



Next Generation  
Digital Fund

# A Future Fund for Scotland – Investment in Jobs and a Fairer Future.



The new Forth Crossing is our bridge to better times. The largest construction project in Scotland's history, it will support 3000 jobs and ensure connectivity between north and south.

The bridge will also help deliver a Scotland that is fairer and greener. Thanks to careful negotiation and the work of the Scottish Futures Trust, the SNP government made substantial savings on the estimated cost of the crossing. We intend to invest these savings in a £250 million Scottish Futures Fund, writes Alex Salmond.



Scan the QR code with your smartphone or visit [bepartofbetter.net](http://bepartofbetter.net) for more on the Scottish Futures Fund.

The Scottish Futures Fund will invest in our young people through new sports facilities, enhanced early years provision and talent development. It will improve our digital infrastructure by extending high speed broadband and mobile phone coverage. It will tackle fuel poverty and reduce carbon emissions through house improvements and innovative forms of green transport such as electric cars. In doing all this it will support businesses and create jobs. Local contractors across Scotland will benefit because the fund will support small and medium sized capital projects.

Affordability is a key issue in this election, as Scotland faces a £1.3 billion cut this year and an 11% real terms reduction in its budget until 2015. Voters are right to ask how manifesto pledges will be financed in this economic climate.

The SNP approach, exemplified in the Scottish Futures Fund, is to pursue government efficiencies with a determination and energy. Before we came to office in 2007, waste was endemic. Under Labour, the administration costs of government in Scotland increased by £115 million. Specific examples of waste under Labour include a £50 million bailout of Scottish Enterprise in 2006, and £14 million sorting out the SQA exam crisis. Labour and the other opposition parties voted to spend £500 million on the Edinburgh trams project in the face of SNP government opposition. The trams have missed their delivery deadline, are nowhere near completion and are set for significant cost overruns.

Labour's decision to use PFI for public building projects will burden Scotland for decades to come. Interest payments alone currently run at £800 million a year. The total cost for Edinburgh Royal Infirmary will be £1.5 billion even though it cost £206 million to build. Hairmyres hospital in Lanarkshire was £68 million compared to a total unitary charge of £725 million – over 10 times as much.

The SNP in government, by contrast, has identified savings that allow us to protect public services as far as possible. In each of the last four years, we have delivered a balanced budget. Actions already taken include £839 million of efficiency savings in 2008-09 and £1,470 million in 2009-10. We are on track to deliver a further £1.6 billion in efficiencies in 2010-11.

Examples of how we save money include smart procurement, which is expected to save £61 million in this financial year and £400 million in the next three years. The Scottish Futures Trust delivered £111 million future savings in 2009-10 alone. A new national agreement with office supplies is saving almost £22 million. Our decision to reduce the number of quangos by 25% will deliver £125 million of savings by 2013 and an anticipated £39 million each year thereafter. We also intend to reduce senior civil service and NHS management by a quarter over the lifetime of the next parliament.

Politicians and public servants have a moral obligation to safeguard taxpayers' money. In doing so we can continue to sustain the universal benefits that make Scotland a fairer country. We will build on our record in government over the next five years. We will use our efficiencies to deliver budget settlements for Scotland that direct maximum funding to the frontline and continue to protect family budgets and business competitiveness.

Efficiencies allowed us to fast track infrastructure spending through the Economic Recovery Plan we put in place at the start of the recession in 2008. As a result of this early intervention, the recession in Scotland has been shorter and more shallow than in the UK as a whole, employment is rising and unemployment is falling.

The Scottish Futures Fund is a further stage in this process – a job boosting initiative made possible by good government. It consists of five different elements: Young Scots Fund; Next Generation Digital Fund; Sure Start Fund; Warm Homes Fund and Future Transport Fund. Each element will have a capital allocation of £50 million. As resources become available, we will add to this fund to extend fairness and opportunity to individuals and communities across our nation.



# Next Generation Digital Fund

"The roll-out and uptake of next generation broadband is important to all of Scotland; private and public sector, business and consumer, third sector, schools, universities and colleges. Scotland's geography and institutions must not mean we're left behind."

**Andy Willox OBE,**  
the Federation of Small Businesses'  
Scottish Policy Convenor.

Scotland must be positioned to take advantage of all the opportunities offered by the digital age. Rural areas are a priority in our digital strategy. In government, we produced a Digital Ambition for Scotland that aims to ensure next generation broadband is available to all by 2020. This will help business, learning and improve public services, as well as helping to reduce carbon emissions.

We have made significant improvements to increase access to employment and services across rural Scotland but far more opportunities will open up with the provision of broadband. Access to high speed broadband is central to the future development of rural areas.

Our £50 million Next Generation Digital Fund will assist progress in several ways:

- Allow the roll out of superfast broadband in rural areas. We believe people across Scotland should have access to the benefits offered by high-speed connection, whether for leisure, business growth or public service delivery.
- Pump-prime and support private sector initiatives to get connected. The fund will be available to take forward community schemes and help the one in four businesses not currently online to get connected. Of those businesses already connected, 45% say they will need higher bandwidth within three years.
- Site mobile phone masts on unused land in public ownership. These would then be offered to telecoms companies to plug gaps left by the private sector, to expand mobile and broadband coverage.
- We will work with the industry and Ofcom over 2011 to identify barriers to increased mobile coverage and assess ways these barriers may be overcome.
- Take action to end the digital divide, working with community organisations and housing associations to improve access for all.

"Digital connectivity is to the present day what railways and canals were to the first industrial revolution. So world-class digital connectivity won't just benefit 'creative' industries, it is also vital for 'older' industries that the Scottish Government has identified as important to Scotland's economic success such as financial services, premium food and drink and tourism."

**Reform Scotland,** Digital Power

## CONNECTING COMMUNITIES

Intervention by the Scottish Government has already led directly to the availability of basic, affordable broadband to over 99% of the population.

The Next Generation Digital Fund will allow us to expand on the success of the LEADER broadband challenge run by the Scottish Government's Rural Development Programme. Last year several areas received LEADER grants to improve their broadband and wireless access. These include clusters of villages and small towns in The Orkney Islands, The Hebrides, Forth Valley and Lomond, The Borders and South Lanarkshire. Together these grants will support 88 businesses.

In South Lanarkshire a £45,000 grant will bring the village of Gilkershugh online.

In Lomond and Forth Valley alone it is estimated that 100 jobs will be created by the £186,000 project to pilot a powerful wireless connection where unreliable, slow or non-existent broadband is severely hindering economic activity.



Investing in Scotland's future.

**SNP** 

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