

Budget (Scotland) (No.4) Bill: Stage 2 proceedings

Purpose

1. The Finance and Public Administration Committee is invited to consider the Budget (Scotland) (No.4) Bill at Stage 2.
2. To inform this consideration, the Committee is taking evidence from the Cabinet Secretary for Finance and Local Government on the Scottish Government's response to the Committee's Report on the Scottish Budget 2025-26 immediately prior to Stage 2 proceedings.

Background

3. Unlike most public bills, Budget bills do not require accompanying documents such as a financial memorandum, explanatory notes, or a policy memorandum. They also follow different procedures to other public bills. Rule 9.16 of Standing Orders¹ states that a Budget bill, once introduced, is automatically referred to the Parliament for consideration of, and decision on whether to agree to, its general principles. These rules also state that the Finance Committee considers Budget bills at Stage 2.
4. The [Budget \(Scotland\) \(No. 4\) Bill](#) was introduced on 18 December 2024. The Scottish Parliament debated the Bill at Stage 1 and agreed its general principles on [4 February 2025](#).
5. The [Scottish Budget 2025-26 document](#) published on 4 December 2024 sets out in detail the Scottish Government's proposed tax and spending plans for 2025-26. The Committee published its report on [Budget 2025-26 Scrutiny](#) on 29 January 2025. The Scottish Government's response to this report was received on 13 February (and is included in paper 1), ahead of the Committee's evidence session with the Cabinet Secretary and Stage 2 proceedings on 18 February.

Stage 2 procedure

6. Under Rule 9.16.6 of Standing Orders, only a member of the Scottish Government or junior Minister can lodge amendments to a Budget Bill.
7. In her [letter to the Committee of 28 January 2025](#), the Cabinet Secretary confirmed that the Scottish Government "has reached agreements with the Scottish Liberal Democrats and Scottish Greens to support the Budget [...] and

¹ [Scottish Parliament Standing Orders](#)

I will take forward arrangements to formally table amendments at Stage 2, which will give effect to additional spend during financial year 2025-26”.

8. The deadline for lodging amendments passed on 7 February and six amendments were lodged by the Cabinet Secretary, which can be found in the Annexe to this paper.
9. Consideration of this Bill at Stage 2 follows the same procedure as for other Bills. The Committee is required to agree each section and schedule of the Bill, as well as the long title. As with other Bills, where no amendments are proposed to sections and schedules which fall consecutively for consideration, a single question can be put on all those sections or schedules.
10. It is not possible to leave out a section or schedule of the Bill by simply disagreeing to it. The Guidance on Public Bills² states—

“Because the only mechanism available to leave a section or schedule out of a Bill is by means of an amendment, putting the question on each section and schedule is, in practice, a formality. There is no obligation on members to agree when the question is put on the section or schedule, but disagreement does not lead to a division and cannot result in the omission of the section or schedule from the Bill.”
11. Under Standing Orders, only the relevant Minister can contribute to formal Stage 2 proceedings and therefore, Scottish Government officials are unable to participate in this part of proceedings.

Next steps

12. The debate on the Scottish Income Tax Rate Resolution 2025-26³, which requires to be agreed by Parliament prior to Stage 3 proceedings, is scheduled to take place on 20 February. Stage 3 proceedings are due to follow, on 25 February.

Committee Clerking Team
February 2025

² [Guidance on Public Bills](#)

³ [Scottish Rate Resolution 2025 to 2026: draft motion and explanatory note - gov.scot](#)

Budget (Scotland) (No. 4) Bill — Stage 2**Schedule 1****Shona Robison**

- 1 In schedule 1, page 5, line 9, column 2, leave out <21,726,021,000> and insert <21,729,521,000>

Shona Robison

- 2 In schedule 1, page 6, line 34, column 2, leave out <4,305,155,000> and insert <4,312,355,000>

Shona Robison

- 3 In schedule 1, page 8, line 18, column 2, leave out <3,906,940,000> and insert <3,909,940,000>

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- 4 In schedule 1, page 10, line 21, column 2, leave out <929,105,000> and insert <932,105,000>

Shona Robison

- 5 In schedule 1, page 12, line 15, column 2, leave out <62,949,682,860> and insert <62,966,382,860>

Section 4**Shona Robison**

- 6 In section 4, page 2, line 17, leave out <£58,003,571,860> and insert <£58,020,271,860>