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SCOTTISH STATUTORY INSTRUMENTS

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**2003 No. 157**

**PUBLIC FINANCE AND ACCOUNTABILITY**

**The Budget (Scotland) Act 2002 Amendment Order 2003**

*Made* - - - - - *6th March 2003*

*Coming into force* - - - - - *7th March 2003*

The Scottish Ministers, in exercise of the powers conferred by section 7(1) of the Budget (Scotland) Act 2002<sup>(1)</sup> and of all other powers enabling them in that behalf, hereby make the following Order, a draft of which has, in accordance with section 7(2) of that Act, been laid before, and approved by resolution of, the Scottish Parliament:

**Citation and commencement**

1. This Order may be cited as the Budget (Scotland) Act 2002 Amendment Order 2003 and shall come into force on the day following that on which it is made.

**Amendment of the Budget (Scotland) Act 2002**

2.—(1) The Budget (Scotland) Act 2002 is amended in accordance with articles 2(2) to (8) of this Order.

(2) In section 3 (overall cash authorisations)—

- (a) in relation to the Scottish Administration, for “£18,285,813,000” substitute “£20,738,874,000”;
- (b) in relation to the Forestry Commissioners, for “£38,190,000” substitute “£48,380,000”;
- (c) in relation to the Food Standards Agency, for “£5,459,000” substitute “£5,552,000”;
- (d) in relation to the Scottish Parliamentary Corporate Body, for “£129,961,000” substitute “£192,010,000”; and
- (e) in relation to Audit Scotland for “£5,545,000” substitute “£6,197,000”.

(3) In section 5 for “£659,600,000” substitute “£649,711,000”.

(4) In Schedule 1—

- (a) in column 1 as regards item 1 for “new water and sewerage authorities” substitute “Scottish Water” and insert at end “payment of liability to SCF by Department in respect of SCF loans”;

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(1) 2002 asp 7, as amended by S.S.I. 2002/542.

- (b) in column 2 as regards item 1, for “£888,861,000” substitute “£1,198,732,000”;
  - (c) in column 3 as regards item 1 delete from “by” to the end, and after “loans” insert “and formerly non-voted loans by Scottish Water”;
  - (d) in column 4 as regards item 1 for “£5,252,000” substitute “£60,286,000”;
  - (e) in column 1 as regards item 2—
    - (i) after “associated costs” insert “supporting people grants;” and
    - (ii) after “housing associations” insert “start up costs of the Scottish Building Standards Agency;”;
  - (f) in column 2 as regards item 2 for “£2,851,680,000” substitute “£2,927,596,000”;
  - (g) in column 4 as regards item 2 for “£750,000” substitute “£1,369,000”;
  - (h) in column 1, as regards item 3 for “and” in line 7 substitute “;” and after “care” insert “and the Scottish Social Services Council”;
  - (i) in column 2 as regards item 3 for “£632,580,000” substitute “£636,977,000”;
  - (j) in column 1 as regards item 4 after “Agency for Scotland” insert “, for the Student Loans Scheme and related costs”;
  - (k) in column 2 as regards item 4 for “£2,162,132,000” substitute “£2,361,444,000”;
  - (l) in column 3 as regards item 4 after “Enterprise” insert “and the repayment of Student Loans”;
  - (m) in column 4 as regards item 4 for “£2,723,000” substitute “£31,535,000”;
  - (n) in column 1 as regards item 5 after “Fund;” insert “repayments of originating capital debt;”;
  - (o) in column 2 as regards item 5 for “£6,214,953,000” substitute “£6,308,678,000”;
  - (p) in column 3 as regards item 5 after “property” insert “and repayment of public dividend capital”;
  - (q) in column 4 as regards item 5 for “£12,100,000” substitute “£127,870,000”;
  - (r) in column 1 as regards item 6 after “miscellaneous services; criminal justice” delete “;”;
  - (s) in column 2 as regards item 6 for “£1,141,031,000” substitute “£1,167,635,000”;
  - (t) in column 2 as regards item 7 for “£232,203,000” substitute “£232,446,000”;
  - (u) in column 4 as regards item 7 for “£2,363,000” substitute “£2,223,000”;
  - (v) in column 2 as regards item 8 for “£9,821,000” substitute “£9,841,000”;
  - (w) in column 2 as regards item 9 for “£10,852,000” substitute “£10,862,000”;
  - (x) in column 2 as regards item 10 for “£6,737,277,000” substitute “£6,718,910,000”;
  - (y) in column 2 as regards item 11 for “£79,756,000” substitute “£80,831,000”; and
  - (z) at the end of the Schedule insert “Note: As of 2002–03 an amount of “£271.304m which is presently lent from the SCF is now voted.”.
- (5) In Schedule 2—
- (a) in Part 1, column 2, as regards item 8, for “the new water and sewerage authorities” substitute “Scottish Water”;
  - (b) in Part 1 in respect of the overall amount for “£21,400,000” substitute “£431,022,000”;
  - (c) in Part 2, column 1, as regards item 2, after “orders” insert “; receipts as regards Scottish Ministers' share of the proceeds of sale of Northern Isles vessels”;

- (d) in Part 1 after “overall amount: £431,022,000” insert “This amount has been increased to reflect receipts from the EC and from the Department of Environment, Food and Rural Affairs, Rural Payments Agency.”;
  - (e) in Part 2 in column 1 after item 7 insert “8. Any sums received from local authorities in respect of housing stock transfers”;
  - (f) in Part 2, in column 2, as regards new item 8 insert “Repayment of PWLB debt ”;
  - (g) in Part 2 in respect of the Overall amount, for “£5,000,000” substitute “£250,000,000”;
  - (h) in Part 3 in respect of the Overall amount, for “£20,046,000” substitute “£20,985,000”;
  - (i) in Part 4 in respect of the Overall amount, for “£78,498,000” substitute “£93,498,000”;
  - (j) in Part 5, column 1, after item 3, insert  
“4. Income from fees charged by the Scottish Commission for the Regulation of Care”;
  - (k) in Part 5 as regards item 4, in column 2, insert “Expenditure on Community Care”;
  - (l) in Part 5, in respect of the Overall amount, for “£997,468,000” substitute “£1,250,000,000”;
  - (m) in Part 6 in respect of the Overall amount, for “£24,964,000” substitute “£28,000,000”;
  - (n) in Part 7, in respect of the Overall amount, for “£13,915,000” substitute “£15,500,000”;  
and
  - (o) in Part 10, in respect of for Overall amount, for “£633,420,000” substitute “£816,422,000”.
- (6) In Schedule 3–
- (a) in column 2 as regards item 1 for “£95,007,000” substitute “£95,797,000”;
  - (b) in column 2 as regards item 4 for “£6,468,000” substitute “£6,868,000”;
  - (c) in column 3 as regards item 4 for “sale of” substitute “sales of furniture and”; and
  - (d) in column 4 as regards item 4 for “£50,000,000” substitute “£5,000,000”.
- (7) In Schedule 4, Part 4, in respect of the Overall amount for “£14,052,000” substitute “£15,500,000”.
- (8) In Schedule 5–
- (a) in column 1 as regards item 5, substitute for the current wording “Section 42 of the Water Industry (Scotland) Act 2002 (Scottish Water)(2)”; and
  - (b) in column 2 as regards item 5 for “£256,300,000” substitute “£104,500,000”.

St Andrew’s House, Edinburgh  
6th March 2003

*ANDREW P KERR*  
A member of the Scottish Executive

## EXPLANATORY NOTE

*(This Note is not part of the Order)*

This Order amends the Budget (Scotland) Act 2002 (“the 2002 Act”), which makes provision, for financial year 2002/03, for the use of resources by the Scottish Administration and certain bodies whose expenditure is payable out of the Scottish Consolidated Fund, for authorising the use of resources, and for limits on the capital expenditure of and borrowing of local authorities and certain other public bodies. In particular, the Order amends that Act so as to—

(1) alter for the purposes of section 4(2) of the Public Finance and Accountability (Scotland) 2000, the overall cash authorisations for Financial Year 2002/03 as regards respectively the Scottish Administration, the Food Standards Agency, the Scottish Parliamentary Corporate Body, and Audit Scotland (Article 2(2)(a)–(e)).

(2) alter the maximum amount for the purposes of section 94(5) of the Local Government (Scotland) Act 1973 (which provides for limits on the amount of capital expenses which may be incurred by local authorities in any financial year) (Article 2(3));

(3) re-state the purposes for which resources may be used in accordance with section 1 and Schedule 1 to the 2002 Act, with the following changes, Articles 2(4)(a), (e), (h), (j) and (n);

- (a) to enable resources to be used by the Scottish Ministers through the Scottish Executive Environment and Rural Affairs Department (formerly the Scottish Executive Rural Affairs Department) on loans to Scottish Water and on the payment of liability to SCF by the Department in respect of SCF loans;
- (b) to enable resources to be used by the Scottish Ministers (through the Scottish Executive Development Department) on supporting people grants, and the start up costs of the Scottish Building Standards Agency;
- (c) to enable resources to be used by the Scottish Ministers (through the Scottish Executive Education Department) on associated social work services including the Scottish Social Services Council;
- (d) for the use by the Scottish Ministers (through the Scottish Executive Enterprise and Lifelong Learning Department) on grant in aid for the Student Loans Scheme and Related Costs; and
- (e) to enable resources to be used by Scottish Ministers (through the Scottish Executive Health Department) on repayment of public dividend capital.

(4) re-state the amounts of resources other than accruing resources that maybe used for the eleven purposes set out in column 1 of Schedule 1;

(5) re-state the type of accruing resources in Schedule 1 which maybe used in respect of items 1, 2, 4, 5, and 7;

(6) alter in Part 1 of Schedule 2 the purpose which the Scottish Ministers through the Scottish Executive Environment and Rural Affairs Department may use item 8 type of accruing resources, namely on expenditure on Scottish Water in place of the previous water and sewerage authorities;

(7) alter in Part 2 of Schedule 2 as regards item 2 the type of accruing resources which may be used by the Scottish Ministers through the Scottish Executive Development Department to include receipts of the Scottish Ministers' share of the proceeds of the sale of Northern Isles vessels;

(8) to add in Part 2 of Schedule 2 one further item 8 of accruing resource in column 1 namely sums received from local authorities in respect of housing stock transfers with the corresponding purpose in column 2 of repayment of PWLB debt;

(9) alter the overall amount of accruing resources in Part 1 to 7 and 10 of Schedule 2 which may be used by the bodies referred to therein without individual limits;

(10) alter in Schedule 3 the amount of resources other than accruing resources which the first and fourth named directly funded bodies referred to therein may use for the purposes specified therein;

(11) in relation to Audit Scotland in Schedule 3 to extend the type of accruing resources which may be used to include sales from furniture;

(12) alter in Schedule 4, Part 4, the overall amount of accruing resources which may be used by Audit Scotland for the purposes referred to therein; and

(13) substitute the current borrowing powers of Scottish Water in place of the new water and sewerage authorities and restate the amount which Scottish Water may borrow.