

# Scottish Budget: 2022-23



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# SCOTTISH BUDGET: 2022-23

**Laid before the Scottish Parliament by the Scottish Ministers, December 2021**

**SG/2021/367**

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# Foreword

## by the Cabinet Secretary for Finance and Economy



This Scottish Budget comes at a crucial juncture for Scotland. Over the last year, thanks to the hard work and sacrifices of everyone across Scotland, the heroic efforts of health and care staff, and the roll-out of our mass vaccination programme, we have started to look beyond the immediate impact of the pandemic. But, in the face of the crisis, a return to normal is not enough.

As the emergence of new variants demonstrates, we must remain vigilant and ensure the necessary resources are available for the continued protection of people and public services, but we must also look to the future. This budget seeks to balance the immediate pressures with the long-term imperatives – shifting the dial on inequalities, carbon emissions and economic prosperity. It delivers on our ambitious Programme for Government, as we start implementing the manifesto this government was resoundingly re-elected on in May, and our Shared Policy Programme with the Scottish Green Party.

This budget – the first of this Parliament – is progressive, but also transitional. It paves the way for a full Resource Spending Review in May 2022 which will set out the government's long-term funding plans and the roadmap for delivering key commitments, such as the establishment of a National Care Service and ending our contribution to climate change through a just transition.

This long-term approach is vital to deliver on our ambitions to transform our society and economy, and to capitalise on the opportunities the next decade could bring – but we must also act now. This budget brings forward key commitments and lays the groundwork for much of the transformational investment and innovation that is to come across three strategic priorities: tackling inequalities; securing a just transition to Net Zero; and investing in economic and public service recovery.

We will drive forwards our national mission to tackle child poverty – investing in training and employment opportunities, addressing financial insecurity and improving living standards, and ensuring that every young person is able to fulfil their potential. Fundamental to this will be our significant investment in the Scottish Child Payment. We committed to double this payment by the end of the parliament, but the decision of the UK Government to push more households into poverty by cutting universal credit, and the impact of rising living costs, makes it imperative that we act now. We will double the payment to £20 a week from April 2022, and extend it to under 16's by the end of 2022, helping lift 40,000 children out of poverty and mitigating the impact of UK Government cuts.

We will play our part in tackling the global climate emergency head on, re-invigorated by COP26 in Glasgow and our Shared Policy Programme with the Scottish Greens. Through this Budget we will provide at least £2 billion of the first, multi-billion pound, public and

private investment needed across this Parliament for a just transition – protecting and restoring our natural environment, decarbonising our homes, industries and transport, and positioning ourselves as a global leader in renewable energy, and green and digital technology.

As we move to a Net Zero economy it is critical that we secure a just transition that is led by workers, communities and industry across Scotland. This principle will underpin our efforts to transform our wider economy: supporting innovation and diversification of industries, boosting entrepreneurship and exports, and doing so in a way that improves people's standards of living. We will help equip businesses to grasp the opportunities of a green recovery which secures new highly-skilled jobs for the future – rooted in fair work, good wages and increased prosperity. As part of this, we will continue investing in strong public infrastructure, and give confidence to businesses.

And, we will restore our precious public services, not least health and social care – providing record levels of funding to respond to the pressures created by the pandemic, and ensure that everyone can get the care they need in a time, place and way that suits. Most significantly, we will take the next steps in the single greatest public health reform since the establishment of the NHS – the creation of a new National Care Service.

**Among the provisions of this budget, the Scottish Government will invest:**

1. Over £4 billion in social security and welfare payments, including £197 million to double the Scottish Child Payment and extend it to under 16s.
2. £145.5 million for the sustained employment of additional teachers and classroom assistants and a further £200 million to tackle the poverty-related attainment gap.
3. £831 million for affordable housing – progressing our commitment to deliver 110,000 affordable, energy efficient homes across the next decade.
4. The first £20 million of our 10 year, £500 million Just Transition Fund – which we will increase year on year – and almost £350 million to drive forward our commitment to decarbonise the heating of 1 million homes, and the equivalent of 50,000 non-domestic buildings, by 2030.
5. £53 million to protect and restore nature, and a further £69 million in woodland creation and sustainable management of Scotland's woodlands.
6. £304 million for bus services, plus £110 million for concessionary travel for under 22s, and £150 million for active travel – supporting our commitment to cut car kilometres by 20% by 2030.
7. £802 million of non-domestic rates reliefs – helping businesses get back on their feet following the crisis.
8. Over £1.6 billion for social care and integration – progressing our commitment to increase spend in social care by 25% by the end of parliament, and laying the groundwork for the establishment of a National Care Service.
9. £12.9 billion for health boards – delivering the first increase to ensure front-line funding which directly supports patient services increases by at least £2.5 billion by 2026-27.
10. An additional £40.5 million to maintain the police resource budget in real terms, £53.2 million to support the recovery, renewal and transformation of our justice services, and £13 million for court recovery and trial backlogs.

In delivering on these ambitions, we will harness a collaborative approach across all areas of Scottish life – public and private, national and local – capitalising on the renewed approach to partnership seen through the pandemic. As set out in our COVID Recovery Strategy, we will work jointly with local government to deliver our ambitions, and this budget provides a settlement which recognises the important role they play across all communities. It provides increased resources for social care and education – ensuring the continued delivery of vital services across Scotland – while working to increase the fiscal autonomy and power of local government, and put more say over how local budgets are raised in local hands.

While this budget lays the groundwork for a fair and green recovery from the pandemic, and invests in the infrastructure and industries of the future, we must be clear that the UK Government's spending review hindered rather than helped us on this mission, and failed to safeguard the country against the continued impacts of the virus. Far from providing its supposed increase, with all COVID-19 funding and one-off consequentials stripped out, we will in practice see a reduction in our day-to-day funding in 2022-23 compared to last year, at a time when we need to invest in the economy and help public services to recover.

For hard-pressed families, the UK Government's spending review gave with one hand – with a small increase in the minimum wage, despite failing young people and failing to match the Real Living Wage – while taking with the other, doing nothing to make up for the £20 a week cut in universal credit and risking plunging more families into poverty. In the year of COP26, it turned its back on the global climate crisis – prioritising tax reliefs for domestic air travel over transformational change, and constraining our ability to deliver the capital infrastructure necessary to invest in the good, green jobs of the future. And, it continued to undermine the devolution settlement and set Scottish councils against each other – through the Levelling Up Fund, and the encroachment of the Internal Market Act – while making up little for the funds lost by, and the impacts of, EU exit.

By removing the necessary COVID-19 funding and limiting the future investment needed to seize the opportunity of reducing inequality and a just transition to Net Zero, the UK Government's settlement means we face difficult decisions in how we manage the continued impacts of the virus while securing a brighter future.

That means this budget cannot deliver the resources all our partners will want. Instead, it addresses key priorities, targets resources on low income households, and paves the way for future investment over the life of this Parliament. Where possible, it seeks to cushion the economy against the headwinds that COVID-19, EU exit and the UK Government's settlement have created. The Scottish Government has had to dig deep – diverting resources where necessary, and utilising some one-off funding sources to deploy the full resources available to us to start forging a different path.

As people, businesses and communities continue to feel the aftermath of the pandemic, we recognise the need for ongoing stability and certainty for taxpayers, as well as targeted support, as a foundation for the recovery. That is what our tax package delivers, through a more progressive approach to tax. It supports our spending plans, protects essential public services, and underpins support for the people and businesses that need it the most – consistent with our Scottish Approach to Taxation which we will set out in more detail in Scotland's first Framework for Tax later this month. Alongside the budget we have also published a distributional analysis and a factsheet in relation to Scottish Income Tax.

For businesses, we will continue to offer the lowest Non-Domestic Rates poundage in the UK, as well as ongoing rates relief for the retail, hospitality and leisure sectors, at 50% relief for the first three months of 2022-23, capped at £27,500 per ratepayer. This will save ratepayers in these sectors an estimated £56 million in 2022-23. On Income Tax, the Starter and Basic Rate bands will increase by CPI, and the Higher and Top Rate thresholds will remain frozen in cash terms, raising an additional £106 million in 2022-23.

The overall fiscal and economic position has also required some challenging decisions in relation to public sector pay, while recognising the challenges increases in inflation are having on people. The public sector pay policy secures a minimum inflationary uplift for employees earning up to £25,000 and announces a minimum wage of £10.50 per hour for bodies covered by the policy, helping the lowest paid workers and supporting our poverty reduction measures, which other public sector employers are encouraged to implement within their own pay proposals. At a time of much uncertainty, the government is also maintaining the no compulsory redundancy policy.

Taken together, the Scottish Government – strengthened by the Bute House Agreement with the Scottish Green Party – is putting forward a budget which starts to deliver the necessary investment to secure our long-term ambition of a fairer, greener future. It helps families and young people to break the generational cycle of poverty; tackles the global climate and nature emergencies, and provides businesses with the confidence to invest in a just transition to Net Zero; and supports the recovery and reform of our precious public services.

Securing those long-term ambitions requires a long-term fiscal plan. Given the continued threats of the virus, and the disappointing settlement from the UK Government, this is a transitional budget. We have identified some additional non-recurring sources of funding that help us maintain levels of public spending when it is most needed. To provide certainty and stability, and demonstrate how we will deliver on our commitments in full across this Parliament, it will be followed by a Resource Spending Review in May 2022. We have published a consultative framework document for that spending review alongside this budget, setting out the priorities and approach which will guide it. This work will complement the already published Capital Spending Review to provide a comprehensive multi-year settlement for all public spending in Scotland.

While the fiscal future and state of the economy remains uncertain, we will press forward with an ambitious programme to secure a fairer, greener Scotland. It is a social, economic and environmental imperative. By investing today in the green technologies of tomorrow, and promoting good, new jobs, we can support businesses to grow and diversify, and play their part in a just transition to Net Zero. By protecting family incomes, enhancing opportunities for children and young people, and providing a strong social safety net, we will be investing in a more certain and secure future for people, and reducing the risk of long-term inequality. And, by protecting and renewing our public services, we can ensure they are equipped to focus on prevention and providing safe, healthy and prosperous lives for people across Scotland. We will use this budget, and the Spending Review, to work across the Scottish Parliament and society to grasp those opportunities, and deliver on our promises to the people of Scotland.

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**Kate Forbes,**  
Cabinet Secretary for Finance and Economy



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# Chapter 4

## Health & Social Care Portfolio

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### **Portfolio Responsibilities**

The Health and Social Care portfolio is responsible for improving the health and wellbeing of the population, ensuring that care and support is delivered when, how and where people need it.

The 2022-23 budget delivers record funding of £18 billion for the portfolio, which will be used to support the remobilisation of services, as well as delivery of priorities relating to prevention and early intervention. Key to this is rethinking how services are delivered; harnessing innovation, bolstering capacity and putting people and place at the forefront of reforms to ensure sustainable recovery and equitable access to services.

The public health measures required to respond to the threat and uncertainty of COVID-19 remain a key consideration in our planning, and we await the outcome of further detail that was promised in the UK Spending Review to support our plans. Underlining our commitment to front-line services, we will nonetheless provide initial additional funding of £559 million for NHS Boards, and funding of £232 million for addressing waiting times and supporting our National Treatment Centres. We continue to be hugely indebted to our front-line staff and unpaid carers, who provide vital care day in and day out, under the toughest of circumstances. Their selfless efforts to care for others have been invaluable in our response to the pandemic so far, and our spending plans for 2022-23 continue to provide support for the mental health and wellbeing of our health and social care staff, and unpaid carers, as set out in the Programme for Government.

To ensure that care is delivered where and when it is needed, our increased investment in primary care and in social care and integration are significant steps towards the Programme for Government commitments. The investment of over £1.6 billion in social care and integration lays the groundwork for our National Care Service and includes a transfer for 2022-23 of £846.6 million to local government.

We will continue our vital work to reduce health inequalities, including £61 million to address the national tragedy of drugs deaths. It is vital that we work towards a fairer, healthier Scotland for all and recognising the crucial role of mental health and wellbeing services, the Scottish Government will make direct investment of £290 million in mental health, including £120 million for our Mental Health Recovery and Renewal Fund.

**Health and Social Care****Table 4.01: Spending Plans (Level 2)**

Level 2	2020-21	Restated	2022-23
	Budget	2021-22	Budget
	£m	£m	£m
Health and Social Care	15,327.9	17,214.8	18,020.1
Food Standards Scotland	16.0	19.5	23.0
<b>Total Health and Social Care</b>	<b>15,343.9</b>	<b>17,234.3</b>	<b>18,043.1</b>
<i>of which:</i>			
Total Fiscal Resource	14,532.3	16,332.4	17,106.2
<i>of which Operating Costs*</i>	64.2	84.7	111.8
Non-cash	273.2	272.5	272.5
Capital	428.0	529.0	554.0
Financial Transactions (FTs)	10.0	-	10.0
UK Funded AME	100.4	100.4	100.4

**Presentational Adjustments for Scottish Parliament Approval**

Sportscotland (NDPB non-cash)	(1.2)	(1.1)	(1.1)
Social Care (NDPB non-cash)	(0.1)	(0.2)	(0.2)
Food Standards Scotland - shown separately	(16.0)	(19.5)	(23.0)
PPP/PFI Adjustments	21.0	21.0	21.0
<b>Total Health and Social Care</b>	<b>15,347.6</b>	<b>17,234.5</b>	<b>18,039.8</b>

Total Limit on Income (accruing resources)	3,000.0
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**Table 4.02: Health and Social Care Spending Plans (Level 3)**

Level 3	2020-21	Restated	2022-23
	Budget	2021-22	Budget
	£m	£m	£m
NHS Territorial Boards	10,704.0	10,894.4	11,508.6
NHS National Boards	1,312.1	1,345.9	1,422.6
Health Capital Investment	448.0	549.0	574.0
COVID-19 Funding	-	960.0	-
Workforce and Nursing	262.1	316.8	402.7
General Medical Services	1,035.8	1,116.8	1,162.8
Pharmaceutical Services	198.0	206.1	216.2
General Dental Services	428.6	431.0	469.0
General Ophthalmic Services	109.5	111.7	125.5
Outcomes Framework	71.9	74.1	74.1
Health Improvement and Protection	51.6	59.4	85.6
Alcohol and Drugs Policy	34.2	84.2	85.4
Mental Health Services	117.1	273.9	290.2
Quality and Improvement	20.1	37.6	65.9
Digital Health and Care	112.1	112.5	112.9
Early Years	53.4	53.4	58.9
Miscellaneous Other Services	(164.1)	(34.5)	9.5
Social Care Investment	332.4	395.4	1,137.1
Revenue Consequences of NPD	65.0	98.0	75.0
Sportscotland	32.7	33.7	34.7
Active, Healthy Lives	13.4	15.4	19.4
NHS Impairments (AME)	100.0	100.0	100.0
Financial Transactions	10.0	-	10.0
Capital Receipts	(20.0)	(20.0)	(20.0)
<b>Total Health and Social Care</b>	<b>15,327.9</b>	<b>17,214.8</b>	<b>18,020.1</b>
<i>of which:</i>			
Fiscal Resource	14,516.9	16,313.5	17,083.8
Non-cash	273.0	272.3	272.3
Capital	428.0	529.0	554.0
FTs	10.0	-	10.0
UK Funded AME	100.0	100.0	100.0

**Table 4.03: Food Standards Scotland Spending (Level 3)**










	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
Administration	16.0	19.5	23.0
Capital Expenditure	-	-	-
<b>Total Food Standards Scotland</b>	<b>16.0</b>	<b>19.5</b>	<b>23.0</b>
<i>of which:</i>			
Fiscal Resource	15.4	18.9	22.4
Non-cash	0.2	0.2	0.2
Capital	-	-	-
FTs	-	-	-
UK Funded AME	0.4	0.4	0.4

**Table 4.04: Territorial and National Boards Spending Plans (Level 4)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 4	£m	£m	£m
Improving Outcomes and Reform	228.6	241.3	373.0
<b>Territorial Boards</b>			
NHS Ayrshire and Arran	762.4	774.5	806.8
NHS Borders	219.8	222.7	234.8
NHS Dumfries and Galloway	316.1	320.6	334.1
NHS Fife	701.5	712.6	749.4
NHS Forth Valley	558.7	569.4	598.1
NHS Grampian	1,013.5	1,027.9	1,072.2
NHS Greater Glasgow and Clyde	2,364.7	2,398.1	2,504.0
NHS Highland	666.0	691.9	725.6
NHS Lanarkshire	1,268.1	1,286.1	1,346.8
NHS Lothian	1,540.1	1,569.5	1,639.3
NHS Orkney	52.6	54.8	57.1
NHS Shetland	53.9	54.6	57.0
NHS Tayside	808.5	819.9	856.5
NHS Western Isles	80.0	81.1	84.5
<b>Total</b>	<b>10,405.9</b>	<b>10,583.7</b>	<b>11,066.1</b>
<b>National Boards</b>			
National Waiting Times Centre	60.0	60.9	68.1
Scottish Ambulance Service	278.4	283.7	305.9
The State Hospital	37.6	38.1	40.0
NHS 24	72.7	73.8	78.4

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 4	£m	£m	£m
NHS Education for Scotland	461.5	471.7	492.3
NHS National Services Scotland	327.7	341.4	355.3
Healthcare Improvement Scotland	26.3	27.5	30.4
Public Health Scotland	47.9	48.6	52.1
<b>Total</b>	<b>1,312.1</b>	<b>1,345.9</b>	<b>1,422.6</b>
Other Income	69.5	69.5	69.5
<b>Total Territorial and National Boards</b>	<b>12,016.1</b>	<b>12,240.4</b>	<b>12,931.2</b>

### Health and Social Care intended contributions to the National Outcomes

Primary National Outcomes	Secondary National Outcomes
 Health	 Poverty
 Children and Young People	 Communities
 Human Rights	 Education
	 Economy
	 Fair Work and Business
	 Environment

For further information on the purpose of the portfolio budget, and contributions to national outcomes (including impacts of spend on equality of outcome) please refer to the relevant portfolio annex in the published Equality and Fairer Scotland Budget Statement.

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# Chapter 5

## Social Justice, Housing & Local Government Portfolio

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### **Portfolio Responsibilities**

Our portfolio is responsible for tackling inequalities, and we aim to embed equality, inclusion and human rights into our policy-making and public service delivery. We're also responsible for the national mission to reduce child poverty, for creating a fairer Scotland and for providing accessible and affordable housing. Together, these ambitions enhance the wellbeing, the financial capabilities and the participation of people in Scottish life.

We will continue to prioritise funding to support the development, design and implementation of our social security powers and delivery of benefits through Social Security Scotland. We are establishing a social security system that meets the needs of the people of Scotland and delivers a service that treats people with dignity, fairness and respect.

The portfolio supports a wide range of work to prevent discrimination and promote equality, inclusion and human rights creating the conditions for cohesive, resilient and safe communities. We support the Equality and Human Rights infrastructure across Scotland to address systemic inequality, tackle hate crime and address violence against women and girls.

Further to our commitments set out in the Programme for Government and the Covid Recovery Strategy, we continue to: prioritise funding from across government portfolios to reduce child poverty, including doubling Scottish Child Payment for eligible children under six years from April 2022, and extending it to under 16s by December 2022; invest in Discretionary Housing Payments to provide direct financial support to those struggling with housing costs; support our continued major expansion of affordable and social housing; improve safety, quality and standards of existing homes; support the third sector and develop social enterprise; and, eradicate homelessness and rough sleeping.

The portfolio also includes funding for our partners in local government to continue providing high quality, front-line services that will improve outcomes for individuals and communities across Scotland.

## Spending Plans

**Table 5.01: Spending Plans (Level 2)**

Level 2	2020-21 Budget	2021-22 Budget	2022-23 Budget
	£m	£m	£m
Third Sector	24.6	26.1	25.8
Housing	1,030.7	900.5	895.3
Building Standards	2.0	16.7	11.8
Social Justice*	29.5	40.9	102.0
Connected Communities	4.4	4.7	5.2
Office of the Scottish Charity Regulator	3.3	3.6	3.4
Scottish Housing Regulator	4.3	5.1	5.3
Equalities	30.2	32.2	45.0
Social Security	367.3	472.3	536.0
Social Security Assistance	3,342.9	3,498.4	3,949.2
Local Government*	11,020.8	11,124.5	11,145.4
COVID-19 Funding	-	429.0	-
<b>Total Social Justice, Housing and Local Government</b>	<b>15,860.0</b>	<b>16,554.0</b>	<b>16,724.4</b>
<i>of which:</i>			
Total Fiscal Resource	11,277.1	12,954.9	12,416.9
<i>Of which Operating Costs</i>	91.3	94.7	99.0
Non-cash	0.7	19.9	50.3
Capital	1,434.5	1,404.7	1,341.2
Financial Transactions	307.7	84.5	150.0
UK Funded AME	2,840.0	2,090.0	2,766.0

\*Excludes COVID-19 Funding in 2021-22 which is separately identified

### Presentational Adjustments for Scottish Parliament Approval

Office of the Scottish Charity Regulator - shown separately	(3.3)	(3.6)	(3.4)
Scottish Housing Regulator - shown separately	(4.3)	(5.1)	(5.3)
Central Government Grants to Local Authorities returned to portfolios (E&S, Justice & NZET)*	(895.9)	(811.2)	(791.3)
<b>Total Social Justice, Housing and Local Government</b>	<b>14,956.5</b>	<b>15,734.1</b>	<b>15,924.4</b>
Total Limit on Income (accruing resources)	90.0		

\*Includes £20m COVID-19 Funding in 2021-22

**Table 5.02: Third Sector Spending Plans (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
Third Sector	24.6	26.1	25.8
<b>Total Third Sector</b>	<b>24.6</b>	<b>26.1</b>	<b>25.8</b>
<i>of which:</i>			
Fiscal Resource	22.6	22.6	21.8
Non-cash	-	-	-
Capital	-	-	-
FTs	2.0	3.5	4.0
UK Funded AME	-	-	-

**Table 5.03: Housing Spending Plans (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
More Homes	896.1	748.1	744.3
Fuel Poverty and Housing Quality	1.9	2.9	2.5
Housing Support	126.5	142.9	141.5
Communities Analysis	6.2	6.6	7.0
<b>Total Housing</b>	<b>1,030.7</b>	<b>900.5</b>	<b>895.3</b>
<i>of which:</i>			
Fiscal Resource	137.7	150.3	148.5
Non-cash	-	-	-
Capital	596.5	669.2	601.8
FTs	296.5	81.0	145.0
UK Funded AME	-	-	-



**Table 5.04: Building Standards Spending Plans (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
Building Standards	2.0	16.7	11.8
<b>Total Building Standards</b>	<b>2.0</b>	<b>16.7</b>	<b>11.8</b>
<i>of which:</i>			
Fiscal Resource	2.0	3.7	3.8
Non-cash	-	-	-
Capital	-	13.0	8.0
FTs	-	-	-
UK Funded AME	-	-	-

**Table 5.05: Social Justice Spending Plans (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
Social Justice*	29.5	40.9	102.0
<b>Total Social Justice</b>	<b>29.5</b>	<b>40.9</b>	<b>102.0</b>
<i>of which:</i>			
Fiscal Resource	29.5	40.9	101.0
Non-cash	-	-	-
Capital	-	-	-
FTs	-	-	1.0
UK Funded AME	-	-	-

\*Excludes COVID-19 Funding of £50m in 2021-22

**Table 5.06: Connected Communities Spending Plans (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
<b>Total Connected Communities</b>	<b>4.4</b>	<b>4.7</b>	<b>5.2</b>
<i>of which:</i>			
Fiscal Resource	4.4	4.4	5.2
Non-cash	-	-	-
Capital	-	0.3	-
FTs	-	-	-
UK Funded AME	-	-	-

**Table 5.07: Office of the Scottish Charity Regulator Spending Plans (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
<b>Total Office of the Scottish Charity Regulator</b>	<b>3.3</b>	<b>3.6</b>	<b>3.4</b>
<i>of which:</i>			
Fiscal Resource	3.2	3.6	3.4
Non-cash	0.1	-	-
Capital	-	-	-
FTs	-	-	-
UK Funded AME	-	-	-

**Table 5.08: Scottish Housing Regulator Spending Plans (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
<b>Total Scottish Housing Regulator</b>	<b>4.3</b>	<b>5.1</b>	<b>5.3</b>
<i>of which:</i>			
Fiscal Resource	4.1	4.7	4.9
Non-cash	0.2	0.2	0.2
Capital	-	0.2	0.2
FTs	-	-	-
UK Funded AME	-	-	-

**Table 5.09: Equalities Spending Plans (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
Equalities	30.2	32.2	45.0
<b>Total Equalities</b>	<b>30.2</b>	<b>32.2</b>	<b>45.0</b>
<i>of which:</i>			
Fiscal Resource	30.2	32.2	45.0
Non-cash	-	-	-
Capital	-	-	-
FTs	-	-	-
UK Funded AME	-	-	-

**Table 5.10: Social Security (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
Scottish Welfare Fund - Administration	5.5	5.5	5.5
Social Security Advice, Policy and Programme	175.4	195.4	219.6
Social Security Scotland	186.4	271.4	310.9
<b>Social Security</b>	<b>367.3</b>	<b>472.3</b>	<b>536.0</b>
<i>of which:</i>			
Fiscal Resource	306.9	359.6	404.2
Non-cash	0.4	19.7	50.1
Capital	60.0	93.0	81.7
FTs	-	-	-
UK Funded AME	-	-	-

**Table 5.11: Social Security Assistance (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
	£m	£m	£m
Scottish Welfare Fund	35.5	35.5	35.5
Carer's Allowance	291.6	306.0	314.9
Carer's Allowance Supplement	38.8	41.7	41.8
Adult Disability Payment	1,582.9	1,669.4	1,948.5
Attendance Allowance	532.2	549.8	544.6
Disability Living Allowance (Adult)	501.9	465.0	444.6
Child Disability Payment	216.6	230.9	265.2
Child Winter Heating Assistance	-	3.1	4.0
Industrial Injuries Disablement Scheme	80.2	80.2	80.5
Severe Disablement Allowance	7.5	6.8	6.2
Scottish Child Payment	21.0	68.0	197.4
Job Start Payment	2.0	2.0	1.1
Young Carer Grant	1.0	1.0	1.0
Best Start Grant	17.5	18.9	17.8
Best Start Foods	5.0	9.0	13.1
Funeral Support Payment	9.2	11.1	11.9
Low Income Winter Heating Assistance	-	-	21.1
<b>Social Security</b>	<b>3,342.9</b>	<b>3,498.4</b>	<b>3,949.2</b>
<i>of which:</i>			
Fiscal Resource	3,333.7	3,498.4	3,949.2
Non-cash	-	-	-
Capital	-	-	-
FTs	9.2	-	-
UK Funded AME	-	-	-

**Table 5.12: Central Government Grants to Local Authorities Spending Plans (Level 3)**

	2020-21	2021-22	2022-23
Level 3	£m	£m	£m
Transfer of Management of Development Funding	92.2	92.2	92.2
Vacant & Derelict Land Grant	7.6	7.6	7.6
<b>Total SJ,H&amp;LG Central Gov Grants to LAs</b>	<b>99.8</b>	<b>99.8</b>	<b>99.8</b>

LG also includes specific grants from Education, Justice and NZET

**Table 5.13: Local Government Spending Plans (Level 3)**

	2020-21 Budget	2021-22 Budget	2022-23 Budget
Level 3	£m	£m	£m
General Revenue Grant*	6,713.4	7,649.2	6,973.2
Non-Domestic Rates	2,840.0	2,090.0	2,766.0
General Capital Grant	467.9	490.0	510.5
Specific Resource Grants**	685.6	752.0	752.1
Specific Capital Grants	310.1	139.0	139.0
Local Government Advice and Policy	3.8	4.3	4.6
<b>Total Local Government***</b>	<b>11,020.8</b>	<b>11,124.5</b>	<b>11,145.4</b>
<i>of which:</i>			
Fiscal Resource	7,402.8	8,405.5	7,729.9
Non-cash	-	-	-
Capital	778.0	629.0	649.5
FTs	-	-	-
UK Funded AME	2,840.0	2,090.0	2,766.0

\*Excludes COVID-19 funding in 2021-22 of £259m and £100m but includes £726m for the cost of COVID-19 Non-Domestic Rates Reliefs

\*\*Excludes COVID-19 funding of £20m in 2021-22

\*\*\*Excludes COVID-19 funding

**Table 5.14: Scottish Fiscal Commission (SFC) Non-Domestic Rate Income Forecast**

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	£m	£m	£m	£m	£m	£m	£m
Non-Domestic Rates Estimate	1,816	2,083	2,809	3,233	3,168	3,231	3,519
PCA / forecast	1,916	2,062	2,809	3,233	3,168	3,231	3,519
Distributable Amount	1,868	2,090	2,766	3,169	3,104	3,231	3,519
Prior Year Adjustments	(137)	(100)	21	0	0	0	0
Yearly Balance	(89)	(128)	64	64	64	0	0
Cumulative Balance	(64)	(192)	(128)	(64)	0	0	0

**Table 5.15: Specific Grant Funding and Other Local Government Funding**

	Portfolio	2020-21 Budget	2021-22 Budget	2022-23 Budget
		£m	£m	£m
Criminal Justice Social Work	Justice and Veterans	86.5	86.5	86.5
Pupil Equity Fund* **	Education and Skills	120.0	120.0	120.0
Early Learning and Childcare Expansion	Education and Skills	463.2	521.9	521.9
Gaelic	Education and Skills	4.5	4.5	4.5
Inter-Island Ferries	Net Zero, Energy and Transport	11.5	19.2	19.2
<b>Total Specific Revenue Grants</b>		<b>685.7</b>	<b>752.1</b>	<b>752.1</b>
Vacant and Derelict Land	Social Justice, Housing and Local Government	7.6	7.6	7.6
Transfer of Management Development Fund (TMDF)	Social Justice, Housing and Local Government	92.2	92.2	92.2
Regional Transport Partnership	Net Zero, Energy and Transport	15.3	15.3	15.3
Cycling Walking and Safer Routes	Net Zero, Energy and Transport	8.9	23.9	23.9
Heat Networks Early Adopters Challenge Fund	Net Zero, Energy and Transport	50.0	0.0	0.0
Early Learning and Childcare	Education and Skills	121.0	0.0	0.0
<b>Total Specific Capital Grants</b>		<b>295.0</b>	<b>139.0</b>	<b>139.0</b>

\*As in previous years, a portion of the raising attainment budget line will be used to top up Pupil Equity funding above the £120 million, to meet increasing costs of the programme.

\*\*Excludes COVID-19 funding of £20m in 2021-22

**Table 5.16 Revenue Funding within Other Portfolios to be Transferred In-Year**

	2020-21	2021-22	2022-23
	£m	£m	£m
<b>Local Government Budget Settlement*</b>	<b>11,017.0</b>	<b>11,108.2</b>	<b>11,140.8</b>
1+2 languages	3.0	2.4	1.2
Additional Support for Learning	15.0	15.0	15.0
Additional Teachers and Support Staff	0.0	0.0	145.5
Appropriate Adults	1.0	1.0	1.0
Blue Badge Scheme	0.7	0.7	0.7
British Sign Language	0.2	0.0	0.0
Building Standards Fees	(1.5)	(1.5)	(1.5)
Care at Home	0.0	0.0	124.0
Carer's Act	11.6	40.1	60.5
Child Bridging Payments	0.0	0.0	68.2
Child Burial And Crematoria Charges	0.3	0.6	0.6
Children And Young People Act	1.0	0.0	0.0
Community Justice Partnership Funding**	1.6	2.0	2.0
Customer First Digital Public Services***	1.4	1.4	1.4
Discretionary Housing Payments	71.8	83.1	80.2
Early Learning and Childcare Expansion	24.1	24.1	9.1
Educational Psychologists	0.0	(0.9)	(0.9)
Extra Environmental Health Officers	0.0	1.7	0.0
Former Housing Support Grant	1.0	1.0	1.0
Free Personal and Nursing Care	2.2	12.3	27.3
Free Sanitary Products In Public Places	2.8	2.8	2.8
Free Sanitary Products In Schools	2.1	2.1	2.1
Health and Social Care	57.2	57.2	257.2
Health and Social Care and Mental Health	120.0	120.0	120.0
Homelessness Support****	23.5	23.5	23.5
Interim Care Funding	0.0	0.0	20.0
Living Wage	25.0	59.0	233.5
Mental Health Officer Shortfall	0.5	0.0	0.0
Mental Health Recovery and Renewal	0.0	0.0	3.7
National Trauma Training	0.0	0.0	1.6
Pupil Equity Fund	0.0	0.0	10.0
Rapid Rehousing Transition Plans	8.0	8.0	8.0
Removal of Curriculum Charges	0.0	0.0	8.0
Removal of Music Tuition Charges	0.0	0.0	12.0
School Clothing Grant	6.0	6.0	11.8
School Counselling	4.0	4.0	4.0
Scottish Disability Assistance - Child Disability Payment	0.0	0.0	3.2

	2020-21	2021-22	2022-23
	£m	£m	£m
Scottish Welfare Fund	40.9	40.9	40.9
Seatbelts on School Transport	0.2	0.6	0.8
Self-Directed Support	3.5	3.5	3.5
Sensory Impairment	0.3	0.3	0.3
Tobacco-Related Issues	1.3	1.3	1.3
<b>Total Revenue Funding within other Portfolios</b>	<b>428.7</b>	<b>512.2</b>	<b>1,303.5</b>
Expansion of Free School Meals	0.0	0.0	30.0
<b>Total Capital Funding within other Portfolios</b>	<b>0.0</b>	<b>0.0</b>	<b>30.0</b>
<b>Total Local Government Settlement in Local Government Finance Circular</b>	<b>11,445.7</b>	<b>11,620.4</b>	<b>12,474.3</b>

\*Excludes Local Government Advice and Policy

\*\*Former Community Justice Transitional Funding

\*\*\*Former Customer First

\*\*\*\*Former Temporary Accommodation

**Table 5.17 Local Government Funding outwith Core Settlement**

	2020-21	2021-22	2022-23
	£m	£m	£m
<b>Total Local Government Finance Circular</b>	<b>11,445.7</b>	<b>11,620.4</b>	<b>12,474.3</b>
Attainment Scotland Fund	62.0	62.0	56.0
Business Gateway	1.6	1.6	0.0
City Region and Growth Deals	3.8	11.2	7.2
Clyde Gateway Urban Regeneration Company	0.5	0.5	0.5
Community Mental Health & Wellbeing	0.0	15.0	15.0
Discretionary Housing Payment (Care Experienced Young People)	2.0	0.0	0.0
Education Maintenance Allowance	25.0	25.0	25.0
Fair Start Scotland (Lot 4)	1.1	1.1	1.1
Justice Social Work*	0.0	4.0	4.0
Low Emission Zone Support	0.0	2.1	1.0
Mental Health Officer	0.0	0.5	0.0
No One Left Behind - Long-Term Unemployed	0.0	0.0	20.0
No One Left Behind (previously Local Employability Model)	7.1	7.1	15.6
Parental Employability Support Funding	5.0	5.0	5.8
Parental Employability Support Funding Boost - Disabled Parents Employability Support	2.0	2.0	0.0
Parental Employability Support Funding Boost - Early Learning and Childcare alignment	0.0	2.0	0.0
Parental Employability Support Funding Boost - Support for young parents	0.0	0.7	0.0
Private Water Supply Grants	1.7	1.7	1.5














	2020-21	2021-22	2022-23
	£m	£m	£m
Schools for the Future Programme	72.4	72.6	70.9
Support for Sustainable and Active Travel	5.3	5.3	5.3
Supporting Post 16 Transitions Towards Employment	4.3	0.0	0.0
Travel Strategy and Innovation	4.1	4.1	4.1
Young Persons Guarantee - Local Employability Partnerships	0.0	0.0	45.0
<b>Total Revenue</b>	<b>197.9</b>	<b>223.5</b>	<b>278.0</b>
<b>Capital</b>			
Capital Land and Works	22.0	22.0	18.9
City Region and Growth Deals	201.0	198.1	226.0
Clyde Gateway Urban Regeneration Company	5.0	5.0	5.0
Coig Tourist Routes	0.3	0.0	0.0
Future Transport Fund	18.0	51.0	51.0
Gaelic Capital Fund	0.0	3.8	3.0
Home Energy Efficiency Programmes for Scotland (HEEPS)	55.0	58.0	64.0
Low Emission Zone Support	0.0	0.0	1.0
Place Based Investment Programme**	0.0	23.0	33.0
Recycling Improvement Fund	0.0	0.0	13.2
Regeneration Capital Grant Fund	25.0	25.0	25.0
Support for Sustainable and Active Travel	1.0	1.0	1.0
Travel Strategy and Innovation	55.1	35.0	16.5
Vacant & Derelict Land Investment Programme	0.0	5.0	5.0
<b>Total Capital</b>	<b>382.4</b>	<b>426.9</b>	<b>462.6</b>
<b>Total Local Government Funding Outwith Core Settlement</b>	<b>580.3</b>	<b>650.4</b>	<b>740.6</b>
<b>Overall Scottish Government Funding for Local Government</b>	<b>12,026.0</b>	<b>12,270.8</b>	<b>13,214.9</b>

\*Former Community Justice Services

\*\*Former Place, Town Centres & 20 Minute Neighbourhoods

### Social Justice, Housing and Local Government intended contributions to the National Outcomes

Primary National Outcomes	Secondary National Outcomes
 Communities	 Culture
 Human Rights	 Health
 Children and Young People	 International
 Poverty	 Economy
	 Fair Work and Business
	 Environment
	 Education

For further information on the purpose of the portfolio budget, and contributions to national outcomes (including impacts of spend on equality of outcome) please refer to the relevant portfolio annex in the published Equality and Fairer Scotland Budget Statement.