Extra £28 billion for the Union since the start of the Covid-19 pandemic

News story

Scotland, Wales and Northern Ireland have benefitted from £28 billion of UK government funding to the devolved administrations, figures released today by the Treasury show.



The annual publication of the <u>Block Grant Transparency</u> shows that since the start of the Covid-19 pandemic the Scottish Government has received an additional £14.5 billion, the Welsh Government an additional £8.6 billion and the Northern Ireland Executive an additional £5.0 billion.

This funding has enabled the devolved administrations to provide support to individuals, businesses and public services across Scotland, Wales and Northern Ireland through the Barnett formula in response to Covid-19 and will continue to support the recovery through 2021-22.

This comes as part of the unprecedented package of support for the whole of the UK throughout the pandemic, with £352 billion spent right across the UK on Covid-19 measures such as the furlough scheme, self-employment support, help for businesses and the procurement of vaccines.

Chief Secretary to the Treasury Steve Barclay said:

The UK government is fully committed to supporting the entirety of the UK throughout the pandemic — with an additional £28 billion for Scotland, Wales and Northern Ireland since the start of the pandemic.

Over the past year we've protected jobs and businesses across the UK with furlough and other support schemes, our vaccine rollout is now helping us unlock the economy, and our Plan for Jobs is levelling up opportunity and helping people back into work.

The UK government's Plan for Jobs is helping to support, create and protect jobs across the UK. The Kickstart scheme is already helping thousands of 16 to 24 year-olds into work, the Restart scheme will help around a million people who've been out of work for more than a year, and 13,500 new Work Coaches have been recruited to give tailored support to people out of work.

Further Information

- The <u>fourth edition of the Block Grant Transparency</u> provides information for the years covered by the 2015 Spending Review, Spending Round 2019 and Spending Review 2020, and includes funding up to Main Estimates 2021-22. The last release was in June 2020.
- The publication sets out a detailed breakdown of the devolved administrations' block grant funding and is intended to increase transparency of the block grant calculation process. This includes how much the devolved administrations receive through the Barnett formula and other funding such as for City and Growth Deals and support for farmers.
- The Barnett formula determines changes to the block grant funding in relation to changes in UK Government departmental spending. The formula essentially provides the same pounds-per-person change in funding in each nation of the UK. It is applied when departmental budgets change at Spending Reviews, fiscal events and Main/Supplementary Estimates.
- The Barnett formula comprises three elements: the change in departmental spending; the extent to which the departmental spending is on a policy area that is devolved in Scotland, Wales and Northern Ireland; and population.
- Further information on how the devolved administrations are funded can be found in the <u>Statement of Funding Policy 2020</u>.

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