

18 December 2024

Richard Leonard MSP
Convener
Public Audit Committee
Scottish Parliament

Dear Convener

Fiscal sustainability and reform in Scotland

On 5 December 2024, I gave evidence to the Committee on my report, Fiscal sustainability and reform in Scotland. I agreed to provide a breakdown of the allocation, and use of ScotWind monies across the financial years and this is detailed below. It is also worth noting that this is the allocation of ScotWind option fees only and does not reflect any associated interest.

It is not clear from our papers how the ScotWind monies have been used in each of these financial years and whether this is consistent with the earlier intentions, expressed throughout 2022, for this money to be invested in addressing the climate and biodiversity crises. The Committee may wish to follow up on this matter with the Scottish Government.

Year	Budget £m	Spend £m	Balance £m	% Spent
Scotwind option fees			756	
2022/23				
- Budget	40			
- Emergency budget review	56			
2022/23 expenditure		96	660	12.7%
2023/24				
- Budget	310			
2023/24 expenditure		0	660	0%
2024/25				
- Budget	200			
- <i>Additional measures announced of up to £460 million*</i>				
- Formalised drawdown at Autumn Budget Revision (ABR)	224			

Year	Budget £m	Spend £m	Balance £m	% Spent
2024/25 forecast expenditure**		160	500	21.2%
2025/26				
- Budget	336			44.4%
Future years	164			21.7%

* In September 2024 the Cabinet Secretary for Finance and Local Government wrote to the Finance and Public Administration Committee and stated that 'At present, I am also planning on the basis of utilising up to £460 million of additional Scotwind revenue funding.' However in the ABR the following month the requirement was reduced to £224 million.

** Based on current projections as detailed in the 2025/26 budget.

Yours sincerely

Stephen Boyle
Auditor General for Scotland