

Budget Responsibility Bill

[The Speaker of the House of Commons has certified this Bill as a Money Bill within the meaning of the Parliament Act 1911.]

EXPLANATORY NOTES

Explanatory notes to the Bill, prepared by His Majesty's Treasury, have been ordered to be published as HL Bill 24—EN.

EUROPEAN CONVENTION ON HUMAN RIGHTS

Lord Livermore has made the following statement under section 19(1)(a) of the Human Rights Act 1998:

In my view the provisions of the Budget Responsibility Bill are compatible with the Convention rights.

Budget Responsibility Bill

[AS BROUGHT FROM THE COMMONS]

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[AS BROUGHT FROM THE COMMONS]

A

B I L L

TO

Impose duties on the Treasury and the Office for Budget Responsibility in respect of the announcement of fiscally significant measures.

BE IT ENACTED by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Announcement of fiscally significant measures

- (1) Part 1 of the Budget Responsibility and National Audit Act 2011 (budget responsibility) is amended as follows.
- (2) In section 4 (main duty of the Office for Budget Responsibility), in subsection (2) —
 - (a) after “duties imposed” insert “on the Office”;
 - (b) at the end insert “and section 4A.”
- (3) After section 4 insert —

“4A Announcement of fiscally significant measures

- (1) If a Minister of the Crown is proposing to make a fiscal announcement to the House of Commons in respect of —
 - (a) a measure which is fiscally significant, or
 - (b) two or more measures where any combination of the measures is fiscally significant,the Treasury must, before the announcement, request the Office to prepare a section 4(3) report that takes account of the measure or measures.
- (2) If, in the case of a measure in respect of which a request was required to be made in accordance with subsection (1) and in respect of which no such request has been made, the Office is of the opinion that the measure (either alone or in combination with other such measures) is fiscally significant, the Office must as soon as is reasonably practicable —
 - (a) notify the Treasury Committee of the House of Commons of its opinion, and

- (b) prepare a report that includes a costing for the measure (which may, but need not, be a section 4(3) report).
- (3) A measure or combination of measures is “fiscally significant” if the measure, or combination of measures, has a costing for a specified period that exceeds a specified percentage of the gross domestic product for a specified period. 5
 “Specified” means specified in, or determined in accordance with, the Charter for Budget Responsibility.
- (4) Subsections (1) and (2) do not apply in respect of a measure which— 10
 - (a) is intended to have effect for a temporary period only, and
 - (b) is in response to an emergency.
- (5) The Charter may make provision for the purpose of supplementing this section (including provision about the meaning of expressions used in the preceding subsections that are not defined elsewhere in this section or in other provisions of this Act). 15
- (6) If the Treasury proposes to modify the Charter so as to include provision by virtue of this section, a draft of the proposed provision must be published at least 28 days before the modified Charter is laid before Parliament under section 1(6).
- (7) In this section— 20
 - “fiscal announcement” means an announcement in respect of any matter mentioned in section 1(2)(c);
 - “Minister of the Crown” has the same meaning as in the Ministers of the Crown Act 1975;
 - “request” means a request made in accordance with the Charter (whether the request is described in the Charter as a commission or in some other way); 25
 - “section 4(3) report” means a report under section 4 which contains forecasts and an assessment under subsection (3) of that section. 30
- (8) It does not matter for the purposes of this section whether or not two or more measures are, or are proposed to be, announced at the same time or at different times.
- (9) Paragraph 29 of Schedule 1 applies in respect of the reference in this section to the Treasury Committee of the House of Commons as it applies in respect of references to that Committee in Schedule 1.” 35

2 Extent, commencement and short title

- (1) This Act extends to England and Wales, Scotland and Northern Ireland.
- (2) Section 1 comes into force on such day as the Treasury may by regulations made by statutory instrument appoint. 40
- (3) Different days may be appointed for different purposes.

- (4) This Act may be cited as the Budget Responsibility Act 2024.

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Impose duties on the Treasury and the Office for Budget Responsibility in respect of the announcement of fiscally significant measures.

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