



House of Commons
Scottish Affairs Committee

**Spring Supplementary
Estimate 2006:
Explanatory
Memorandum by the
Scotland Office**

*Ordered by The House of Commons
to be printed on 9 May 2006*

HC 1106
Published on 16 May 2006
by authority of the House of Commons
London: The Stationery Office Limited
£0.00

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)).

Current membership

Mr Mohammad Sarwar MP (*Labour, Glasgow Central*) (Chairman)
Danny Alexander MP, (*Liberal Democrat, Inverness, Nairn, Badenoch & Strathspey*)
Gordon Banks MP, (*Labour, Ochil & South Perthshire*)
Ms Katy Clark MP, (*Labour, North Ayrshire & Arran*)
Mr Ian Davidson MP, (*Labour, Glasgow South West*)
Mr John MacDougall MP, (*Labour, Glenrothes*)
Mr Jim McGovern MP, (*Labour, Dundee West*)
Mr Angus MacNeil MP, (*SNP, Na h-Eileanan An Iar*)
David Mundell MP, (*Conservative, Dumfriesshire, Clydesdale and Tweeddale*)
Mr Charles Walker MP, (*Conservative, Broxbourne*)
Mr Ben Wallace MP, (*Conservative, Lancaster & Wyre*)

Powers

The committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk.

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/parliamentary_committees/scottish_affairs_committee.cfm

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.

Spring Supplementary Estimate 2006: Explanatory Memorandum by the Scotland Office

This memorandum provides information in relation to 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 £108,539,000 (net of depreciation) from £23,049,735,000 to £23,158,274,000. This includes:

- (i) A take-up of End Year Flexibility (EYF) by the Scottish Executive amounting to £135,186,000; and
- (ii) A take-up of 2005 Pre-Budget consequentials by the Scottish Executive amounting to £2,124,000.

The DEL increase also includes the following transfers between the Scottish Executive and other Government departments, amounting to a net increase of £14,648,000. These are:

- (i) A transfer of £2,280,000 from the Department for Transport in respect of the transfer of Deeds of Assumption between Strategic Rail Authority and Strathclyde Passenger Transport Executive.
- (ii) A transfer of £4,140,000 from the Department of Health in respect of the net costs for Out of Area Treatment (OATS) of treating patients from England in Scotland.
- (iii) A transfer of £228,000 from the Department of Health in respect of the net costs for Out of Area Treatment (OATS) of treating patients from Northern Ireland in Scotland.
- (iv) A Transfer of £8,000,000 from the Department of Constitutional Affairs in respect of the provision for the long service awards to the Judiciary.

The increases will be offset by interdepartmental transfers as detailed above or charged to the DEL Reserve and will not therefore add to the planned total of public expenditure.

The additional expenditure shown above is offset by increased non-cash spending and additional receipts. Therefore, the grant to the Scottish Consolidated Fund remains unchanged at £20,935,903,000 as shown in the published Winter Supplementary Estimate

A Grant reconciliation table is attached.

Scotland Office Expenditure Detail

In the Supplementary the Scotland Office DEL will remain at £6,368,000. Within the Del there is a redistribution of resource, details of which are

A redistribution of £40,000 from the Scotland Office (Administrative costs) to the Commission on Boundary Differences and Voting Systems in Scotland (Other Current).

A redistribution of £521,000 from the Scotland Office (Administrative costs) to the Office of the Advocate General (Administrative costs).

The Treasury has agreed that these switches can be effected via virement rather than processed as part of a Supplementary Estimate.

14 February 2006

GRANT PAYABLE TO THE SCOTTISH CONSOLIDATED FUND

£ million	Main Estimate	Changes	Revised position
Expenditure Classified as DEL	23,365	152	23,517
Expenditure Classified as AME	2,395	320	2,715
Non Domestic Rates Income	2,009	-112	1,897
Total Managed Expenditure	27,769	361	28,130
add:			
Repayments of principle of existing (pre 1 April 1999) debt to National Loans Fund	10	0	10
Student Loans	181	2	183
Housing Stock Transfers	0	0	0
	191	2	193
less:			
Supported Borrowing by Local Authorities	345	0	345
Non Domestic Rates Income	2,009	-112	1,897
European Structural Funds Receipts (ESF & ERDF)	148	22	170
National Insurance Fund Payments towards Scottish National Health Service	1,406	97	1,503
Rural Payments Agency receipts supporting expenditure in DEL	9	0	9
Rural Payments Agency receipts supporting expenditure in AME	436	34	470
Non Voted expenditure	12	0	12
	4,365	42	4,406
Cash to accruals adjustments			
depreciation	296	44	340
cost of capital	662	88	750
movement on working capital	0	0	0
transfers and net movements on provisions	16	8	24
Resource to cash adjustments for NDPBs	22	-6	16
Impairments	20	-1	19
Resource to cash adjustments for NHS and Teachers Pensions	1,644	188	1,831
	2,660	321	2,980
Grant payable to Scottish Consolidated Fund	20,936	0	20,936