



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Daniel Johnson MSP  
Convener, Economy and Fair Work Committee  
The Scottish Parliament  
Edinburgh  
EH99 1SP

9 February 2026

Dear Mr Johnson,

Thank you for your letter of 18 November regarding the Scottish National Investment Bank (SNIB). I would like to offer my apologies for the delayed response.

The SNIB is wholly owned by the Scottish Government who are responsible for the design and set up of the SNIB, including its financing arrangements.

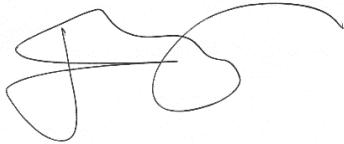
The UK Government's net financial debt rule recognises the financial assets held by government, encouraging investments that support growth while generating a return for the Exchequer. The Financial Transaction Control Framework, published at Autumn Budget 2024, sets robust guardrails to support government to invest responsibly under its fiscal rules. This includes using expert public financial institutions to deliver large and complex financial transactions (FTs), ensuring investments either generate a financial return or a clear benefit for taxpayers.

The Framework does not apply to the devolved governments as their funding arrangements are set out in the Statement of Funding Policy. The UK Government is supportive of the Scottish Government's ongoing use of FTs and continues to engage with them on any impact from the implementation of the Framework on Scottish Government funding for the operation of the SNIB.

The Scottish Government are benefitting from the UK Government's expanded use of FTs. The Barnett formula has been applied to changes in UK Government departments' FTs budgets meaning between 2026-27 and 2029-30 the Scottish Government is receiving £1.2 billion in FTs, representing a 100% increase in cash terms by 2029-30. The Scottish Government are free to use their FTs across their devolved responsibilities.

I am grateful to the Committee for its continued interest in the operation of the SNIB.

Yours sincerely,

A handwritten signature in black ink, appearing to read "JAMES MURRAY".

**JAMES MURRAY MP**  
**CHIEF SECRETARY TO THE TREASURY**