The Scottish Parliament
Pàrlamaid na h-Alba

Economy and Fair Work Committee

James Murray MP
Chief Secretary to the Treasury
UK Government

18 November 2025

Dear Mr Murray

The Scottish National Investment Bank

In 2020, the Scottish Parliament passed legislation to establish the Scottish National Investment Bank (SNIB). Parliament's intention was for SNIB, in time, to have a full range of financing powers and flexibility to function as a perpetual fund. It was accepted that HM Treasury (HMT) dispensation would be required.

Since SNIB's establishment, this Committee has regularly sought progress updates. Last month, the Committee took evidence from the Chair of SNIB and noted that Financial Conduct Authority accreditation has now been received for the Bank to manage third party capital. This is welcome, however SNIB remains reliant on capital received from the Scottish Government, as HMT rules prevent SNIB from recycling capital on returns or carrying forward resource surplus from year-to-year.

During the recent evidence session, the Committee was advised that SNIB now sits on a working group with HMT representatives to consider compliance with the public finance institution framework. The Committee agreed that it would be helpful to receive an update from you on HMT's consideration of SNIB's status and ability to function as a perpetual fund. The Committee also seeks your assurance that the public finance institution framework will be fully "devolution proof" and recognise the Scottish Parliament's intention in establishing SNIB.

Yours sincerely,

Daniel Johnson

Daniel Johnson MSP
Convener

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