

Further £1.1 billion boost for Scotland's response to COVID-19

The UK Government has provided the Scottish Government with an additional £1.1 billion to support people, businesses and public services affected by coronavirus.

This funding brings the total allocated through the Barnett formula to the Scottish Government since the start of the pandemic to £9.7 billion.

In recognition of the exceptional circumstances and in response to calls for flexibility, the Scottish Government will be able to carry over any of the £1.1 billion not spent this year into the 2021/22 financial year on top of their existing tools to transfer funding between years.

Chief Secretary to the Treasury Steve Barclay said:

From the outset of this crisis people and businesses in Scotland have been able to rely on the UK Government.

UK Treasury schemes such as furlough, support for the self-employed and business loans have helped to protect jobs and livelihoods.

The UK Government will continue to offer this support and to give the Scottish Government the resources and flexibility it needs to fulfil its responsibilities to the people of Scotland.

I would urge the Scottish Government to make the full and best use of this funding as well as their devolved powers to support people, businesses and public services.

Scottish Secretary, Alister Jack said:

This new £1.1 billion funding from the UK Treasury for Scotland's Covid response is good news and will provide further certainty to the Scottish Government.

This now brings our additional funding to Scotland to £9.7 billion this financial year on top of direct UK Government support to people and businesses in Scotland.

This includes supporting over 900,000 Scottish jobs through our furlough and self-employed income schemes, backing £3.4 billion in loans to Scottish businesses, helping thousands get back into work and investing millions in the development of and supplying vaccines.

The strength of the union and support offered by the UK Treasury has never been more important.

Following the previous update on 24 December, this is expected to be the final update for 2020-21 as part of the process for finalising departmental funding at Supplementary Estimates.

Any changes to devolved funding are normally confirmed towards the end of the financial year at Supplementary Estimates – but in July 2020 the UK Government introduced an unprecedented upfront guarantee to provide the devolved administrations with funding certainty to respond to COVID-19 this year. A full explanation of the Barnett guarantee can be found [here](#).

The agreed arrangements the devolved administrations have to move funding between years is set out in Chapter 10 of the [Statement of Funding Policy](#).

Further explanation of the Supplementary Estimates process can be found [here](#).