

Explanatory memorandum from the Scotland Office on the Spring Supplementary Estimate 2010

This Supplementary Estimates 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 Consolidated Fund) is carried as a separate Request for Resources (RfR 2) on the Supply Estimate for the Ministry of Justice.

Scotland Office

Supplementary Expenditure Details

In the Supplementary, the DEL provision for the administration of the Scotland Office (which is ring fenced within the overall Ministry of Justice (MoJ) DEL) will be increased by £1,200,000 from £7,524,000 to £8,724,000, to take account of the take-up of near cash End Year flexibility

Also included in the Supplementary, the Scotland DEL will be increased by £18,005,000 from £29,552,282,000 to £29,570,287,000. Within the total DEL change, the impact on resources and capital is set out in the following table:

£'000	Change	New DEL
Resource DEL	17,844	25,640,423
<i>Of which:</i>		
<i>Near Cash</i>	838	24,572,419
Capital DEL	161	3,929,864
Resource DEL + Capital DEL	18,005	29,570,287
Less Depreciation & Impairments	16,932	525,069
Total DEL	1,073	29,045,218

The changes to the Scotland DEL include:

1. International Financial Reporting Standard (IFRS) classification changes of £17,006,000; and
2. Other transfers of £999,000 as follows:
 - A transfer of £196,000 from the Department for Work and Pensions in respect of funding for School Gates Project, and
 - A transfer of £803,000 from the Department for Children, Schools and Families in respect of funding for NSPCC Expansion Grant.

Barnett Consequentials

1. None of the changes are as a result of 'Barnett Consequentials'.

CHANGES TO AME

1. An increase in provision of £3,200,000 for Student Loans;
2. An increase in provision of £200,000 for Central Government Subsidy to Local Authority Housing;
3. An increase in provision of £2,899,000 for Teachers Pensions (Scotland);
4. An increase in provision of £30,159,000 for NHS Pensions (Scotland); and
5. An increase in provision of £19,645,000 for NHS Impairments.

CHANGES TO NON BUDGET

1. An increase of £87,509,000 for changes in cash to accrual adjustments.

There is an increase in the grant payable to the Scottish Consolidated Fund of £127,599,000.

A reconciliation table is attached at Annex A, this reconciles the spending of the Scottish Government with the grant payable to the Scottish Consolidated Fund.

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Accounting Officer

February 2010

ANNEX A

GRANT PAYABLE TO THE SCOTTISH CONSOLIDATED FUND

£ million	Position at Winter Supplementary	Spring Supplementary Changes	Position following Spring Supplementary
Expenditure Classified as DEL¹	29,552.282	18.005	29,570.287
Transfers			
<i>add:</i>			
Transfer from DWP		0.196	
Transfer from DCSF		0.803	
IFRS Classification Changes		17.006	
Expenditure Classified as AME	3,233.906	56.103	3,290.009
<i>add:</i>			
Increase in Student Loans		3.200	
Increase in CG Subsidy to LA Housing		0.200	
Increase in NHS Pensions (Scotland)		30.159	
Increase in Teachers Pensions (Scotland)		2.899	
NHS Impairments		19.645	
Non Domestic Rates Income	2,165.100	0.0	2,165.100
Total Managed Expenditure	34,951.288	74.108	35,025.396
<i>add:</i>			
Repayments of principle of existing (pre 1 April 1999) debt to National Loans Fund	124.400	0.000	124.400
Police Loan Charges	14.708	0.000	14.708
Movement in Creditors/Debtors	55.000	129.000	184.000
Deferment of business rates for 2009-10	60.000	12.000	72.000
	254.108	141.000	395.108
<i>less:</i>			
Supported Borrowing by Local Authorities	305.156	0.000	305.156
Non Domestic Rates Income	2,165.100	0.000	2,165.100
National Insurance Fund Payments towards Scottish National Health Service	1,724.076	0.000	1,724.076
Non Voted expenditure	11.500	0.000	11.500
	4,205.832	0.000	4,205.832
Cash to accruals adjustments			
depreciation	464.265	50.804	515.069
cost of capital	1,163.366	0.074	1,163.440
Impairments (DEL)	10.000	0.000	10.000
Impairments (AME)	79.355	9.645	89.000
Resource to cash adjustments for NHS and Teachers Pensions	2,323.505	85.858	2,409.363
Payments relating to release of provisions	-100.000	-35.000	-135.000
Other Cash to Accrual Adjustments	22.810	-23.872	-1.062
	3,963.301	87.509	4,050.810
Grant payable to SCF	27,036.263	127.599	27,163.862

¹ The figures are gross and therefore include depreciation