottish share of UK aggregates tonnage is relatively high at around 15 to 20 per cent of the UK total. For this forecast we have held the Scottish share constant at 14.6 per cent, reflecting the latest view on the Scottish share of receipts. Movements in the Scottish forecast therefore follow the UK forecast very closely. Receipts drop to £49 million in 2015-16 due to the reinstatement of levy exemptions before steadily rising to £54 million in 2020-21.

Table 4.7: Scottish aggregates levy forecast

	£ million						
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015	58	51	55	56	56	57	57
November 2015	52	49	50	54	53	53	54
Difference	-6	-3	-5	-2	-3	-3	-3

Welsh forecast

4.26 Table 4.5 shows that the Welsh share of UK aggregates tonnage is also relatively high at around 8 to 10 per cent. For this forecast we have held the Welsh share constant at 8.5 per cent, reflecting the latest view on the Welsh share of receipts. The Welsh forecast therefore follows the UK forecast very closely. Receipts drop to £29 million due to the reinstatement of levy exemptions before steadily rising to £32 million in 2020-21.

Table 4.8: Welsh aggregates levy forecast

	£ million						
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
July 2015	29	25	27	28	28	28	28
November 2015	30	29	29	31	31	31	32
Difference	2	3	2	4	3	3	3

Eitem 8

Yn rhinwedd paragraff(au) vi o Reol Sefydlog 17.42

Mae cyfyngiadau ar y ddogfen hon

Yn rhinwedd paragraff(au) vi o Reol Sefydlog 17.42

Mae cyfyngiadau ar y ddogfen hon