

UK Government confirms funding for Scotland ahead of Edinburgh visit by Treasury Chief

The UK Government has announced that The Scottish Government will receive a minimum of £1.9 billion in additional funding this year, on top of £4.6 billion confirmed since March to help provide support following the coronavirus pandemic.

They say this upfront guarantee will take the total amount of coronavirus funding guaranteed to The Scottish Government to a minimum of £6.5 billion for 2020/21 on top of their Spring Budget funding. Westminster hopes this will give the devolved administration the certainty and financial flexibility to plan for the months ahead.

Any changes to the devolved administrations funding are normally confirmed at the end of the financial year, but today's guarantee means they have the certainty to spend this funding now, on priorities such as the NHS and additional business support.

This funding is on top of the Spending Round 2019 settlement which was the biggest day-to-day funding increase in a decade.

The announcement follows the Prime Minister's visit to Orkney, where he reaffirmed his unwavering commitment to the union, and pledged further support for Scottish communities.

Ahead of his visit to Edinburgh, the Chief Secretary to the Treasury Steve Barclay MP said: "At the start of the coronavirus pandemic, we said we would do everything we could to support the whole of the UK – whether that's saving jobs or ensuring our vital NHS has the equipment it needs. And that is exactly what we have done.

"Today we go one step further by giving the Scottish Government the certainty they need to plan their own support schemes over the next few months.

"This is yet another sign of our support for the Union and commitment to securing an economic recovery for the whole of the United Kingdom."

People and businesses in Scotland will also continue to benefit from the UK Government's world-leading package of support to protect the economy, including the Coronavirus Job Retention Scheme, Self-Employment Income Support Scheme, Coronavirus Business Interruption Loans and Bounce Back Loans. So far this has provided billions of pounds of support to business in Scotland during the crisis – protecting jobs and livelihoods.

To date, more than 890,000 jobs in Scotland have been supported through the Coronavirus Job Retention Scheme and the Self-Employment Income Support Scheme.

Scotland has benefitted, as has the rest of the UK, from the measures set out in the Plan for Jobs, including the Job Retention Bonus, funding to decarbonise public sector buildings, a demonstrator project to decarbonise social housing and funding to support research and development for

Direct Air Capture, and VAT cuts for hospitality and tourism, as well as a Eat Out to Help Out discount scheme.

The UK Government says it is committed to strengthening the Union between England and Scotland, rebuilding vital connections with all parts of the UK and spreading opportunity.

Scottish Secretary Alister Jack said: "It's great news that the UK Treasury is providing the Scottish Government with a total of £6.5 billion in additional funding to tackle coronavirus, on top of their block grant. This will give them certainty of funding for the rest of the financial year, helping them to plan investment in the economy and public services effectively.

"Direct funding to the Scottish Government is on top of the UK Government's unprecedented package of measures across the UK, to protect jobs and ensure our economy bounces back from covid. That includes supporting nearly 900,000 Scottish jobs through our furlough and self-employed support schemes, thousands of business loans and a VAT cut for our tourism and hospitality sector."