

**EXPLANATORY MEMORANDUM TO**  
**THE SCOTLAND ACT 1998 (DESIGNATION OF RECEIPTS) ORDER 2009**

**2009 No. 537**

1. This explanatory memorandum has been prepared by Her Majesty's Treasury and is laid before the House of Commons by Command of Her Majesty.

**2. Purpose of the instrument**

2.1 The Scotland Act 1998 (Designation of Receipts) Order 2009 ("the Order") is made by the Treasury in exercise of the power conferred by section 64(5) (Scottish Consolidated Fund) of the Scotland Act 1998 (c. 46) and specifies the receipts, which are payable into the Scottish Consolidated Fund and are to be treated as "delegated receipts" for the purposes of section 64(6).

**3. Matters of special interest to the Select Committee on Statutory Instruments**

3.1 None.

**4. Legislative Context**

4.1 This Order is made under the power conferred by section 64(5) of the Scotland Act 1998. Section 64 makes provision for a Scottish Consolidated Fund.

4.2 Grants received from the UK Consolidated Fund and operational receipts of the Scottish Administration are paid into the Scottish Consolidated Fund (see section 64(2) and (3)).

4.3 Section 64(5) provides that receipts of any description specified by the Treasury in an order made in accordance with that provision, in so far as they are payable into the Scottish Consolidated Fund, are to be "designated receipts". Scottish Ministers must then pay to the Secretary of State amounts equal to the designated receipts in accordance with section 64(6).

**5. Territorial Extent and Application**

5.1 This instrument applies to Scotland.

**6. European Convention on Human Rights**

6.1 As the Order is subject to the negative resolution procedure (see section 115 of, and Schedule 7 to, the Scotland Act 1998) and does not amend primary legislation, no statement is required.

## **7. Policy background**

7.1 Most receipts received by the Scottish Executive may be retained to offset the expenditure of the Executive. This Order designates those receipts which may not be retained by the Scottish Executive. Such receipts must be surrendered to the Secretary of State for Scotland who will in turn pay them to the Treasury as Consolidated Fund Extra Receipts.

## **8. Consultation outcome**

8.1 In accordance with section 64(5) of the Scotland Act 1998, the Scottish Ministers were consulted before the making of the Order. It was not necessary or appropriate for the Treasury to consult more widely before the making of the Order.

## **9. Guidance**

9.1 The Treasury does not propose to issue specific guidance in relation to this Order as the Order has no impact on business, charities, the public sector or the voluntary sector.

## **10. Impact**

10.1 An Impact Assessment has not been prepared for this Order as it has no impact on business, charities, the public sector or the voluntary sector.

## **11. Regulating small business**

11.1 The Order does not apply to small business.

## **12. Monitoring & review**

12.1 The Treasury, in consultation with Scottish Ministers, will keep this Order under regular review.

## **13. Contact**

Keith Jarrett at HM Treasury can answer any queries relating to this Order. Telephone: 020 7270 4809 or email: [keith.jarrett@hm-treasury.x.gsi.gov.uk](mailto:keith.jarrett@hm-treasury.x.gsi.gov.uk). HM Treasury, One Horse Guards Road, London, SW1A 2HQ.