



House of Commons  
Scottish Affairs Committee

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**Spring Supplementary  
Estimate 2005:  
Explanatory  
Memorandum by the  
Scotland Office**

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## The Scottish Affairs Committee

The Scottish Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Scotland Office (including (i) relations with the Scottish Parliament and (ii) administration and expenditure of the office of the Advocate General for Scotland (but excluding individual cases and advice given within government by the Advocate General)).

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### Committee staff

The current staff of the Committee are Mike Clark (Clerk), Diane Nelson (Committee Assistant) and Camilla Brace (Secretary).

### Contacts

All correspondence should be addressed to the Clerk of the Scottish Affairs Committee, House of Commons, 7 Millbank, London SW1P 3JA. The telephone number for general enquiries is 020 7219 6295; the Committee's email address is [scotaffcom@parliament.uk](mailto:scotaffcom@parliament.uk).

# Spring Supplementary Estimate 2005: Explanatory Memorandum by the Scotland Office

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This memorandum provides information in relation to the Spring Supplementary Estimate for the Scotland Office. The provision for the Scotland Office (including the grant to the Scottish Executive) is carried as a separate Request for Resources on the Main Estimates for the Department for Constitutional Affairs

## Supplementary Expenditure Details

In the Supplementary, the Scotland DEL will be increased by £417,028,000 from £22,004,521,000 to £22,421,549,000. The major element is:

a classification change in respect of the transfer of Supporting People from AME to DEL of £418,000,000. Supporting People is the funding framework for housing support services and provides housing related support to some of the most vulnerable groups in society;

A number of changes in the DEL also arise from transfers to and from other Departments. Details are:

- (i) A transfer of £766,000 to the Home Office. This comprises of outward transfers of £600,000 for security enhancements, £200,000 for a scoping study into extending the remit of the Security Industry Authority into Scotland and an inward transfer of £34,000 for the Queen's Award for Voluntary Services Scheme.
- (ii) A transfer of £383,000 to the Department for Work and Pensions. This comprises of outward transfers of £131,000 for the Fair for All – Disability Initiative with NHS Scotland which will focus on improving access to Health services for disabled people and £252,000 for the Family Resource Survey to provide a geographical boost of data on poverty statistics thus providing more reliable information on poverty.
- (iii) A transfer of £14,000 to the National Assembly for Wales in respect of the net costs for Out of Area Treatment of treating patients from Scotland in Wales.
- (iv) A transfer of £191,000 from the Northern Ireland Assembly in respect of the net costs for Out of Area Treatment of treating patients from Northern Ireland in Scotland.

Two further items add to the Scottish Executive's Annually Managed Expenditure (AME) provision. These are not included in the Supplementary as they do not increase the grant to the Scottish Consolidated Fund, and are not in the Secretary of State's written statement of 22 February 2005 as they do not add to the Scotland DEL. Details are:

- (i) Additional provision of £51,397,000 for NHS and Teachers pension schemes.

(ii) Additional provision of £15,751,000 for Roads Cost of Capital

There is no change in the grant to the Scottish Consolidated Fund.

22 February 2005

## Annex

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### **Letter to Mr David Crawley, Head of the Scotland Office, from the Clerk of the Committee**

The Scottish Affairs Committee has now had a opportunity to consider the Spring Supplementary Estimate, laid on 22nd February 2005 and approved by the House on 9th March; the Committee would be grateful for clarification on the matter detailed below:

In analysing the resource changes in the Spring Supplementary Estimate, it was not immediately clear why changes notified in the Estimate Memorandum, Written Statement and Estimate were not reflected in a movement of resource shown under Request for Resources 2 in the Department for Constitutional Affairs Spring Supplementary Estimate. The Committee would, therefore, be grateful for an explanation of why no movement appears in the Department for Constitutional Affairs Estimate.

The Committee also requests that, for future Estimates, the Scotland Office provides a note in the Estimate Memorandum to reconcile the Scotland Office Estimate changes to the Request for Resources 2 in Department for Constitutional Affairs Estimate.

I would be grateful if you could let me have a reply by 13 May. The Committee may wish to draw on the information provided in future inquiries, for example, during the annual evidence session on the Scotland Office Departmental Report.

5 April 2005

### **Letter to the Clerk of the Committee from Mr Jim Wildgoose, Head of the Scotland Office**

#### ***SPRING SUPPLEMENTARY ESTIMATE***

Thank you for your letter of 5 April to David Crawley about the Spring Supplementary Estimates of the Department for Constitutional Affairs and its interaction with the Memorandum to your Committee. As you may be aware, David Crawley is no longer the Head of the Scotland Office and I replaced him on 3 May 2005.

I am pleased that the Committee has found the Memoranda helpful in considering our Supplementary Estimates and am happy to arrange that future Memoranda will include a reconciliation between the DCA Estimate and our text.

Turning to the Committee's question as to why the DCA Supplementary Estimate does not show any movement despite the details being shown in our Memorandum, in essence, the issue is one of rounding.

I attach a table – along the lines that we will be producing for future Memoranda – which shows a reconciliation between our details and the DCA Estimate.

As you will see from the table, the precise figures were £21,383,433,000 after the Winter Supplementary and £21,382,561,000 after the Spring Supplementary. However, as the published Estimates are to the nearest £million, both figures are rounded to £21,383m; thus the printed Estimate shows that no change is needed.

I hope that this is helpful

13 May 2005

## GRANT PAYABLE TO THE SCOTTISH CONSOLIDATED FUND

	Position After Winter Supp £'000	Spring Supp changes £'000	Position After Spring Supp £'000
<b>Expenditure Classified as DEL</b>	<b>22,004,521</b>		
<b>Transfers</b>			
<i>add:</i>			
Transfer from AME to DEL Supporting People		418,000	
Out of area treatments( Ireland)		191	
Queen's Award for Voluntary Services Scheme		34	
<i>less:</i>			
Home office for Security Enhancements		-600	
Home office for Security Industry Scoping Study		-200	
DWP Fair for all initiative		-131	
DWP Family Resource Survey		-252	
Out of area treatments( Wales)		-14	
<b>Total of DEL adjustments at Spring Supplementary</b>		<b>417,028</b>	
<b>Revised Del</b>			<b>22,421,549</b>
<b>Expenditure Classified as AME</b>	<b>2,400,245</b>		
<b>Transfers</b>			
<i>less:</i>			
transfer from AME to DEL for Supporting People		-418,000	
<i>add:</i>			
NHS Teachers pension schemes		51,397	
Roads Cost of Capital		15,751	
<b>Total of AME adjustments at Spring Supplementary</b>		<b>-350,852</b>	
<b>Revised AME</b>			<b>2,049,393</b>
<b>Non Domestic Rates Income</b>	<b>1,873,817</b>		<b>1,873,817</b>
<b>Total Managed Expenditure</b>	<b>26,278,583</b>		<b>26,344,759</b>
<i>add:</i>			
<b>Non-Budget items outside Total Managed Expenditure</b>	<b>194,786</b>		<b>194,786</b>
<i>less:</i>			
<b>Funding from other sources outside the Grant</b>	<b>4,141,768</b>		<b>4,208,916</b>
<b>Cash to accruals adjustments</b>	<b>948,168</b>		<b>948,068</b>
<b>Grant payable to Scottish Consolidated Fund</b>	<b>21,383,433</b>		<b>21,382,561</b>