

Financial supplement to the 2021 Scottish Conservative Manifesto

Introduction

This document is intended to accompany the Scottish Conservative Manifesto for the 2021 Scottish Parliament Election. It shows the forecast funding envelope that the Scottish Government will face to 2025/26 and the major spending commitments that we have made. Where figures are not provided for any individual policy, the cost will be met within existing budgets. It should be noted that this document gives our best estimates and should not be taken as an official forecast. This document also does not address our commitment to deliver a new financial settlement for local government, as we believe that any settlement should be co-designed and agreed with our 32 councils.

Resource

The Scottish Government's medium term financial strategy forecasts an annual average increase in the government's resource budget of 4 per cent. This means that the Scottish Government will have an additional £2.3 billion more to spend in real terms in 2025/26 over 2021/22.

	2021/22	2022/23	2023/24	2024/25	2025/26
Resource budget forecast (£)	32,663	33,467	34,825	36,099	37,063
CPI forecast (PBR) %	1.7	1.9	1.9	2.0	2.0
Resource spending increase above inflation	0	183	909	1,505	2,317

(Scottish Government, Medium-Term Financial Strategy, 28 January 2021, p30, [link](#); OBR, Economic and fiscal outlook, March 2021, p79, [link](#)).

The below sets out an estimation of the cost of our major policy commitments.

Policy measure	2021/22	2022/23	2023/24	2024/25	2025/26
NHS Funding increase	0	465	961	1,475	2,024
NHS Backlog	600	0	0	0	0
NHS Staff welfare	40	0	0	0	0
Sport Scotland double funding	0	8	17	25	34
Retrain to rebuild	50	50	142	142	142
Cultural kickstart	50	0	0	0	0
Scrapping parking charges	45	45	45	45	45
Enterprise	0	69	69	69	69
3,000 teachers	30	66	108	148	198
Pupil catch up	85	75	0	0	0
Free school meals	150	250	255	260	265
Wraparound childcare	10	10	160	163	166
Doubling the child payment	0	0	0	0	182
Veterans benefit	0	0	8	8	8
Changes to carer's allowance	0	0	0	79	81

(SFC, Scotland's Economic and Fiscal Forecasts, January 2021, [link](#)).

The below sets out an estimate of the impacts of the tax measures set out in the manifesto.

Policy measure	2021/22	2022/23	2023/24	2024/25	2025/26
25% rates relief	0	181	0	0	0
Rates freeze	0	72	0	0	0
Residential LBTT threshold at £250,000	0	44	46	49	52
Non-residential LBTT threshold at £250,000	0	18	19	19	20

As stated in the manifesto, in the event that tax revenue outstrips public spending demands, then we would seek to realign income tax rates and bands with the rest of the UK, while retaining the starter rate.

Capital

The Scottish Government's Capital Spending Review sets out an intention to invest over £33 billion over the 2021/22 to 2025/26 period, however, only commits £28.7 billion to projects and portfolio areas. There is therefore a £4.8 billion gap between investment and spending plans.

	2021/22	2022/23	2023/24	2024/25	2025/26	Total
National Infrastructure Mission Spend (£m)	6,087	6,431	6,783	6,985	7,175	33,461
Allocated to portfolio projects (£m)	5,423	5,710	5,808	5,769	5,986	26,696
Gap in investment and spending plans (£m)	664	721	975	1,216	1,189	4,765

(Scottish Government, Capital Spending Review 2021-22, p17+18, [link](#)).

Our manifesto sets out the following areas of capital spending, with the figures below setting out our estimate of the additional investment required from 2021/22 to 2025/26, taking into account current Scottish Government plans. For example, the figure for our investment into affordable homes takes into account the home building investment already set out in the Capital Spending Review. Similarly, our investment into full fibre broadband takes account of the ongoing R100 spend, the UK Government's investment of £5 billion into gigabit broadband across the UK and additional investment required in 2026/27 and 2027/28 to achieve a complete rollout in 2027.

Again, this does not cost smaller scale projects that could be met out of existing budgets or form part of existing infrastructure investments.

Policy	Additional spend from 2021/22 to 2025/26 (£m)
60,000 Affordable Homes	564
Rural Housing Fund	50
Energy efficiency	950
Help to Buy	220
Full Fibre Rollout	750
Community Investment Deals	550
Police Capital	168
Pothole Action Fund	200
Cleaner Seas Fund	25
National Gardens Strategy	50
Total	3,527

Our investments into road and rail infrastructure would be dependent upon detailed feasibility work. This is also the case for full fibre broadband but there is enough information available for us to make a reasonable estimate of the public investment required for the purpose of this document.

We would look to work with the UK Government to fund our capital programme. This includes supporting road and rail upgrades through the Union Connectivity Review and community investments through the Community Renewal Fund and the UK Shared Prosperity Fund.

