

Regeneration in the Scottish Budget

Table 9.11: Regeneration Spending Plans (Level 3)

| | 2024-25 Outturn | 2025-26 ABR Budget | 2026-27 Budget |
|------------------------------|--------------------|--------------------------|-------------------|
| Level 3 | £m | £m | £m |
| Regeneration | 23.6 | 62.1 | 35.0 |
| Total Regeneration | 23.6 | 62.1 | 35.0 |
| <i>of which</i> | | | |
| Fiscal Resource | 11.8 | 12.1 | 7.0 |
| Non-cash | - | - | - |
| Capital | 11.8 | 50.0 | 40.0 |
| Financial Transactions (FTs) | - | - | (12.0) |
| UK Funded AME | - | - | - |

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- 43% decrease year on year, with funding capped at £47 million in the years thereafter, suggesting a lower baseline in future years.
- Investing in Communities Fund discontinued
- Significant impact on communities and the people these projects support
- SURF wrote to the DFM on the day of the budget asking for clarification; SCVO published a joint letter on Monday 26/01/26.

Wider Regeneration updates:

- Vacant and Derelict Land Fund to be absorbed by Regeneration Capital Grant Fund, no clarity on planned budget for RCGF in 2026-2027.
- Significant increase in Creative Scotland funding (£20 million)
- No detail on funding settlement for Clyde Gateway; SOSE slight increase, other enterprise agencies see funding reduced (SE by 4% and HIE by 29%)