

# **PUBLIC FINANCE AND ACCOUNTABILITY (SCOTLAND) ACT 2000**

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## **EXPLANATORY NOTES**

### **THE ACT**

#### ***Section 2: Emergency Arrangements***

##### **General Purpose**

10. This section makes provision for temporary arrangements for authorising the use of resources in any financial year where a Budget Act has not been agreed by the start of that financial year. This is to enable the Scottish Administration and other bodies dependent on funding derived from the Scottish Consolidated Fund to continue to provide services on an interim basis until a Budget Act can be enacted. Parallel provisions for the use of cash will be included in Budget Acts.

##### **Subsection (1)**

11. Subsection (1) explains that if a Budget Act has not been agreed before the start of a financial year, then resources (including accruing resources) may be used in accordance with the rules set out in subsections (2) and (3).

##### **Subsection (2)**

12. Subsection (2)(a) states that resources used in the current financial year may only be used for the same purposes as authorised in the previous year's Budget Act. Subsection (2)(b) limits the amount of resources that may be used. It states that for each month in the current financial year that resources are used under this procedure, the amount of resources used may not exceed whichever is the greater of:

- (a) one-twelfth of any amount authorised for the previous financial year, or
- (b) the amount used for that purpose in the equivalent month in the previous financial year.

##### **Subsection (3)**

13. This in effect provides that resources must be used in accordance with the Budget Act for the financial year in question when it is enacted.