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Kenneth Gibson MSP
Convener
Finance and Public Administration Committee
The Scottish Parliament
Edinburgh
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By email: FPA.committee@parliament.scot

12 February 2026

Dear Kenneth,

Scottish Budget 2026-27 Bill – Amendments

Following publication of the Draft Scottish Budget 2026-27 on 13 January, and further to my remarks in Parliament this afternoon during the Stage one debate, I am writing to confirm the amendments that I intend to lodge for consideration at Stage two of the Budget Bill on 17 February.

Social Care – Local Government Settlement

Firstly, on Social Care, and following my meeting with COSLA Leaders on 11 February, I intend to allocate a further £20 million to the Local Government Settlement for Social Care which they can use towards funding the Real Living Wage for adult and childcare sectors.

Investing in Communities Fund

Secondly, I intend to allocate £5.33 million of resource in 2026-27 to the Deputy First Minister and Cabinet Secretary for Economy & Gaelic portfolio to provide a full, one-year transitional extension to the Investing in Communities Fund. This will support continuity for community-led projects while work progresses on future funding arrangements.

Rail Fare Freeze

Thirdly, I intend to allocate a further £4.3 million of resource to the Transport portfolio to support a Rail Fare Freeze in 2026-27, announced by the First Minister this morning. This amendment will underpin our commitment to keeping rail travel affordable and encouraging sustainable transport choices.

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I also intend to introduce a small number of technical amendments, the details of which are provided below.

Audit Scotland and Scottish Parliament figures

The Scottish Parliamentary Corporate Body (SPCB) cash authorisation and purposes figures will be increased by £211,000 and £71,000 respectively to align fully with the agreed budget. Equivalent corrections will be applied to Audit Scotland's figures with an £82,000 reduction to be made to the purposes figure in the Bill, with the cash authorisation increased by the remaining £168,000.

Office Holders

The authorised spending purposes for the SPCB in Schedule 2 of the Bill will be amended to include specific reference to the Patient Safety Commissioner for Scotland and the Electoral Management Board for Scotland, ensuring that all relevant office holders are accurately reflected.

This package amounts to nearly £30 million and will be funded by a draw down of Scotwind income.

I am also making a number of adjustments to the Budget which, while not constituting amendments to the Bill, will nevertheless be of interest to the Committee. These are set out below.

Hospices

The draft Budget set out an initial commitment of £6.5 million in 2026-27, with further engagement planned to understand what support would be required to deliver pay parity with NHS Agenda for Change for hospice staff. Following that engagement between sector representatives and the Minister for Public Health and Women's Health, I can confirm that the Cabinet Secretary for Health and Social Care will provide an additional £2.9 million to the sector.

Non-Domestic Rates (NDR)

I will provide extra relief of 25% for the next three years, estimated to be worth around £9 million in 2026-27, for eligible licensed premises and music venues (including pubs, restaurants, hotels, night clubs and licensed clubs) with a rateable value up to and including £100,000. This is in addition to the 15% relief for eligible retail, hospitality and leisure properties with a rateable value up to and including £100,000 announced at Budget. These two reliefs together are capped at £110,000 per ratepayer per year.

We will also improve the Revaluation Transitional Relief offered to self-catering properties seeing the highest increases in rateable values at revaluation, by capping gross bill increases at 15% year-on-year over the next three years.

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While this is subject to formal costing by the Scottish Fiscal Commission and the UK Government will only confirm the consequentialities relating to its changes to business rates at the UK Spring Statement in March, I anticipate that this policy will meet my commitment to reinvest the additional consequentialities in full.

Lastly, for the Committee's clarity on the Investing in Communities Fund, as I noted in my opening remarks during the Stage One debate this afternoon, the total fund will be £9.13 million. This reflects the amendment detailed above, supplemented by an additional £1.6 million from within the Budget.

I am pleased to present these changes for Parliament's consideration.

I am copying this letter to the following Committees:

- Local Government, Housing and Planning
- Economy and Fair Work
- Net Zero, Energy and Transport
- Health, Social Care and Sport

Yours sincerely,

SHONA ROBISON

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