



The Government's Expenditure Plans 1999-00 to 2001-02

DEPARTMENTS OF THE SECRETARY OF STATE FOR SCOTLAND AND THE FORESTRY COMMISSION

Presented to Parliament by the Secretary of
State for Scotland and the Chief Secretary to the
Treasury by Command of Her Majesty

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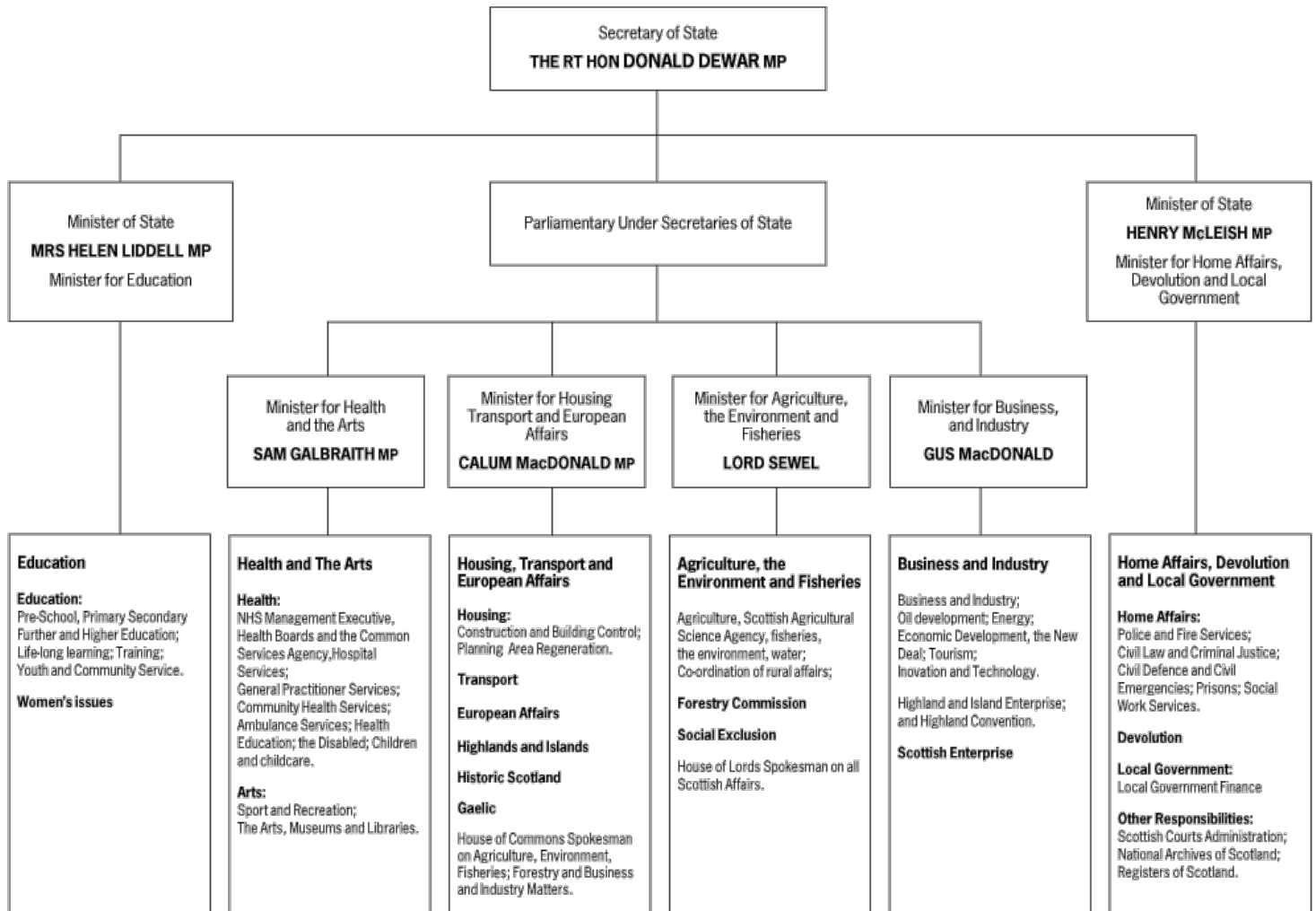
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PREFACE

- Purpose** This Department Report is one of a series covering Government Departments. Its purpose is to provide details underpinning the expenditure plans and objectives announced in July 1998 as the outcome of the Comprehensive Spending Review (Cm 4011), and the targets published in the Public Service Agreement "Delivering to You". As well as forward plans, the Report sets out details of expenditure in recent years with particular emphasis on both expenditure and performance in 1997-98. Such Reports have been published annually in the Spring for many years.
- Coverage** The expenditure plans cover the 3 years from 1999-00 to 2001-02. 1999-00 is a transitional year from a system whereby expenditure is authorised in Westminster to one in which it is authorised by the Scottish Parliament. The Main Estimates for that year have been authorised by Order in Council after being approved by the Westminster Parliament. They can be amended by Order in Council following approval by the Scottish Parliament of proposals presented by Scottish Ministers.
- The expenditure plans for the financial year 2000-01 and 2001-02 inherited by Scottish Ministers and the Scottish Parliament can also be amended by them. The procedures for authorising expenditure from 2000-01 onwards will be set up by legislation of the Scottish Parliament. The form and timing of future reports of this nature will also be a matter for the devolved administration.
- The Report deals mainly with expenditure by The Scottish Office and the other departments of the Secretary of State for Scotland and also includes details for the Forestry Commission. It does not include other public expenditure in Scotland, such as that on Defence or Social Security, which is the responsibility of UK or GB Ministers, and which is distributed according to UK or GB policies and priorities. However, some information on local authority spending includes expenditure which is within the responsibility of another government department.
- Organisation of the Office** The diagram shows The Scottish Office ministerial Team and the allocation of responsibilities between the Ministers of State and the Parliamentary Under Secretaries of State. The Secretary of State and his Ministers are supported by a Management Group consisting of the Permanent Secretary, the Secretaries of the 5 Scottish Office Departments, the Principal Establishment Officer, the Principal Finance Officer and, the Head of the Executive Secretariat. This system of organisation will remain in place until the advent of the Scottish Parliament.
- Organisation of the Report** Chapter 1 reviews the Scotland Programme, explains the context in which The Scottish Office operates and shows the main aim of each of The Scottish Office Departments. Appendix 1 gives a further breakdown of the spending plans shown in Chapter 1. A summary of local authority expenditure is given in Appendix 2. The running costs for The Scottish Office and its associated departments and agencies are shown in Appendix 3 and Appendix 4 gives staff numbers. Appendix 5 tables a reconciliation between the cash plans table and the main Estimates. Appendix 6 contains tables required to supply detail which was at one time shown in Estimates. Appendix 7 shows funding by The Scottish Office of executive Non-Departmental Public Bodies. Appendix 8 is a glossary of terms used in this report.
- Chapters 2 to 6 give the detailed objectives and spending plans of the 5 Scottish Office Departments, Chapters 7 to 13 deal with the associated departments of the Secretary of State (the Crown Office is included for the first time this year) the Scottish Parliament and spending on the Scottish Office Administration vote. Chapter 14

details the objectives and spending plans of the Forestry Commission.

- Estimates** Under the Scotland Act 1998, the authorisation of expenditure by Scottish departments will be the responsibility of the Scottish Parliament from 1 July 1999. As part of the transitional arrangements for financial year 1999-00, details of expenditure which previously appeared in UK Supply Estimates were published in Scotland's Supply Estimates 1999-00 (Cm 193).
- The 12 Scottish Estimates for 1999-00 are not divided into classes. Votes 1 to 9 are broadly equivalent in content and coverage to the Votes which appeared in Class XIII of the UK Supply Estimates 1998-99. The Crown Office and Lord Advocate's Departments, which appeared in Class VIII of the UK Supply Estimates 1998-99, appear as Vote 11, as their expenditure will come from the Scottish Consolidated Fund and forms part of the new Departmental Expenditure Limit for Scotland. Vote 10, covering expenditure by the Forestry Commission on functions relating to Scotland, and Vote 12 for the Scottish Parliament were introduced to cover new arrangements under devolution. Expenditure in all of these areas is summarised in Appendix 1.
- Conventions** The following conventions have been adopted within this Report -
- In the tables, expenditure figures are shown to the nearest £ million.
- Totals are generally derived from figures which have been added prior to the rounding process so the tables may not, in some cases, add up. All expenditure figures are in cash unless otherwise stated and the following conventions are used
- blank = figures not available or not meaningful
- 0 = non-zero but rounded to zero
- = zero
- Glossary** Many terms used in this Report are explained as they appear. A glossary of other terms used is given in Appendix 8.
- Further Reading** Bibliographies are provided throughout the Report.
- Enquiries** Contact telephone numbers for obtaining more detailed information are given in each section.
- General enquiries may be made to Alim Tahir, 0131-244-1415
- e-mail: alim.tahir@scotland.gov.uk
- The report itself is available on the internet at www.official-documents.co.uk

FOREWORD BY THE SECRETARY OF STATE FOR SCOTLAND

The forthcoming financial year is going to be one of enormous change in Scotland, with the Scottish Parliament due to assume responsibility for all the programmes set out in this Report with effect from 1 July 1999. This does not, however, diminish in any way the requirement for the Government to produce a detailed record of its performance over the last year and indeed expenditure plans for the coming year. The Scottish Parliament will, of course, wish to establish its own spending priorities and it will start this process once it has been elected in May. But it is essential that the planning, handling and provision of public services continues uninterrupted during this period of transition. There must be no loss of momentum and equally no loss of financial control. Accordingly this Report continues to look forward as well as reporting on past performance. But it does so fully recognising the implications of the forthcoming constitutional reform.

In 1999-00 expenditure by the Departments for which I am responsible will total £15.9 billion. This Report details first how these resources will be directed towards the priorities of improving standards in education and health, preparing for devolution, supporting welfare to work, tackling Scotland's housing challenges and social exclusion.

Shortly after this Government was elected the then Chief Secretary announced a Comprehensive Spending Review (CSR) of public expenditure. This involved a root and branch examination of planned public expenditure by every Department to eliminate waste and inefficiency, to make better use of resources and to enable resources to be re-directed into the Government's policy priorities, particularly education and health. The plans set out in the Report reflect the outcome of the CSR for Scotland and show the detailed allocation of expenditure to the various Departments and public services for which I am responsible. The report also shows the objectives and targets which each Department will pursue in 1999-00. These were originally published in greater detail in the Department's Public Service Agreement 'Delivering To You' which set out the specific, timed outputs, outcomes and targets that are to be delivered.

The second purpose of this Report is to give details of expenditure and activity in 1998-99 and prior years. Reporting of this information is important in ensuring that my Departments are accountable to Parliament and to the people of Scotland for their stewardship of considerable public resources.

This is the last Departmental Report presenting the Government's past expenditure and forward plans for Scotland in this format. After devolution it will be for Scottish Ministers to decide how they wish to publish their spending plans but I will encourage them to continue the 'good government' practice of presenting detailed plans in the form of an annual report to the Scottish Parliament to keep the people of Scotland informed and for the benefit of taxpayers more generally.

I hope you will find this report an interesting and helpful contribution to the knowledge and understanding of public expenditure in Scotland.

A handwritten signature in black ink, appearing to read 'Donald B. Dewar'.

RT HON. DONALD DEWAR M.P.

1. OVERVIEW

Within the framework of Government policies, and across the programmes for which the Secretary of State is responsible, the overarching aim of The Scottish Office is:

To create an environment in which the public and private sector work together to improve the economic, social and environmental conditions in which people in Scotland live and work.

Towards that central purpose, The Scottish Office:

- aims to provide sound advice to Ministers;
- works, in co-operation with local authorities and other bodies, for efficient delivery of responsive public services;
- seeks to secure the best value for money in the use of public expenditure.

Supporting Aims

The key supporting aims of the Scottish Office are as follows:-

To achieve sustained economic growth and improve competitiveness in Scotland's economy through education training, employment and investment.

To secure the provision of, and widen access to, high quality education and lifelong learning opportunities, which meet the needs of individuals and employers.

To enhance economic opportunity and social development in all Scottish regions.

To equip individuals with vocational skills and knowledge required in the labour market.

To improve the health and quality of life of people in Scotland

To reduce the incidence of avoidable illness, disease and injury.

To meet all reasonable demand for treatment of the appropriate quality.

To ensure that there is support and protection both for those members of society who need assistance in living ordinary lives and for children.

To develop and implement policies which promote quality of service and value for money in the protection services and the wider criminal justice system.

To maintain public order and safety.

To provide an accessible, speedy and fair criminal justice system.

To maintain a secure and humane prison service and reduce the risk of re-offending.

To achieve a physical and social infrastructure and built environment which contributes to sustainable growth, improved health and social inclusion.

To secure an integrated sustainable transport network.

To improve the quality of housing in Scotland and extend choice.

To provide a sound financial framework for local government.

To protect Scotland's built heritage and present it to the public.

To prepare for the creation of Scottish Parliament.

To provide the infrastructure needed in order to allow the Scottish Parliament to become operational by 1 July 1999.

To help the people in Scotland to secure a life of quality and prosperity through sensitive stewardship and sustainable development of the natural resources of Scotland.

To enhance economic opportunity and sustainable development in rural communities.

To ensure that the Scottish agricultural industry becomes economically and environmentally sustainable.

To protect and enhance the natural heritage of Scotland.

To ensure the provision of a clean and safe environment.

Within these overall aims and objectives, more detailed aims and objectives are set out in Department's chapters of this Report.

Context

SOCIAL CONTEXT

1.1 The estimated population of Scotland at mid-1997 was 5,122,000, slightly down from the mid-1996 estimate of 5,128,000.

1.2 In 1995-96, 85.6% of 16 year olds were still at school or in Further Education. This compares with a figure of 80.4% for England and 80.8% for Wales. Scotland has the most highly qualified labour force in the UK, with 43% qualified to at least Higher standard or equivalent.

1.3 The majority of dwellings in Scotland (59%) are privately owned either on the strength of a mortgage or outright. However, the overall extent of owner-occupation in Scotland is lower than in the UK as a whole. Some 666,000 houses and flats (30% of the total housing stock) remain in public ownership. Of all countries and regions of the UK, Scotland has the largest proportion of its housing stock still in the hands of public authorities. However, some local authorities are currently looking at the possibility of transferring substantial amounts of their stock in Scotland to "local housing companies" and housing associations as part of the "New Housing Partnerships" policy recently announced by The Scottish Office.

1.4 Scotland's health remains a cause of concern. Death rates in Scotland from heart disease and cancer are significantly above the UK average. In 1996 the perinatal mortality rate (ICD 140-208) in Scotland was 9.2 per 1,000 births compared with 8.6 in England and 8.7 in the UK. There has been a dramatic decline in perinatal mortality since the early 1970s when the Scottish rate stood at 24.5 per 1,000 births.

ECONOMIC CONTEXT

1.5 GDP per head for Scotland is provisionally estimated to have been 95.5 per cent of the UK average in 1997, with Scotland ranking sixth out of the twelve regions/countries of the UK. Over the year to 1998 Q3, the Index of Production for Scotland rose by 2.8 per cent, compared to a rise of 0.5 per cent in the UK as a whole. Scotland's relatively strong performance over this period was mainly attributable to the final quarter in 1997, as the index fell in each of the first three quarters of 1998.

1.6 Despite difficult international trading conditions, Scottish manufactured exports rose by 4.6 per cent in 1997 to £19.3 billion, outpacing manufactured exports growth in the UK as a whole. 1997-98 was a record year for inward investment in Scotland. Locate in Scotland and The Scottish Office helped to attract to Scotland 87 inward investment projects involving planned investment of over £1 billion and the planned creation or safeguarding of nearly 18,000 jobs.

1.7 Data from the Labour Force Survey indicate that total employment in Scotland fell over the year to October-December 1998. The rate of ILO unemployment rose over the year to October-December 1998 by 0.4 percentage points to 7.3 per cent, compared to a decrease of 0.4 percentage points to 6.0 per cent in the UK. Claimant count unemployment in Scotland in 1998 averaged 5.6 per cent, the lowest annual average since 1976, while youth (18-24) and long term unemployment remain at historically low levels.

1.8 The Government's central economic objective is to achieve high and stable levels of growth and employment, so that everyone can share in higher living standards and greater job opportunities. Independent forecasts for the Scottish economy suggest that growth in Scotland will slow in 1999, in line with the UK average, but will strengthen in 2000.

Table 1.1 Cash plans summary

ENVIRONMENTAL CONTEXT

1.9 Scotland, including the islands, has a land area of 77,000 square kilometres. The average population density is about 66 people per sq.km, rising higher in the central lowlands where almost three-quarters of the population live, and falling as low as 8 people per sq.km in the Highlands. The average for the UK as a whole is 242 people per sq.km. Some 79% of the total land area is given over to agriculture. There are 10 Environmentally Sensitive Areas, covering 19% of Scotland's agricultural land.

The Government's Spending Plans

1.10 **Table 1.1** shows the planned expenditure of The Scottish Office and associated departments for 1999-00 to 2001-02 (together with outturn figures from 1993-94). Comparisons across the years in all the tables in this report are affected by changes in the Secretary of State's responsibilities and by transfers between sectors and programmes. The principal changes are shown in the notes to **Table 1.1**.

1.11 Previous arrangements under which spending plans were reviewed each year through the Public Expenditure Survey have been replaced with fixed three year spending plans controlled directly by departments (the Departmental Expenditure Limits - DEL), with greater freedom to carry forward unspent provision. This gives departments more certainty and flexibility for long term planning and management of resources. Other spending which cannot be reasonably subject to firm three year limits or that should have special control regimes is included in Annually Managed Expenditure (AME) and will be reviewed as part of the annual Budget process. DEL and AME together form an overall total known as Total Managed Expenditure (TME).

1.12 The new framework also requires all departments to set out their objectives and measurable targets for efficiency and effectiveness in a Public Service Agreement (PSA). These were published in "Public Service Agreements White Paper" Cm 4181, December 1998, and the Public Service Agreement in Scotland "Delivering To You". This Report also explains how those targets will be delivered.

1.13 Expenditure by spending sector is shown at **Table 1.3**

1.14 In the new fiscal framework the DEL operates in a similar way to the former Scottish Block. Within this limit, the Secretary of State determines his own priorities. There are, however, differences in coverage between the DEL and the Block, the main ones being that DEL excludes non-domestic rate payments to local authorities but includes spending on domestic agriculture. The definitional differences are explained in full in **Table 1.2**. The size of the DEL is determined by established arrangements under which it is adjusted by 10.39 per cent (8.68 per cent for England and Wales programmes) of the changes made to plans for comparable English programmes.

Table 1.2 Reconciliation of the Scottish Block to DEL

1.15 **Table 1.4** gives a functional analysis of expenditure within the Total Budget. The Government does not plan local authority current expenditure on a functional basis. In setting out his 1999-00 expenditure plans the Secretary of State also announced a single capital allocation figure for local authorities. Within the global capital allocation figure three elements were given specific allocations: police, fire and housing. It is for local authorities to decide on the functional allocation of current expenditure and the unallocated portion of capital. Although local authority expenditure is not included in the functional analysis in **Table 1.3** a functional analysis of actual expenditure by local government is shown at Appendix 2.

1.16 **Table 1.5** shows the functional analysis of the Total Budget in real terms, using 1997-98 prices.

Table 1.3 Total Budget by Spending Sector

Private Finance

1.17 The Scottish Office remains at the forefront in taking forward public/private partnerships by means of the Private Finance Initiative (PFI) with the aim of delivering improved public services and better value for money for tax payers by making best use of the resources available in both the public and private sectors.

1.18 PFI contracts for projects within the responsibilities of the Secretary of State for Scotland with an estimated total capital value of more than £800 have been signed. In the health sector, 3 major hospital projects; Hairmyres Hospital, Law Hospital and the Royal Infirmary of Edinburgh have reached contract signature in recent months representing some £350 million capital investment. Other contracts agreed in the last year include the provision of five new schools for Falkirk Council, an integrated information system for the Scottish Children's Reporter Administration and IS/IT services for Highland Council. The new

prison at Kilmarnock has recently opened and the A74 upgrading is nearing completion, and both will be ready for opening in 1999.

1.19 Many more projects are at an advanced stage of development. In the water and sewerage sector the new standards for sewerage treatment set by the EU Urban Waste Water Treatment (UWWT) regulations have necessitated large scale capital investment to construct and upgrade sewage treatment works and the associated infrastructure. PFI will make an important contribution towards meeting that investment demand with a total of over £600 million worth of PFI schemes currently in procurement in this sector. Local authorities have shown considerable interest in taking forward projects through PFI and a number are now pursuing education, housing, local roads and transport projects under the initiative.

1.20 In total more than £2.7 billion worth of projects have now been signed or are being taken forward and the list of projects will continue to grow in 1999. Table 1.5 includes forecasts for private capital investment under PFI.

Table 1.4 The Total Budget

Better Regulation

1.21 The Scottish Office continues to play its full part in meeting the Government's commitments on Better Regulation incorporating the five principles of good regulation. An example of this in practice is to be found in a recently published consultation paper by our Social Work Services Group (SWSG) on Regulation and Education of the Workforce which explicitly states any new arrangements will need to comply with the Task Force's five principles.

1.22 Still in the domain of Social Work Services, a White Paper was published on 16 March 1999 with proposals to regulate the provision of day, domiciliary, residential and nursing home care for adults and children in both the public and independent sectors through an independent registration and inspection service; and to set up a body for regulating and training the workforce. This follows the Report of the Working Group on Residential Care Home Registration Procedures and reflects a Government Manifesto commitment for a more independent regulatory regime.

1.23 An example of good consultative activity was demonstrated by the Land Reform Policy Group. It issued 2 consultation papers. The first asked a broad set of questions designed to identify the problems to be addressed by land reform but made no proposals or recommendations. The second presented for comment an emerging future vision and a set of possible options for achieving this. The Group has also examined the scope for action that can be pursued without legislation or regulation. There was a high degree of consultative activity relating to this project with the first consultation eliciting 364 replies and the second at least 820. As well as this there were local roadshows and the Minister and officials undertook visits and gave presentations across Scotland. The final report was issued on 5 January 1999 and included the Group's recommendations on early non-legislative change.

Table 1.5 The Total Budget, real terms

1.24 Consultation on the Private Water Supplies (Scotland) Regulations 1992 is an example of consultation which resulted in positive user satisfaction. Officials met with distillers and consulted them regarding proposed changes to these Regulations with one of the main ones being to exempt "mashing waters" used in the distilling process. Distillers had been pressing for this for a number of years. Officials also cleared its final proposals with a sample of local authorities, the enforcers of the Regulations, to ensure the changes would work properly.

1.25 On partnership and co-operation, the Environmental Protection Section (EPS) of the Marine Laboratory Aberdeen (MLA) which has regulatory responsibility for the Food and Environment Protection Act (FEPA) 1985, has been instrumental in the establishment of reciprocal consultation procedures to alert regulatory authorities to overlapping interests; has encouraged regulatory authorities to exchange information in relation to any representations received; and encourages FEPA Part II applicants to write directly to all relevant regulatory authorities. EPS has also sought to encourage contact between local officers of the SFPA Sea Fisheries Inspectorate, SEPA and Scottish Natural Heritage, to improve the response to any pollution incident affecting the marine environment. It is quite common for local officers to now undertake coordinated enforcement visits when dealing with proposals that are regulated under overlapping legislation.

1.26 On the review of forms, which is a main strand of the Government's Better Regulation initiative, some progress has been made in reducing the numbers of forms which exist and are sent out to business. The total number in existence in 1997-98 was 838 of which 485 were reviewed with 54 being eliminated and 93 being simplified. In 1998-99 the total number in existence was down to 784 with plans to review 425 of these. The Scottish Office also conducted around 60 consultations and introduced 169 Statutory Instruments with 10 Compliance Cost Assessments/Regulatory Appraisals/Regulatory Impact Assessments being produced.

Sustainable Development

1.27 A main theme of The Scottish Office programmes was sustainable development, implementing the Government's commitment to place sustainable development at the heart of policy-making.

1.28 Highlights of a busy year include:

- Lord Sewel, as Green Minister, led the successful effort to secure ISO 14001 accreditation for the environmental management of Victoria Quay, the largest building occupied by The Scottish Office.
- The Secretary of State published the first report from the Advisory Group on Sustainable Development in August 1997.
- The agenda for sustainable development in Scotland was set out by Lord Sewel in a major speech in September 1997, "The Realities of Change". Following that through, he brought together the most senior staff in The Scottish Office to explore how to make a reality of sustainable development. Ministers have also held Chatham House discussions with a wide range of organisations to identify and eliminate obstacles to progress.
- In November 1997, COSLA and The Scottish Office joined with the Scottish Local Agenda 21 Co-ordinators Network to restart effort on Local Agenda 21 at a conference attended by senior figures from all Scottish local authorities.
- New policy statements on national parks, rural development, transport, health and planning guidance, amongst others, all set sustainable development as a central objective.
- Forward Scotland continued to demonstrate sustainable development in practice, with major programmes on sustainable communities. It has worked hard to convert landfill tax credits into environmental projects for many local authorities.
- The annual report on sustainable development for 1997, "No Small Change" reported the views of senior business figures in Scotland on how they were integrating social and environmental issues with the main objectives of their companies.

1.29 More information is available on the Sustainability website:

<http://www.sustainable.scotland.gov.uk>.

Departmental Investment Strategy

1.30 The aim of The Scottish Office is to create an environment in which the public and private sectors work together to improve the economic, social and environmental conditions in which people in Scotland live and work. Key aims and targets are set out in The Scottish Office's Public Service Agreement To deliver these objectives and the targets set in the Public Service Agreement requires capital investment to modernise Scotland's public infrastructure and technology. The challenge is to deliver the objectives and targets in a way that makes best use of the resources available to The Scottish Office. That has to be achieved in partnership with many public sector bodies including local authorities, health boards and trusts, agencies and non-departmental public bodies. Increasingly it is also carried out in partnership with the private sector.

1.31 The Departmental Investment Strategy outlines the role of investment in The Scottish Office's wider strategy, describing how investment allocated by the CSR supports the delivery of Departmental objectives and targets; and stating how the Department's management systems are consistent with achieving good value for money. The CSR sets out The Scottish Office key priorities which are devolution, education, health and housing. A high priority is to provide the infrastructure needed to allow the Scottish Parliament to become operational in the summer of 1999, and then to create a new building for the Parliament by the end of 2001. The agenda also includes the delivery of a world class education system. Children need an environment fit for teaching. They also will benefit from the development of information technology in schools to provide them with a modern and effective curriculum. In health, the biggest building programme in the history of the National Health Service, costing some £480m, has commenced. Over £300m in additional resources will be made available over the next three years to facilitate the development of Scottish housing. This investment is an essential element of the Government's wider commitment to social justice and inclusion.

1.32 This planned investment takes account of past under-investment, and of demographic and other long-term trends in sectors such as health. It also recognises that the provision of infrastructure is not an end in itself, but is an essential component of delivering high quality services. Given limited resources and the pressure of many competing claims, it is important that there is careful assessment, evaluation and prioritisation of major capital projects. That ensures that value for money is delivered and the Government's objectives and targets are most effectively achieved.

1.33 Investment takes place in a context in which the public sector already owns and operates substantial capital assets. Where these assets are no longer needed to delivery key objectives and targets they will be disposed of. The introduction of Resource

Accounting and Budgeting for central government will introduce capital charging, which will provide an additional discipline to help with the creation and management of the Department's assets.

1.34 A full appraisal in accordance with the "Appraisal and Education in Central Government (the Green Book)" will be carried out for all proposed major new or replacement capital projects to determine whether or not to undertake the project; whether to undertake it now, or later, and on what scale and in what location; and to assess any private sector involvement. Similarly the use or disposal of existing assets - such as whether to sell land, or replace facilities by cheaper ones, or relocate facilities or operations elsewhere; or to contract out, or market test, operations - will be appraised in the same way.

Payment Performance

1.35 Scottish Office policy is to ensure that its suppliers are paid on time and it observes the CBI Prompt Payment Code and the British Standard, Achieving Good Payment Performance (BS 7890) published in 1996. In the case of construction contracts, the Scottish Office also complies with the statutory requirements for payment procedures set out in Part II of the Housing Grants Construction and Regeneration Act 1996.

1.36 Payment "on-time" is defined as being in accordance with agreed contractual conditions, or where no such conditions exist, no later than 30 days from receipt of a valid invoice.

1.37 Figures for 1998-99 indicate a significant improvement over the previous year with 96.6% of payments classified as on time as opposed to 93.5% in 1997-98. Although performance over the year as a whole did not meet the Government's stated target of 97.5 per cent, performance in the latter months of the year showed continual improvement towards that goal (reaching 97.5 per cent in December for core Scottish Office). The Scottish Office is continuing to work with its business areas, executive agencies, related departments and NDPBs to improve performance as a whole.

Information Technology

1.38 The Scottish Office wants to use information and communications technology (ICT) to improve the quality, convenience and efficiency of the public services it provides. ICT is already being used widely. For example, the Department's Web site contains a lot of information about Departmental activities, including the text of all Scottish Office publications and press releases, which are updated daily. Information systems currently calculate and make payments to a wide range of clients, and support the business of the Department by analysing and presenting financial and statistical information.

1.39 The Department is confident that it can exceed the Government's target of enabling 25% of interactions with the citizen to be carried out electronically by 2002. An internal group is identifying priorities for action to help make progress.

1.40 The Scottish Office connected its office-wide SCOTS IT network of over 4500 personal computers to the Government Secure Intranet (GSI) in June 1998, and an increasing volume of mail to and from Whitehall Departments is now transmitted electronically in this way.

1.41 The Scottish Office has taken systematic and vigorous action to ensure that the Millennium date change does not cause material disruption to public services. Within the Department, work began in 1996 to identify systems which were potentially at risk, and rectification and testing work continued throughout 1998. All business-critical systems will be fully Millennium compliant by the end of March of this year. Critical systems are being assessed independently to ensure compliance, and action flowing from these assessments is being taken as a matter of urgency. In addition, the Office has been active in ensuring that organisations throughout the wider public sector in Scotland are preparing appropriately for the Millennium date change.

Publicity and Advertising

1.42 In 1997-98 the Scottish Office spent £3,841,000 on publicity and advertising. The estimated outturn for 1998-99 is £4,426,000.

Table 1.6 Publicly Sponsored Capital Expenditure

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2. THE SCOTTISH OFFICE AGRICULTURE, ENVIRONMENT AND FISHERIES DEPARTMENT

(Vote 1)

AIMS

To help the people of Scotland to secure a life of quality and prosperity through sensitive stewardship and sustainable development of the natural resources of Scotland.

The Work of the Department

2.1 The Department has responsibility for agriculture, for certain environmental matters (environment protection, water, rural affairs and natural heritage) and fisheries. Agricultural land in Scotland covers almost 80 per cent of total land area. Total output of the Scottish agriculture industry in 1997 is estimated at just under £2.1 billion (of which over 60 per cent was from livestock and livestock products), generating total income of just under £330 million. Landings of fish in Scotland by UK vessels in 1997 were valued at £279 million (60 per cent of total UK landings by UK vessels). Fish production from aquaculture, mainly salmon, amounted to some 100,000 tonnes, valued at over £240 million. The industries operate within a framework determined largely by the EU Common Agricultural Policy (CAP) and Common Fisheries Policy (CFP) in the development of which the Department, together with the three other UK Agriculture and Fisheries Departments, plays a key role. The Department is responsible also for the co-ordination of rural policy in Scotland in accordance with the policy set out in *Towards a Development Strategy for Rural Scotland: The Framework*, published in August 1998. **Table 2.1** summarises planned expenditure by SOAEFD.

Table 2.1: The Scottish Office Agriculture, Environment and Fisheries Department: Expenditure Summary

2.2 Agriculture and Fisheries elements of the Department's spending up to 1998-99 are part of the UK Agriculture, Fisheries and Food (AFF) Programme. The Environmental Services element is derived from the Scottish Block. The future determination of AFF spending plans is affected by the changes in the framework for planning and control of public expenditure announced at the conclusion of the Comprehensive Spending Review and by devolution. Apart mainly from spending on Market Support, all of the spending in **Table 2.1** is included in the Departmental Expenditure Limit (DEL). Spending on Market Support is Annually Managed Expenditure (AME) and is subject to review as part of the annual Budget process. Future spending plans for all of the remainder of the Department's AFF spending - apart from that on Hill Livestock Compensatory Allowances (HLCAs) - will, post devolution, be determined as part of the Scottish block using the Barnett formula.

Objectives

2.3 The performance of the Department against key objectives in 1997-98 is shown below:

Objective

To implement CAP obligations.

To encourage agricultural practices which help conserve the countryside and its natural heritage.

To support the biological science base in Scotland.

To ensure that within available resources activities of Scottish

Performance

During 1997-98 the Department processed some 82,000 applications under CAP livestock and arable schemes resulting in payments to farmers and crofters totalling some £320 million.

By the end of October 1998 over 1800 farmers and crofters had signed agreements under the Environmentally Sensitive Area Scheme and over 2,060 applications had been approved under the Farm Woodlands Premium Scheme for more than 29,750 hectares of land.

In 1997-98 core funding was provided for 249 on-going and 81 new research projects.

For 17 key targets in 1997-98, SNH performance exceeded 5

Natural Heritage reflect "Natural Priorities".

To implement CFP obligations.

and met 7 in full.

Quotas for all fish stocks except North Sea herring (1 per cent overshoot) managed within limits set for 1997.

New licence restrictions imposed to reduce misreporting by area of herring catches

2.4 Key objectives and targets for the Department in 1999-2000 are shown below:

Priority Objectives For 1999-2000

Target

To implement CAP obligations cost-effectively.

Make over 80,000 payments to farmers and crofters totalling £308 million in 1999-2000 within mandatory deadlines.

To promote sustainable development of rural communities.

Implement the framework for rural development set out in the Framework Document.

To encourage agricultural practices which help conserve the countryside and its natural heritage

Secure by end of 1999-2000 introduction of new, merged agri-environment scheme.

To support and maintain the high quality of the agricultural and biological science base in Scotland

Implement during 1999-2000 the Department's new Science Strategy.

.

To ensure that within available resources and statutory requirements Scottish Natural Heritage activities reflect Ministerial priorities.

Achievement by Scottish Natural Heritage against key targets for 1999-2000.

To encourage action to reduce pollution and other measures to safeguard the environment.

Delivery by the Scottish Environment Protection Agency of key targets for 1999-2000.

To ensure the Scottish Water and Sewerage Authorities are effective and efficient.

Capital investment of £286 million in 1999-2000.

To implement CFP obligations cost-effectively.

Effective management of fish quotas in North Sea and West of Scotland waters and introduction of satellite monitoring facility.

To ensure healthy food for Scotland's consumers.

Progress on establishment of Food Standards Agency.

Market Support

Objectives

2.5 The Department's main objectives for its Market Support expenditure are:

- to implement CAP obligations cost-effectively;
- to promote further reform of the CAP having regard to the interests of the agricultural industry, taxpayers, consumers and the environment; and
- to implement the Agenda 2000 CAP reform package to bring maximum benefit to the Scottish Agriculture industry, related industries and rural areas.

2.6 Government policy is to seek reform of the CAP which will allow UK farmers to compete in world markets. This approach will be pursued actively until a final package emerges from the EU Agenda 2000 negotiations (expected in the first half of 1999). Thereafter, the aim is to implement changes quickly and efficiently so as to ensure that no unnecessary burden falls on Scottish farmers.

2.7 Market Support expenditure covers payments in Scotland under the Sheep Annual, Suckler Cow and Beef Special Premium and Arable Area Payments Schemes. All payments are funded by the Guarantee Section of the European Agricultural Guarantee and Guidance Fund (EAGGF) **Chart 2.2** shows past expenditure and 1999-2000 plans for spending on Market Support.

Chart 2.2: Expenditure on Market Support

Scottish Integrated Administration and Control System

2.8 Applicants for assistance under these CAP schemes are legally required to submit annual returns. The Scottish Integrated Administration and Control System (SIACS) records details on computer field by field. The number of annual returns submitted by producers in 1998 was 21,889. All producers who submitted SIACS applications in 1997 and 1998 have been allocated unique field numbers and Ordnance Survey areas for each of the fields. This constitutes the Department's digitised field register against which all claims are now validated before payments are made.

Livestock

2.9 *Sheep Annual Premium* (SAPS) and *Suckler Cow Premium* (SCPS) are subject to quotas at individual producer level which govern eligibility for payments.

| 1998 Projected Scheme Volumes | 1998 Actual | 1999 Projected Schemes Volumes |
|--|--|---|
| 1. For SAPS, 14,100 applications covering 4.3 million sheep. | 13,400 applications covering 4.1 million sheep | 13,400 applications covering 4.1 million sheep. |
| 2. For SCPS, 9,400 applications covering 480,000 cows. | 9,300 applications covering 485,000 cows. | 9,300 applications covering 485,000 cows. |

2.10 The *Beef Special Premium Scheme* (BSPS) makes payments to producers who claim on male bovine animals. Premium may be claimed twice in the lifetime of any steer and once in the lifetime of any bull. Eligibility is restricted by an individual headage limit and a national regional ceiling. If the regional ceiling (244,748 in Scotland) is breached, the numbers of eligible animals must be reduced proportionately.

| 1998 Projected Scheme Volumes | 1998 Actual | 1999 Projected Schemes Volumes |
|---|--|--|
| 50,000 BSPS applications covering 400,000 male bovines. | 50,000 applications covering 400,000 male bovines. | 50,000 applications covering 400,000 male bovines. |

Arable

2.11 Farmers who claim area payments on cereals and other arable crops under the main *Arable Aid Payments Scheme* (AAPS) must set aside a prescribed percentage of the land on which aid is claimed. Farmers claiming less than around 17 hectares are not, however, required to set land aside.

| 1998 Projected Scheme Volumes | 1998 Actual | 1999 Projected Schemes Volumes |
|---|---|---|
| 9,450 AAPS applications covering 565,000 hectares | 9,246 AAPS applications covering 578,000 hectares | 9,250 AAPS applications covering 575,000 hectares |

2.12 Planned expenditure in 1999-2000 on both livestock and arable measures is shown in **Chart 2.3**.

Chart 2.3: Market Support 1999-2000

Structural and Agri-environmental Measures

Objectives

2.13 The Department's main objectives for its Structural and Agri-environmental expenditure are:

- to promote sustainable development of rural communities, with particular regard to remote communities and the Less Favoured Areas (LFAs); and
- to encourage agricultural practices which help conserve the countryside and its natural heritage.

2.14 **Chart 2.4** shows past expenditure and 1999-2000 plans for spending on Structural and Agri-environmental measures.

EU Structural Funds

2.15 The Department operates a range of specially targeted schemes in the Highlands and Islands which have been designated under Objective 1 of the EU Structural Fund Regulations; and in the four areas of Scotland - Dumfries and Galloway; Borders; Rural Stirling and Upland Tayside; and North and West Grampian - which have been designated under Objective 5b.

- For Objective 1, the Highlands and Islands Agricultural Programme consists of three components which were designed to take account of the peripherality and economic fragility of farming and crofting businesses in the area. The Agricultural Business Improvement Scheme provides grants for investments in mainstream agricultural projects, diversification and environmental improvements. The Marketing Scheme provides assistance towards the costs of activities designed to develop sales and income from existing or new products and services. The Crofting Township Development Scheme is intended to assist crofting communities.
- For Objective 5b, the Rural Diversification Programme assists a wide range of projects related to tourism, leisure and recreation, on-farm processing and service provision, aimed at providing alternative sources of income for farmers.

Planned spending on Objective 1 and 5b measures in 1999-2000 is £4.4m and £2.3m respectively. These Objective 1 and 5b area programmes close at the end of 1999.

Chart 2.4: Expenditure on Structural and Agri-environmental Measures

Hill Livestock Compensatory Allowances

2.16 By far the largest of the structural measures operated by the Department is Hill Livestock Compensatory Allowances (HLCAs) paid on breeding cows and ewes in the Less Favoured Areas (LFAs). Ministers announced in November 1998 an increase of some 50 per cent in payment rates under the 1999 Scheme. Together with support for crofters, described below this spending is shown as support for "Special Areas" in **Chart 2.4**.

| 1998 Scheme Target | Performance | 1999 Scheme Target |
|--|--|--|
| Pay 90 per cent of expenditure (for 3.35 million sheep and 424,000 cattle) by 30 April | 95.7 per cent of expenditure paid (for 3.45 million sheep and 458,000 cattle). | Pay 90 per cent (for 3.45 million sheep and 458,000 cattle) by 30 April. |

Crofting

2.17 Specific support continues to be provided for crofters under the Crofting Counties Agricultural Grants Scheme (CCAGS) and Crofters etc Building Grants and Loans Scheme (CBGLS). Under CCAGS it is expected that there will be some 2,230 claims in 1999-2000. Over the 10 years to March 1998, 2,734 houses have been built or improved with assistance under the CBGLS. Spending plans for 1999-2000 include £3.2m for CCAGS and £3.5m for CBGLS.

Agri-Environmental and Farm Woodlands

2.18 The Department's main spending in this area is under the Environmentally Sensitive Area (ESA) Scheme and Farm Woodland Premium Scheme (FWPS). Provision is made also for the Countryside Premium Scheme which superseded the Heather Moorland, Habitats and Set-Aside Access Schemes.

2.19 There are 10 ESAs covering 19 per cent of Scotland's agricultural land. At the end of October 1998, over 1,800 farmers and crofters had signed ESA agreements covering over 400,000 hectares of land which provided for the restoration of stone dykes, the re-planting of hedges, together with the management of species-rich grassland, wetland and semi-natural woodland and scrub. The FWPS was introduced in 1992 with a target of 2,500 hectares of new planting per annum. By the end of October 1998, over 2,060 applications had been approved for the planting of more than 29,750 hectares, representing an increase of over 7,150 hectares during the previous 12 months. The FWPS was revised from 1 April 1997 bringing in higher payment rates, wider eligibility and simplified application procedures. The Countryside Premium Scheme was introduced in March 1997. It offers a comprehensive range of payments to encourage farmers and crofters outside of the 10 designated ESAs to adopt conservation-friendly farming methods. At the end of October 1998 there were some 477 participants in the Scheme.

Agricultural Services

Objectives

2.20 The Department's main objectives for its Agricultural Services spending are:

- to maintain a biological science base of high quality in the Scottish Agricultural and Biological Research Institutes (SABRIs), Scottish Agricultural College (SAC) and Royal Botanic Garden (Edinburgh); and
- to ensure that the outputs of the Department's research programme are relevant to Departmental policy and to the needs of key end-user sectors.

2.21 **Chart 2.5** shows the Department's past and planned 1999-2000 spending on Agricultural Services.

Research and Development

2.22 The Department pays current and capital grants to support the research programmes which it commissions from the 5 SABRIs and SAC. The direction of publicly funded research is co-ordinated with the Ministry of Agriculture, Fisheries and Food and the Biotechnology and Biological Sciences Research Council as well as other Government Departments and Research Councils. Total expenditure in 1999-2000 is planned to be some £40 million, reflecting the priority which Ministers continue to give to maintaining the unique "Scottish System" of an integrated agricultural and biological science base linked closely to end-users and to fostering the internationally recognised excellence of the related research carried out by these establishments.

2.23 The SABRIs and SAC compete with other contractors for research funding from the Department's *Flexible Fund*. Of new research contracts in 1997-98, 40 per cent (by value) were awarded following open competition throughout the UK and 46 per cent involved collaboration between two or more research organisations. The Government places considerable importance on the benefits of collaboration between institutes and will continue to use the Flexible Fund to encourage the collaborative approach. As many research contracts as possible will continue to be awarded following open competition, consistent with the scientific objective of maintaining a strong science base while underpinning the Department's policy objectives for agriculture and the environment. Planned spending for the Fund in 1999-2000 is £6.3m.

Chart 2.5: Expenditure on Agricultural Services

2.24 Research programmes are subject to rigorous commissioning and assessment procedures - the Rationale, Objective, Assessment, Monitoring and Evaluation (ROAME) process. The Department funds only work which conforms with its Policy for Science and Technology, published in December 1993. In 1997-98 core funding was provided for 249 on-going projects and 81 new projects. In the course of 1999-2000 the Department plans to publish the conclusions to a current review of its Science Strategy.

Education and Advisory Services

2.25 In addition to the payments which it receives from the Department for R&D, SAC is supported also in the provision of agricultural education and advisory services. **Table 2.6** gives details of the application of SOAEFD payments to SAC.

Table 2.6: Application of Grant-in-aid to SAC

2.26 Advisory services provided by SAC fall essentially into 3 categories: those consultancy services which are fully-charged for on a commercial basis except in the less favoured and crofting areas of Scotland, where the Department provides a subsidy towards the charged services; services of a public good nature (such as advice on conservation, animal welfare and pollution) which are funded by the Department through grant-in-aid; and veterinary surveillance and other programmes conducted for the Department also funded through grant-in-aid.

2.27 SAC offers a range of full-time courses in agriculture, biotechnology, horticulture, poultry production, food science, animal and crop production at levels ranging from Diploma, through Higher Diploma to Degree level.

Royal Botanic Garden

2.28 The Department maintains support for the Royal Botanic Garden, Edinburgh. Apart from its prime responsibility for carrying out fundamental taxonomic research, the Garden houses extensive national reference collections of living and preserved plant material and a major library of botanical works. It provides also significant educational facilities and recreational amenity. Grant-in-aid for the Garden is planned to be £5.1 million in 1999-2000

Processing and Marketing

2.29 The EAGGF (Guidance Section) meets the full costs of grants awarded for processing and marketing projects in the agricultural and horticultural sectors. Planned spending on this scheme in 1999-2000 is £1.4 million, focused to favour projects which, for example, promote co-operation, improve quality and competitiveness and generate or sustain employment, particularly in rural and remote communities.

2.30 The Department continues its support for a major marketing and quality assurance initiative to help restore consumer confidence in the Scottish beef industry and rebuild its markets at home and overseas. The Government have made available over £4m towards the costs of the industry-led initiative via the Marketing Development Scheme. Under the Scheme grant of 50% is available towards a range of marketing activities in support of improved marketing structures and practices in the agri-food industry. Maximum grant per project is £150,000 and spending under the Scheme in 1999-2000 is planned to be some £2 million..

Other Services

2.31 The balance of spending in Agricultural Services is committed mainly to the Department's support for the Crofters and Deer Commissions, support for livestock breeding and veterinary services in the Highlands and Islands, animal health and administration of the Secretary of State for Scotland's Land Settlement Estate.

Scottish Agricultural Science Agency

2.32 The Scottish Agricultural Science Agency provides the Department with advice on agricultural crops, horticultural crops and aspects of the environment. It also performs statutory and regulatory work in relation to national, EC and other international legislation and agreements on plant health, variety registration and crop improvement, genetically modified organisms, and the protection of crops, food and the environment. The Agency's main objectives are:

- to provide the Department with advice and information on legislation and agreements;
- to support the Department's legislative, policy and enforcement roles by the provision of scientific services; and
- to represent SOAEFD, Scotland and the UK, as appropriate, in national and international fora.

2.33 The Agency's main targets for 1998-99 were:

Quantitative Targets

- achievement of the target for income from new work or new customers;
- completion of 94 per cent of all scientific tests and analyses within the timescales set by customers;
- improvement in the unit cost of the scientific work of the Agency (cost per direct scientific hour).

Milestone Targets

- fulfilment of the service level agreement with SOAEFD customers within allocated budget;
- continuation of the programme of consultation of all customers on the quality of the work done by the Agency.

The Agency's Annual Report for 1998-99, showing its performance against these targets, together with the Agency's targets for 1999-2000, will be published in July 1999.

2.34 Details of the Agency's running costs and staff numbers are given in **Appendices 3 and 4**.

Natural Heritage and Environment Protection

Objectives 2.35 The Department's objectives for its Natural Heritage and Environment Protection spending are:

- to conserve Scotland's natural heritage and promote its understanding and enjoyment;
- to secure a clean and safe environment; and
- to ensure, through sponsorship and regulation, an effective, efficient and safe water and sewerage industry.

The Department seeks to achieve these objectives mainly through Scottish Natural Heritage, the Scottish Environment Protection Agency and the three Scottish Water and Sewerage Authorities.

Scottish Natural Heritage

2.36 Details of Scottish Natural Heritage (SNH) application of grant-in-aid from the Department are shown in **Table 2.7** below.

Table 2.7: Grant in Aid to Scottish Natural Heritage

2.37 Details of SNH's performance are set out in its Annual report for 1997-98 and further information on its achievements and future plans is set out in "Progress + Plans 1998". In addition to delivering across the full range of its wide statutory remit, SNH was asked to provide Ministers, early in 1999, with advice on National Parks and access legislation.

Scottish Environment Protection Agency

2.38 In April 1999 the Scottish Environment Protection Agency (SEPA) completes 3 years of operating a unified approach to pollution control. The Agency has responsibility for industrial pollution control, radioactive waste regulation, water pollution control, waste regulation and certain aspects of air pollution control. **Table 2.8** sets out details of SEPA's application of grant-in-aid from the Department.

Table 2.8: Grant in Aid to Scottish Environmental Protection Agency

2.39 The allocation of grant-in-aid to SEPA in 1998-99 is less than in previous years and reflects a substantial increase in the Agency's charging income. During the year SEPA published its third Corporate Plan and second Annual Report and Accounts (covering the period 1 April 1997 to 31 March 1998). The Agency has continued to refine its performance measures and has developed and published an Environmental Strategy which provides a practical framework for the achievement by SEPA of its main objectives.

Rural Policy

2.40 The Government set out its policy on rural development in *Towards a Development Strategy for Rural Scotland: The Framework*, published in August 1998. This takes account of over 280 responses received to consultation launched in October 1997, including consultation days held at Inverurie, Inverness, Stirling, Kirkcudbright and Galashiels. The aim is to secure

sustainable rural development which provides economic growth, social development and protection of the environment. Under *The Framework*, a rural development strategy will be prepared for each local authority area, integrated into the Community Planning process. These strategies will reflect local needs and be drawn up by partnerships, including, for example, local authorities, Scottish Homes, Local Enterprise Companies, Scottish Natural Heritage and the Scottish Environment Protection Agency. Each strategy will state the key issues facing the communities concerned and the action the various partners will take to secure the well-being of those communities. Below strategic local authority area level, partnerships can be developed as the need arises to encourage community involvement and to feed into the thinking on strategic partnerships. The Scottish National Rural Partnership has continued to meet on a regular basis. It advised on development of *The Framework*. The Scottish Rural Partnership Fund gave grant assistance towards the costs of many projects in rural areas and assisted voluntary and community organisations active there. Spending provision for the Fund in 1999-2000 is planned at £4 million.

Water and Sewerage

2.41 Since April 1996 responsibility for the provision of all water and sewerage services in Scotland has rested with 3 Water and Sewerage Authorities, covering the North, East and West of the country. The Authorities finance the great majority of their services and operations through charges and borrowing, although small grants are also available. In common with other public corporations, the total of their borrowings and the amount received in grants each year is set by the Secretary of State by means of an External Finance Limit. Investment funded under the Private Finance Initiative (PFI) is additional to these sums. The first PFI contract, for the provision of sewerage services at Inverness and Fort William, was signed in December 1996 and expenditure of £200 million is expected via the PFI in 1998-99 with a further £350m planned in 1999-2000. The External Finance Limits set by the Secretary of State for 1999-2000 ensure that the Water Authorities will be able to deliver a first class service at lowest possible cost to the customer. Planned Limits for 1999-2000 are set out in **Table 2.9**.

Table 2.9: Water and Sewerage Authorities: External Finance Limits

2.42 **Table 2.10** shows the targets set for the Authorities in 1999-2000.

Table 2.10: Water and Sewerage Authorities Targets

2.43 The Scottish Water and Sewerage Customers Council came into existence in October 1995 and became fully operational from April 1996 to coincide with the three new Water and Sewerage Authorities. The Council is financed by annual levy on the Water Authorities. The Council approves the Authorities' charges schemes and their codes of practice on standards of customer service and redress provided by the Authorities. The Council has links with a wide range of water and sewerage customer interests. In 1997-98 the Council dealt with 468 complaints from water authority customers. Following a review of the Scottish water industry in 1997, legislation will be introduced to transfer the functions of the Customers Council to a new unified regulator which will be responsible for all aspects of economic regulation and for promoting the customer interest. The Council in its current form will thereafter be wound up.

Flood Prevention and Coast Protection

2.44 Capital allocation for local authorities flood prevention and coast protection measures is contained within the single allocation described in **Chapter 3, Table 3.7**. In addition to the single allocation, one authority receives support for a formal flood prevention scheme from the previous Central Challenge Fund and several authorities taking forward flood prevention measures received supplementary allocations.

Fisheries

2.45 The Department's main objectives for its fisheries expenditure are:

- to implement CFP obligations cost- effectively;
- to promote further reform of the CFP having regard to the interests of the fishing industry, taxpayers, consumers and the environment;
- to improve understanding of Scotland's marine environment; and
- in negotiations on fisheries aspects of the EU Agenda 2000 reform proposals, to promote the long-term economic and environmental sustainability of the fishing and aquaculture industry in Scotland.

2.46 **Chart 2.12** shows details of the Department's past and planned 1999-2000 fisheries spending.

2.47 Provision of some £4.1 million a year is planned for payments under the EU Financial Instrument for Fisheries Guidance (FIFG) which assists capital investments in the fleet, fisheries marketing and processing, ports facilities and aquaculture projects. Provision for the decommissioning of fishing vessels is made on a UK basis by the Ministry of Agriculture, Fisheries and Food.

Fisheries Research Services Agency

2.48 Fisheries Research Services (FRS) completed its first year as an Executive Agency of the Department in April 1998. FRS provides scientific services and advice on fisheries, aquaculture and protection of the aquatic environment and its wildlife. It also performs statutory and regulatory work on fish hygiene and environmental quality. The Agency's main objectives are:

- to provide scientific advice and information on fisheries, aquaculture and the aquatic environment to guide policy development and regulatory and statutory activities;
- to undertake statutory and regulatory responsibilities including licensing under the Food and Environmental Protection Act, the inspection of fish farms, monitoring of toxicity and the compilation of fisheries statistics;
- to represent Scotland and (where appropriate) UK interests at national and international meetings; and
- to have a continuing scientific programme to maintain and enhance its ability to meet its other objectives.

2.49 The Agency's main performance targets are:

- the achievement of output targets for each scientific programme;
- performance to a standard of excellence based upon independent indicators of scientific and technical quality;
- improvement in unit costs of the scientific and administrative work of the Agency.

Performance against the targets for 1997-98 were published in the FRS Annual Report in July 1998 and performance against 1998-99 targets will be published in July 1999. Information on the Agency's running costs and staff numbers are given in **Appendices 3 and 4**

2.50 During 1998 the Agency commissioned a new ocean-going research ship - the *Scotia* - which was completed on time and within its budget of £21 million.

Chart 2.12: Expenditure on Fisheries Support

Scottish Fisheries Protection Agency

2.51 The Scottish Fisheries Protection Agency has the task of enforcing UK, EU and international fisheries legislation and regulations in Scottish fishing waters and ports. Its mission is to deter and detect breaches of fisheries laws and Regulations through the effective deployment of its ships, aircraft and shore-based fisheries inspectorate; and to present timeously cases for prosecution. Its main objectives are: -

- - to pursue and implement an effective strategy for fisheries enforcement;
- - to deter illegal fishing in Scottish waters by UK and foreign vessels through air, sea and port surveillance;
- - to detect breaches of fisheries regulations and report them as appropriate to the prosecuting authorities;
- - to provide intelligence on fishing activity in Scottish waters and advice in support of fisheries policy; and
- to deliver and manage fishery protection in Scottish waters efficiently and effectively.

2.52 The Agency's main performance targets address the cost-efficiency and quality of its marine and aerial surveillance, its shore-based inspectorate functions and the prosecution of offences. The Agency's performance against targets for 1997-98 and key targets for 1998-99 are shown in the Agency's Annual Report for 1997-98 published in July 1998.

2.53 Details of the Agency's running costs and staff numbers are given in **Appendices 3 and 4**.

Ex-Gratia Payments

2.54 There were no Parliamentary Commissioner for Administration findings of maladministration on the part of the Department in 1997-98. As a result of successful judicial review of the Agriculture Departments' allocations from the National Reserve of livestock premium quota, ex gratia payments totalling some £470,000 were made to 223 scheme applicants in Scotland.

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Enquiries

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3. THE SCOTTISH OFFICE DEVELOPMENT DEPARTMENT

(Vote 2)

AIM

To achieve a physical and social infrastructure and built environment which contribute to sustainable growth, improved health and social inclusion; the provision of a sound regulatory framework for local government; the maintenance and enhancement of Scotland's distinctive contribution to the UK's relationship with the European Union; and preparations for the creation of the Scottish Parliament.

The Work of the Department

3.1 The Development Department brings together policy responsibility for most aspects of the physical environment which impact directly on the lives of the people of Scotland and on the success of its economy. It allows questions of housing and the regeneration of the urban environment, transport infrastructure, the structure and delivery of local authority services and oversight of planning, building control and building procurement to be tackled in a coherent and integrated way. This potential has been carried through in the implementation of the restructuring of local government, of major changes in the arrangements for local authorities' capital expenditure, the introduction of a new urban regeneration policy framework, the development of co-ordinating mechanisms for social inclusion policy, the modernisation of the planning system and the launch of an integrated approach to Transport.

Expenditure Summary

Table 3.1: The Scottish Office Development Department:

Objectives 3.2 The performance of the Department against key objectives in 1997-98 is shown below.

Objective

To extend choice and improve the quality of housing in Scotland through the effective deployment of public resources and the encouragement of private finance.

Performance

Scottish Homes gave project approvals for over 5,300 new and improved units. Local authorities built over 200 new homes and improved a further 90,000. Over 17,500 tenants moved into owner occupation and another 8,924 were transferred to a wider range of social landlords. Local authorities spent £59.9 million on improvement and repair grants for private sector housing and £137 million of private finance was levered in by projects supported by Scottish Homes.

Objective

To foster the economic, social and environmental improvement of disadvantaged urban areas.

Performance

Completed first annual review of Programme for Partnership in January 1998, with a report to Ministers and feedback issued to partnerships.

Issued consultation paper "Social Exclusion in Scotland", February 1998.

To provide a regulatory and sound financial framework for local government and ensure that arrangements are in place for cost effective delivery of services.

The annual local government finance settlement announced on 3 December 1997 and distribution proposals issued before Christmas. Single allocation formula introduced. Challenge Fund introduced for general non-housing programmes and roads and transport. Private Finance in local authorities making steady progress. The Best Value initiative was introduced throughout Scotland, including the setting up of a Task Force. All Councils demonstrated, to a greater or lesser degree, their commitment to the Best Value initiative.

| | |
|--|--|
| To support and secure transport provision which helps achieve sustainable growth within a competitive Scottish economy and which emphasises safety, environmental impact and choice. | Drafted a White Paper on integrated transport (published July 1998). Established a National Transport Forum for Scotland to provide advice to Ministers. Reviewed the appraisal criteria for trunk road investment as part of the Strategic Review of Trunk Roads. |
|--|--|

| | |
|---|---|
| To promote quality and value for money in public building programmes, protect the health and safety of people in buildings and promote energy conservation. | Consulted on, and finalised, Scottish Scheme for Construction Contracts and laid SI to meet Parliamentary timetable. Co-ordinated activities of Scottish Office Construction Procurement Forum and supported project sponsors and programme managers. Brought into force amendment of building regulations covering fire safety, energy efficiency and ventilation. |
|---|---|

| | |
|--|--|
| To maintain and develop the statutory planning framework and determine planning and related appeals. | Targets on Secretary of State and SOIRU cases mostly met. Published 2 final and one draft National Planning Policy Guidelines, and 2 Planning Advice Notes. Established Planning Audit Unit and Quality Awards Scheme; Prepared ground for modernising the planning system by conducting a number of consultation exercises. New Planning Inquiry Procedure Rules implemented. |
|--|--|

Objective

To maximise the economic and social benefits to Scotland from European Structural Funds.

Targets

Progress towards full commitment or utilisation of funds ongoing with principal objective being to maximise the economic and social benefits to individual programme areas.

3.3 Key Objectives and targets for the Department in 1999-00 are shown below:

Objective

To improve the quality of housing in Scotland and extend choice through the effective deployment of public resources and the encouragement of private finance.

Targets

Develop New Housing Partnerships as a means of promoting community ownership of housing and encouraging public sector agencies to collaborate to deliver increased investment in social rented housing. Improve the energy efficiency of the Scottish Housing stock. Carry forward the Rough Sleepers and Empty Homes Initiatives.

To promote social inclusion throughout Scotland, particularly in deprived communities, and for excluded groups.

Establish new Social Inclusion Partnerships by end July 1999.

Ensure effective co-ordination of action to promote social inclusion.

Develop new approaches to delivering services and involving communities in deprived areas.

Transfer responsibilities for Castlemilk Partnership to Glasgow Alliance by June 1999.

To provide a sound regulatory framework for local government and fair system of local government finance which encourages efficiency and economy.

Announce local government capital allocations by February 1999 and current expenditure settlement by December 1999.
Pay grant on time and accurately throughout the year.
Complete review of loan charges for 1999-2000 settlement.

Continue development of Best Value and appraisal councils' progress review capital allocations system by November 1999.

Complete review of council tax collection procedures by June 1999.

To promote and secure integrated transport by encouraging modal shift, by having regard to economic and environmental impacts, and by promoting safety and accessibility. To carry forward policy set out in July 1998 Scottish White Paper on Transport "Travel Choices for Scotland"

To prepare and publish series of "daughter" policy papers as anticipated in the White Paper.

To conclude the Strategic Roads Review (SRR).

To develop a new approach to local transport planning.

To secure sound management of existing transport assets and undertakings.

To build up expertise on rail issues prior to and after assumption of rail responsibilities by Scottish Parliament.

Develop policy for road user charging to fund future capital investment in roads and public transport.

Objective

To promote quality and value for money in building programmes; and to maintain and develop a building control system which protects the health, safety, welfare and convenience of people in and around buildings and promotes energy conservation and efficiency.

Targets

Review implementation of the Housing Grants, Construction and Regeneration Act, promote Government construction procurement initiatives, support client best practice and respond to demands arising from the new Scottish Parliament.

Progress the initiative on an architectural policy for Scotland.

Complete SI amending building standards regulations and conduct research on sustainable construction, climate change and use of European Standards.

To maintain and modernise the statutory planning framework and determine planning and related appeals.

Maintain regular contact with the construction industry sector.

Maintain and review planning guidance.

Modernise elements of the development control and development planning procedures.

Prepare legislative proposals.

Review interaction between planning system and related policy areas.

Housing

Overall Aim

3.4 To improve the quality of housing in Scotland and to extend choice through the effective deployment of public resources and the encouragement of private finance.

Context

3.5 In 1996 there were estimated to be 2.246 million dwellings in Scotland and 2,136 million households, a crude surplus of 112,000 houses over requirement, although a significant proportion of this stock will be awaiting demolition or substantial refurbishment. The number of households is projected to increase to 2.345 million by 2010. The projected increase is comprised almost entirely of increases in one person households and households with 2 or more adults. There is also projected to be a small increase in households containing one adult with children and a decrease in households containing 2 or more adults with children.

3.6 While 64% of Scottish housing has been built since the war, just over one-fifth (21%) was built before 1919. There are still concerns about the condition of some of the older stock. The 1996 Scottish House Condition Survey found that 21,000 (1%) of Scotland's occupied dwellings fell below the tolerable standard while 534,000 dwellings (25%) suffered from dampness or condensation. 1,648,000 houses (78%) have at least some degree of visible disrepair. The thermal efficiency of the stock is also poor. More than 90% of houses do not meet the current standards for energy efficiency. In the private sector, poorer quality housing tends to be found in rural areas. Much of the poorer quality public sector stock is concentrated on large estates, often on the peripheries of major towns and cities.

3.7 During 1997-98 the Department reviewed its spending priorities and plans for housing within the Comprehensive Spending Review. Local authorities and Scottish Homes will continue to give priority to dealing with below tolerable standard housing, condensation and dampness, homelessness and community care.

Table 3.2: Housing Expenditure (Net)

3.8 Performance against objectives in 1997-98

| Objective | Performance |
|--|---|
| To promote greater housing choice. | <p>16,340 units of local authority and Scottish Homes stock sold, mainly under the Right to Buy.</p> <p>2,371 grants approved through Scottish Homes low cost home ownership schemes.</p> <p>389 units transferred from local authorities to alternative social landlords.</p> |
| Objective | Performance |
| To assist and enable provision of an adequate supply of housing. | <p>8,924 units transferred from Scottish Homes to other landlords.</p> <p>Project approvals given by Scottish Homes for 3,084 new/improved Housing Association units for rent.</p> <p>In total project approvals given by Scottish Homes for 5,321 new and improved units.</p> <p>Local authorities built over 200 new homes and improved</p> |

To promote improvement in housing quality.

more than 90,000 others.

Local authorities spent £59.9 million on improvement and repair grants for private sector housing. In 20% of the dwellings where grants were approved, grant was intended to improve housing of below tolerable standard.

Expenditure on local authority stock was focused on tackling dampness and condensation through repair and improvement programmes.

Projects in 1,369 dwellings were tackled under Scottish Homes care and repair scheme.

To promote improvement in housing management.

Publication of a series of good practice notes on housing management to assist landlords.

To seek more effective use of resources in housing.

Scottish Homes overall leverage rate 52%.

£137 million of private finance associated with projects supported by Scottish Homes grants.

3.9 Programme objectives and targets for 1999-00

Objective

Target

To develop a strategic policy framework for housing in Scotland.

To analyse the responses to the Green Paper and prepare a report for Scottish Ministers by end July 1999.

To improve the quality of housing in Scotland by remedying inadequacies in the physical condition and energy efficiency of the housing stock.

Invest £213 million through HRA capital allocations and the New Housing Partnerships Initiative.

Invest £12 million through the Home Energy Scheme/Warm Deal Initiative by April 2000.

Publish new Home Energy Conservation Act guidelines by June 1999.

Invest £15 million through the Empty Homes Initiative by 2002.

Objective

Performance

To extend choice in housing by providing a sufficient stock of housing (for rent and owner-occupation) at affordable prices

Provide 6,200 extra and improved homes for social renting or low cost home ownership through Scottish Homes in 1999-2000.

Transfer 25% of council houses to community controlled organisations by 2002 (subject to tenants' approval).

To ensure that appropriate housing is available for the roofless and the unintentionally homeless, for community care groups and for any others who are vulnerable and disadvantaged.

Analyse responses to consultation paper on the Rough Sleepers Initiative and finalise arrangements for next phase by end September 1999.

| | |
|---|---|
| To promote a framework for taking decisions in individual housing cases that is fair, respects the rights of individuals and promotes harmony between neighbours. | Conduct review of housing management practice across the social rented sector and publish Report by October 1999. |
| To maintain appropriate mechanisms for the allocation of public resources for housing which are equitable, promote efficiency and help secure the objectives above. | Ensure arrangements for distributing Housing Revenue Account capital allocations to local authorities consistent with New Housing Partnership decisions. Monitor implementation of Scottish Homes 1999-00 development programme |

Local Authority

3.10 Although the number of local authority dwellings has continued to decrease a significant

Housing

number remain in local authority ownership. There are substantial opportunities for local authorities to work with others to meet housing need by actively promoting the use of private finance and working in partnerships with housing associations and other providers.

3.11 Changes were made in the Housing Revenue Account (HRA) Capital Allocations System in 1997-98. Allocations were made based on net borrowing consent to take account of the increased requirement on authorities to use 75% of receipts from Right to Buy (50% from land sales) to redeem housing debt.

3.12 Most of the authorities HRA allocation is spent on repair and improvement of their own stock. Outputs are given in Table 3.3.

Table 3.3: Council Houses: New Building and Improvement

3.13 Some local authorities with relatively high housing revenue expenditure needs are provided with financial assistance in the form of Housing Support Grant (HSG). HSG has been reduced progressively from £36 million in 1993-94 to £13 million in 1998-99 continuing the switch in resources from general subsidies for council housing to personal subsidies such as housing benefit.

New Housing

3.14 Additional resources of £10 million in 1997-98 and £35 million for 1998-99 were made

Partnerships

available to encourage the development of New Housing Partnerships. An additional £278 million has been made available for the next phase of New Housing Partnerships which will cover the period 1999-2002. Priority will be given to transfer partnerships which promote community empowerment and bring in private investment.

Rough Sleepers

3.15 Under the Scottish Rough Sleepers Initiative £16 million was allocated for a challenge fund

Initiative

over the period 1997-98 to 1999-2000 to fund a range of projects to address the needs of rough sleepers £11 million was allocated to local authorities in 1997-98 and a further £5 million was allocated in 1998-99.

Empty Homes Initiative

3.16 Under the Scottish Empty Homes Initiative £2 million was allocated for a challenge fund to help local authorities bring empty properties back into use as housing. A further £7 million was allocated to this initiative for 1998-99.

Scottish Homes

3.17 Table 3.4 is the Scottish Homes' grant-in-aid. Scottish Homes' overall investment programme in 1999-00 is £208 million.

Table 3.4: Grant in Aid to Scottish Homes

3.18 Scottish Homes has a range of targets agreed by Ministers against which its performance in achieving its objectives can be measured. A full account is given in its Annual Report for 1997-98, but a selection of targets and achievements is shown in Table 3.5. Targets for 1999-00 are still to be agreed.

Table 3.5: Scottish Homes Targets and Performance

Private Sector

3.19 Scottish Homes uses its development funding to lever in private sector investment for housing

Investment

projects by housing associations, private sector developers and others. The level of private sector investment levered in as a proportion of public sector investment has been rising and Scottish Homes aim to maximise the level of private finance generated consistent with their programme objectives. In 1997-98, over £137 million of private finance was committed to projects approved by Scottish Homes. The target set for 1998-99 was £160 million.

Evaluation

3.20 Scottish Homes has been asked to review its support for home ownership and social rented housing with a view to achieving better value for money from the resources available.

Further Reading

The Scottish Office, "Investing in Modernisation - An Agenda for Scotland's Housing - A Green Paper", Cm 4272 (1999)

Scottish Homes Strategy 1997-2000.

Scottish Homes Annual Report 1997-98

Enquiries

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Area Regeneration

Overall Aim

3.21 To promote social inclusion across Scotland, particularly in deprived communities, and for excluded groups.

Context

3.22 Government policy aims to tackle social exclusion in areas with major concentrations of deprivation, as well as among excluded client groups. Those in need are identified by characteristics such as high unemployment, poor health, low educational attainment, poor housing conditions and high crime rates, which often combine to exclude communities and individuals from society. Action is required to target these communities and individuals for particular attention, to ensure there is effective co-ordination between programmes seeking to help these groups, and that gaps between programmes can be filled.

3.23 The Government seeks to help excluded communities and client groups through Social Inclusion Partnerships, which are based on the principles underpinning the approach being taken to tackling social exclusion in Scotland - co-ordination, prevention and innovation. Social Inclusion Partnerships will focus on the most needy members of society, will co-ordinate and fill gaps between existing programmes to promote inclusion, and will seek to prevent people becoming socially excluded.

3.24 Support is also provided to city-wide partnerships to ensure local action is developed within a strategic framework.

3.25 Existing Priority Partnership Areas and Regeneration Programmes will convert to Social Inclusion Partnerships, and new Social Inclusion Partnerships will be designated early in 1999, to begin their work in April 1999.

3.26 In addition, funding will be provided through the "Working for Communities" and "Listening to Communities" programmes to test and develop new models for delivering integrated local services in deprived areas, and developing the capacity of excluded communities to influence decisions that affect their lives.

3.27 The Government is also seeking to ensure that action to promote social inclusion across Scotland is effectively co-ordinated, both within Government and between the relevant agencies. To this end, it is developing with other agencies and interests a statement of their over-arching strategy, setting out key objectives in promoting social inclusion.

Expenditure

3.28 Expenditure for this programme is shown in Table 3.6

Table 3.6: Area Regeneration Voted Expenditure Breakdown

3.29 Performance against previous objectives in 1997-98

| Objective | Performance |
|---|---|
| Urban Programme To tackle multiple deprivation in urban areas of exceptional need through fostering a comprehensive, focused approach, led by councils, under the "Programme for Partnership" policy framework. | Review of first year of Programme for Partnership completed in January 1998, with a report to Ministers and feedback letter to partnerships. Issued consultation paper, "Social Exclusion in Scotland", February 1998. |
| To support existing projects funded through the traditional Urban Programme until funding commitments are honoured. | 400 traditional Urban Programme projects supported. |

3.30 Programme objectives and targets for 1999-00

| Objective | Target |
|--|---|
| To tackle social exclusion in areas of multiple deprivation and among excluded client groups, through implementation of new Social Inclusion Partnerships, and conversion of existing partnerships to Social Inclusion Partnerships. | Ensure new Social Inclusion Partnerships make good progress in establishing their structures and beginning work, and that revised monitoring and evaluation arrangements for all Social Inclusion Partnerships are introduced by end July 1999. |
| Objective | Performance |
| To help support communities through taking forward the New Deal for Communities programme in Scotland. | Develop new approaches to delivering services and involving communities in deprived areas through initiatives funded through New Deal for Communities programme. |
| To promote social inclusion throughout Scotland through more effective co-ordination of action by relevant agencies. | Ensure effective co-ordination of action to promote social inclusion. |
| To support existing projects funded through the traditional Urban Programme until funding commitments are honoured. | Support around 100 traditional Urban Programme projects. |

Evaluation

3.31 Under the Programme for Partnership framework, Priority Partnership Areas and Regeneration Programmes have put in place arrangements for monitoring, and evaluating progress towards, their regeneration strategies and programmes. The introduction of new Social Inclusion Partnerships, and the conversion of existing Priority Partnership Areas and Regeneration Programmes to Social Inclusion Partnerships will involve the introduction of a new monitoring and evaluation framework for Social Inclusion Partnerships, based on the existing framework introduced for Programme for Partnership. The Scottish Office will carry out periodic evaluations of the effectiveness of the policy.

The final evaluation of the "New Life for Urban Scotland" policy initiative is currently underway, and is due to be completed by the Summer of 1999.

Further reading

Programme for Partnership: Guidance on Monitoring and Evaluation, The Scottish Office, 1997.

Social Exclusion in Scotland: Consultation Paper, The Scottish Office, 1998.

Effective Partnership Working: Good Practice Note No1, The Scottish Office, 1998.

Review of the Urban Programme: A Consultation Paper, The Scottish Office 1998.

Enquiries

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Local Government

Overall Aim:

3.32 To provide a legislative and financial framework for the effective operation of Local Government in Scotland.

Context:

3.33 The Department was heavily involved during the year in the preparation for and the outcome of the Government's Comprehensive Spending Review (CSR) which produced the aggregate levels for the next 3 local government finance settlements. The fundamental review of the present Grant Aided Expenditure assessments was continuing.

Current Expenditure:

3.34 Around 38% of the resources available to the Secretary of State are distributed as Aggregate External Finance (AEF) to support local authority current expenditure. The elements of AEF are listed in paragraph 3.39. The level for 1999-2000 has been increased by £219.5 million or 4.1% as compared with 1998-99. Table 3.7 shows the cash plans for support to local authorities.

Capital Expenditure:

3.35 In 1997-98, the latest year for which figures are available, local authority non-housing capital expenditure in Scotland was £640.9 million. Outstanding debt on relevant general fund services was £5,810 million at the end of March 1998 which is equivalent to around £1,134 per head. This represents an increase of £353 million, or 6.5% over the past year. The level of loan charges associated with that debt was estimated at £793 million in 1997-98. Since 1 April 1997, Councils have been required to use 50% of certain capital receipts from the disposal of assets to reduce debt. Since 1 August 1998 this requirement has been abolished and councils can now use 100% of their receipts.

Current Expenditure:

3.36 Government Support Expenditure (GSE) comprises estimated loan and leasing charges payable by local authorities and Grant Aided Expenditure (GAE). For 1999-2000, the GSE total is £6,547 million which represents an increase of £300.8 million or 4.8% over 1998-99. A comparison of the breakdown of GSE for 1999-2000 compared with 1998-99 is in Table 3.8.

3.37 GAE at both aggregate and individual local authority level represents the Secretary of State's view of what requires to be spent by local authorities to provide a standard level of service. Although it is for local authorities to determine their own spending priorities within their expenditure guidelines in allocating the 1999-00 GAE total to services, the Secretary of State gave priority to Education, Social Work, Police and Fire. GAE is distributed amongst authorities on the basis of the "client group assessment" methodology which is agreed with the Convention of Scottish Local Authorities. Each authority's GAE figure is used in determining the distribution of AEF. The aim of the distribution is that, if each authority budgeted to spend in line with its GAE the council tax could be set at the same level across Scotland. For 1999-00 the GAE total is £5,781.7 million an increase of £264.3 million or 4.8% over 1998-99.

Table 3.7: Expenditure Summary: Local Authorities

Table 3.8: Government Support Expenditure

3.38 The Secretary of State has proposed that GSE for 1999-00 should be £6,547 million. This figure excludes funding for pre-school education which is to be funded outwith the local government finance settlement for 1999-00.

3.39 AEF is the total of Government determined support for local authority current expenditure. It comprises:

- Revenue Support Grant
- Certain specific grants, for example, police grant; and
- Income from non-domestic rates (NDR).

3.40 For 1999-00 AEF totals £5,513.1 million. This is an increase of £219.5 million or 4.1%. This figure excludes funding for pre-school education which will continue to be funded outwith AEF in 1999-00. Table 3.9 shows the AEF figures broken down into their various elements.

Table 3.9: Aggregate External Finance

Non-Domestic Rates

3.41 NDR income is paid by local authorities into a central pool and redistributed to authorities in proportion to their population. The continuation of a Unified Business Rate at the same level as in England (48.9 pence) and continuation of transitional arrangements will protect rate payers from excessive year on year increases in rate bills. The transitional arrangements for 1999-00 will provide continued protection for small businesses.

Council Tax Collection

3.42 The Government introduced a special grant scheme of £3 million over 2 years to enable councils to improve the collection of outstanding council tax and community charges. It also agreed to a joint working group of Scottish Office and COSLA officials to examine ways of increasing overall debt collection levels. The working group issued a consultative document on 26 November 1998. Decisions will fall to be considered by the Scottish Parliament.

Revenue Support Grant

3.43 RSG is the remainder of AEF after deductions for NDR distributable amount and the estimated specific grants.

Other Current Expenditure

Table 3.10: Local Government Commissions

3.44 Funding for the Local Government Boundary Commission is for the completion of the third statutory review of electoral arrangements and on-going work relating to the next statutory review of administrative areas.

3.45 Funding for the Property Commission was to complete their work relating to local government reorganisation. The

Commission was wound up on 30 September 1998.

Capital Expenditure

Private Finance:

3.46 The Government are actively encouraging local authorities to take advantage of the opportunities offered by the Private Finance Initiative to procure capital-intensive services.

In addition, resources of £50 million per annum will be made available to councils with PFI projects meeting certain qualifying criteria for revenue support, which will be broadly equivalent to the amount of support they would have received for their borrowing costs had the authority procured the capital asset themselves. The Scottish Office continues to provide advice and guidance for authorities on PFI opportunities. Interest in the PFI among local authorities is at a high level. A contract has been signed for projects in waste management, education, IT and several are under development for police services and transport.

Cash Limits:

3.47 Local authority capital expenditure is controlled by the use of cash limits and statutory allocations of capital consent. A single allocation is issued to councils for their roads and transport, education, general services, social work, flood prevention, coast protection and non-HRA (housing excluding council housing) programmes. Separate allocations are given to Police and Fire authorities, the Strathclyde Passenger Transport Area Authority, Urban Programme and Joint Bridge Boards. Separate allocations are also given for expenditure on councils' own housing stock. In addition to the single allocation, some authorities receive additional allocations for projects supported under Challenge Fund arrangements which operated in 1996-97 and 1997-98. The Transport Challenge Fund offered support for Transport projects starting in 1997-98 and 1998-99 and the Central Challenge Fund offered support for all other non-housing capital projects starting in 1997-98. Councils submitted bids for specific projects under these arrangements and successful authorities receive additional allocations. The arrangements for the distribution of capital allocations to local authorities from 1999-2000 onwards are under review following the Comprehensive Spending Review. The arrangements for 1999-00 include a move from net capital allocation to gross capital allocation.

Spend to Save:

3.48 Since 1 April 1997 authorities have been allowed to use part of their capital allocations for current expenditure purposes, provided that the resources are used to finance initiatives which will result in future savings. The Spend to Save scheme operates on a voluntary basis, with authorities deciding for themselves how much of their capital allocations they wish to use in this way and the nature of the expenditure to be financed. In 1998-99, authorities chose to use around £13 million of capital allocations for Spend to Save purposes, including early retirement and severance costs, investments in information technology and investments in energy conservation schemes. Following the CSR these schemes have been discontinued from 1999 onwards.

ERDF:

3.49 Local authorities are able to supplement their capital receipts by the use of grant from the European Regional Development Fund (ERDF). Local authority capital programmes are enhanced by the amount of grant received. Because of the demand-led nature of ERDF programmes it is not possible to forecast precisely the amount of ERDF grant which may be paid to authorities in 1998-99. The main local authority programmes to benefit will be roads and transport and general services.

CFCR and Receipts:

3.50 Councils may augment their capital allocation by financing capital funded from current revenue (CFCR). From their general fund, any expenditure is controlled through the revenue expenditure restrictions placed on each council by the annual expenditure guideline figures. Councils may also augment their allocations by using capital receipts with the exception of EC grants. The capital receipts can be spent in any financial year.

Best Value:

3.51 Local authorities are under a statutory duty to achieve value for money in any arrangements they put in place. The Government is building on this duty by developing a new system of Best Value. Best Value aims to ensure local authorities deliver services which are of a quality desired by local people and at a price they can afford. The Government is working with the Convention of Scottish Local Authorities (COSLA), the Accounts Commission for Scotland and councils to develop this framework and ensure that a culture of continuous improvement is adopted within local government. Best Value encourages councils to examine how all their services are delivered and ensure that the most effective and efficient means of delivery is

being used. In delivering Best Value, authorities are expected to consult both service users and council taxpayers and take account of their views in shaping local policies and services. Local authorities will also develop Public Performance Reporting to keep local people informed about current service standards and performance, their future targets and aspirations for the delivery of that service. This will allow local people to make meaningful decisions about the levels of service provided.

Evaluation:

3.52 While evaluation of the output from local authority services is the Accounts Commission business, the Scottish Office has taken steps to monitor and evaluate reorganisation through the staffing surveys and "before and after" additional surveys.

Further Reading:

Local Authorities and Community Councils - Enhancing the Relationship, The Scottish Office October 1998.

A New Ethical Framework for Local Government in Scotland - A Consultation Paper, The Scottish Office April 1998.

Report of the Community Planning Working Group, The Scottish Office/COSLA June 1998.

Commission on Local Government and the Scottish Parliament - Consultation Paper 1 April 1998.

Commission on Local Government and the Scottish Parliament - Consultation Paper 2
November 1998.

Second Best Value Task Force and Best Value Appraisal Guidance (Circular DD/12/98).

Best Value - Key Performance Indicators (Circular DD 26/98).

Enquiries:

Enquiries

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Value for Money and Best Value - Linda Sinclair,
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Transport

Overall Aim

3.53 To take forward the vision in the Transport White Paper, published in July 1998 in order to deliver the inclusive, workable, sustainable, effective and integrated transport strategy necessary for Scotland's economic and social development.

Context

3.54 The Scottish Integrated Transport White Paper provides the framework for local solutions to local problems, the provision of better quality integrated and effective public transport and takes forward new charging powers in order to manage traffic demand and to provide alternatives to the car.

3.55 A consultation document on the criteria to assess future trunk road investment was published in August 1998. It sets out a new appraisal methodology for road schemes reflecting the criteria for accessibility, economy, environmental impact, safety and integration. The outcome of the Review of the Trunk Road Programme and the Consultation Document on Road User Charging and Workplace Parking Levies are expected to be published shortly.

Expenditure 3.56 Central government expenditure on transport is included in Table 3.10.

Table 3.11: Transport: Expenditure Summary

3.57 Performance against previous objectives in 1997-98

| Objectives | Performance |
|---|--|
| Take forward the range of initiatives set out in the Scottish Transport Green Paper, published in February 1997, and complete consultation. | Incoming Ministers committed to publish a White Paper on Transport. |
| Optimise the management and maintenance of the existing trunk road network. | Further work underway to ensure that best efficiency and value for money are achieved. |
| Implement the Secretary of State's announced programme of trunk road improvements. | With the exception of the M6 DBFO and the A828 Creagan Bridge and the A75 The Glen, major project programme suspended in June 1997 pending outcome of Strategic Review of Roads. |
| Maximise opportunities for private sector involvement in the transport network where this provides value for money | M6 DBFO continues. M8 DBFO cancelled. |
| Reduce level of Scottish road casualties by one-third by 2000 in 1981-85 levels. | <p>The number of fatal and serious casualties in Scotland in 1997 was the fifth lowest figure in the last 40 years. Fatalities were 41% lower and serious injuries were 51% lower than the average for the years 1981-85.</p> <p>Child pedestrian fatalities in 1997 fell by 6% from the 1996 level. The number of children killed or seriously injured is now 51% below baseline. The take-up rate for membership of the Children's Traffic Club in Scotland was maintained at 62% with total membership exceeding 110,000.</p> |

3.58 Programme objectives and targets for 1999-00

| Objective | Target |
|--|---|
| To prepare and publish series of "daughter" policy papers as anticipated in the White Paper. | To complete publication of follow-up papers by September 1999. |
| To conclude the Strategic Roads Review (SRR). | By October 1999 to announce outcome of SRR to inform spending on trunk road planning from 2000-01. |
| To develop a new approach to local transport planning. | Departmental attendance at 75% of all meetings of SESTP, Highlands and Islands Forum, Forth TRIP and West of Scotland Partnership. |
| | Final circular to authorities on local transport strategies by December 1999. |
| Objective | Target |
| To reduce traffic congestion and encourage modal shift. | <p>To encourage modal shift by meeting national cycling and walking targets, and by developing strategy by Autumn 1999 for reducing car-borne travel-to-school trips.</p> <p>To implement Road Traffic Reduction legislation to timetable</p> |

| | |
|--|---|
| | agreed, and prepare report on National Targets by December 1999. |
| To reduce further the level of road accident casualties in Scotland. | <p>To publish, by November 1999, new target for period to 2010 and strategy for achievement.</p> <p>To announce, by November 1999, decisions following drink-drive consultation paper.</p> <p>To complete GB review of speed policy by November 1999.</p> |
| To secure sound management of existing transport assets and undertakings. | <p>Secure significant improvement in performance of Premium and All Purpose (trunk road) units.</p> <p>Stabilise condition of the trunk road and motorway network at the currently published standard.</p> <p>Establish a Public Transport Fund package with the resources of £90 million for the period up to 2001-02, and a rural community grant scheme.</p> <p>Available public transport resources to be allocated in full to secure new projects offering significant value for money.</p> <p>Delivery by CalMac and HIAL of objectives in Secretary of State's strategic guidance, within EFLs set.</p> <p>Replacement of CalMac ferries - Pioneer and Lochmor - to provide improved services and meet higher safety standards.</p> <p>Contract for Northern Isles ferry services from 2002 to be agreed and announced by December 1999.</p> |
| To ensure that Scotland's railways are run in the public interest. | <p>To investigate fully the feasibility of re-opening a Borders railway line; and to ensure successful completion of full feasibility study by December 1999.</p> <p>To allocate efficiently grant to SPTA for rail passenger services during 1999-00.</p> |
| To develop policy for road user charging to manage traffic growth to fund future transport investment. | By end 1999, working with DETR, to let contract for Demonstrator Scheme. |

Roads

3.59 The roads network in Scotland totals 53,077 kilometres. The Secretary of State is responsible for 3,272 kilometres of motorways and trunk roads, 1855 bridges and 3,525 ancillary structures.

National Roads

3.60 The integrated Transport White Paper "Travel Choices for Scotland" was published in July 1998. A Strategic Review of the Trunk Roads Programme was launched in June 1997 and is ongoing. Strategies for the maintenance, development and improvement of the trunk road network are being examined within the Government's objectives for an integrated transport policy.

Private Finance

3.61 The DBFO contract for the completion of the M6 in Scotland is an important first step to privately funded roads funding. The private sector contractors have recently been appointed to manage 2 of the 9 trunk road maintenance areas in Scotland. Further opportunities for private sector involvement will be examined.

Map 3.1: Major trunk road schemes completed and under construction.

New Construction

3.62 The number of new major road starts in the period up to and including 1998-99 is shown in **Table 3.13** and completed schemes, schemes under construction and major new schemes are shown in **Map 3.1**. New major projects will depend on the outcome of the Strategic Review of the Trunk Roads Programme.

Project Evaluation

3.63 All major schemes in the programme are evaluated for value for money, economic benefit and environmental impact. The economic performance of major schemes is tested by cost benefit analysis, the results of which since 1993 are shown in **Table 3.13**. Environmental impacts are considered separately, in accordance with the UK Design Manual for Roads and Bridges. Environmental statements are prepared and published in accordance with EC requirements for all projects which are likely to have a significant effect on the environment.

Table 3.13: New Trunk Road Construction 1993-94 to 1998-99

Post Project Evaluation

3.64 A performance review of completed major road schemes (costing over £1m) is carried out annually on schemes completed during the two previous financial years and normally open for at least one year. Other schemes outwith this criteria can be included at the discretion of the Department. The performance review tests the evaluation assumption made when promoting the scheme by comparing estimated costs with outturn costs, predicted traffic flows with observed flows and by checking appropriateness of the carriageway standard built. In addition the review compares accident data for the three year period prior to scheme opening with that obtained one year and three years after opening.

3.65 In total, 55 schemes have been analysed in the six Before and After Monitoring Reports completed up to the end of 1998. In the case of 35 of the schemes, the predicted flows fall within the range +/- 20% of the actual flows. Of the remainder, 12 schemes had predicted flows greater than observed flows and 8 had predicted flows less than observed. Overall, there is no discernible trend towards either underproduction or overproduction of traffic flows. Accidents were, almost without exception, reduced as a result of new construction and the predicted costs were generally close to the outturn costs.

Management and Maintenance

3.66 New arrangements for the management and the maintenance of the trunk road network commenced on 1 April 1996 following local government reorganisation. Five Units were contracted under 3 year Management Agent contracts, with the other 3 Units being contracted under 5 year Operating Company contracts. The 5 Management Agent contracts have been retendered for a 2 year period meaning that all contracts will finish on 31 March 2001. A consultation exercise will be held, the outcome of which will influence the arrangements under which the management and maintenance of the trunk road network will be undertaken post 1 April 2001.

Environment

3.67 Initiatives designed to minimise the impact of roads on the environment include research into the most appropriate methods for generating and assessing transport solutions, and determining consultation procedures with non-government organisations, statutory organisations and the public. Environmental assessment and management procedures have also been developed covering scheme design, construction and maintenance. A series of policy documents, Rural Road Hierarchy and Lorry Routing, Rural Road Management and the Environment, and Fitting Roads And Traffic Calming on Through Routes were published on 1 December 1997 jointly with COSLA. Cost Effective Landscape - Learning from Nature was published in February 1998 and promotes a new approach to road landscape design which combines cost effectiveness with principles of "working with nature" to produce sustainable attractive landscapes which maximise their contribution to biodiversity.

Road Safety

3.68 The Government remains committed to further reducing the number of people killed and injured on Scottish roads. New casualty reduction targets for the period up to 2010 will be published, together with a strategy for achieving them. The Scottish

Office has worked in partnership with local authorities to implement 75 pilot projects in response to calls for the establishment of more 20 mph speed limits in residential areas and around schools. Separately, the Government consulted on proposals to remove the requirement for a local authority to seek the Secretary of State's consent to impose a speed limit of 20 mph on a road. In October 1998 a fundamental review of speed policy was launched. The review, which will cover all types of road, will look in detail at the relationships between traffic speeds and road safety, vehicle emissions and other environmental issues. The Government consulted on possible further measures to reduce drink driving. The Scottish Road Safety Campaign (SRSC) continued to play a key role in the development of road safety educational materials and publicity messages. In November 1998 the SRSC launched a long-term campaign aimed at improving driver behaviour, with the reduction of inappropriate and excessive speed as its primary objective. **Chart 3.14** illustrates progress towards the Government's target of a one-third reduction in road accident casualties by the year 2000.

Chart 3.14: Progress Towards 1/3 Reduction in Casualties by Year 2000

Local Authority Roads and Transport Capital

3.69 Local Government reorganisation on 1 April 1996 increased the number of local road authorities from 12 to 32 (not including the SPTA). From April 1996, the capital allocation system no longer identifies allocations for local authorities' roads and transport programmes separately, providing authorities with more freedom to respond to local circumstances and to decide local priorities. For 1997-98 and 1998-99 an element of Challenge Funding was included to assist authorities undertake unusually large projects. There may be some consequential changes to local strategies but it remains the objective of the programme to contribute, at the local level, to a sound, safe and improving road and transport system. The single allocation for future years is shown in **Table 3.7** in the Local Government section of this Chapter. Information on past expenditure is shown in **Chart 3.15**.

Chart 3.15: Local Authority Roads and Transport Capital Expenditure 1996-97

Transport Nationalised Industries

3.70 Caledonian MacBrayne (CalMac). Highlands and Islands Airports Ltd (HIAL) and the Scottish Bus Group (SBG) are financed as nationalised industries. The External Financing Limit (EFL) for each is shown in Table 3.11.

CalMac

3.71 Since 1993-94 the Secretary of State has set Financial, Efficiency and Performance targets for Caledonian MacBrayne. As a financial target in 1997-98, the company was required to ensure that fares met 58% of total operating costs including depreciation charged on a replacement cost basis and provision for an 8% foregone rate of return on capital. As an efficiency target, the company was asked not to exceed the maximum unit cost of £0.86 per passenger car unit capacity kilometre. As a performance target, the company was asked to achieve a figure of 98% of sailings arriving on time excluding sailings which are delayed or cancelled for safety reasons. Table 3.16 shows the company's performance against the 1997-98 targets and the targets which the Secretary of State has set for 1998-99. These include a new target relating to the management of staff costs.

Table 3.16: CalMac Output Measures

Highlands and Islands Airports Ltd

3.72 Highlands and Islands Airports Ltd (HIAL) is responsible for the operation and management of 10 airports (Barra. Benbecula, Campbeltown, Islay, Inverness, Kirkwall, Stornoway, Sumburgh, Tiree and Wick) in the Highlands and Islands. The airports provide vital social, business and welfare links for the communities they serve.

3.73 The company was transferred from the ownership of the Civil Aviation Authority to the Secretary of State for Scotland on 1 April 1995. The Scottish Office Development Department is responsible for payments to HIAL in respect of losses incurred in its non-oil airport operations, and allows airport charges for domestic flights to be maintained at an acceptable level. The company will continue to look for efficiency gains and improvements to its operating and financial performance. As part of these objectives HIAL is progressing the redevelopment of Inverness Airport Terminal Development through the Private Finance Initiative. Output measures are given in **Table 3.17**.

Table 3.17: HIAL Output Measures

Scottish Bus Group

3.74 The privatisation of the Scottish Bus Group was completed in October 1991. Proceeds from the original sale of the bus

companies were £96.2 million of which £56.4 million represented dividends before sale, net of capitalisations and £39.8 million represented the amounts received for the sale of shares. The Scottish Transport Group will be wound up on the resolution of residual matters concerning property and pensions.

Further Reading

Scottish Transport Group: Annual Report and Accounts 1997-98.

STG 1998.

Caledonian MacBrayne Limited: Annual Report and Accounts 1997-98: CNL 1998.

The Scottish Office Road Safety Plan. SODD 1995.

Competing for Better Roads. SODD 1996.

Road Accidents Scotland 1996. Scottish Office 1997.

Highlands and Islands Airports Limited: Annual Report and Accounts 1997-98 HIAL 1998.

Scottish Transport Statistics, No 17. Scottish Office, 1997.

Enquiries

Motorways and Trunk Roads,
Bob Tait, Transport Division 1
Room 2-D26, Victoria Quay, Edinburgh EH6 6QQ
Tel 0131 244 7628

Other Transport Programmes,
Bill McQueen, Transport Division 2
Room 2-F23, Victoria Quay, Edinburgh EH6 6QQ
Tel 0131 244 0862

Local Authority Roads and Transport,
David Eaglesham, Transport Division 2
Room 2-F21, Victoria Quay, Edinburgh EH6 6QQ
Tel 0131 244 0868



Historic Scotland

Overall aim

3.75 To safeguard Scotland's built heritage, and to present it to the public.

Context

3.76 As an Executive Agency Historic Scotland is responsible for advising the Secretary of State about policy matters on Scotland's built heritage, as well as managing properties in his care and fulfilling statutory obligations to protect historic buildings and monuments in the ownership of others. In addition, the Agency is expected to work in conjunction with the tourism industry to attract visitors to the properties in care and ensure that they enjoy and benefit from their visit.

Expenditure

3.77 Historic Scotland carries out a rolling programme of conservation and maintenance work on some 330 monuments in State care. Whilst these monuments are, generally speaking, in a good state of repair, they are by their very nature fragile and subject to decay and to the effects of the elements. The properties in care include a high proportion of the most significant archaeological and historic sites in Scotland and their conservation is seen as essential to the nurturing of the nation's heritage. Historic Scotland also assists others to repair outstanding buildings of historic or architectural importance and to maintain ancient monuments, reflecting the fact that there are important properties cared for by trusts, local authorities and private owners. While the Agency's primary role is to conserve and present Scotland's built heritage, it makes an important contribution to Scotland's economy, directly and indirectly. The properties in care include Scotland's top tourist attraction in Edinburgh Castle. The historic buildings repair grants have stimulated some £129 million worth of direct economic activity through the construction industry over the last 3 years. Historic Scotland also promotes relevant research and professional and technical education to improve standards of conservation in both the public and private sectors. Further details on Historic Scotland can be found in the Agency's Annual Report and Corporate Plan.

3.78 The Agency's performance targets for 1998-99 were revised in May 1997. This is reflected in Table 3.18 below. Further details are contained in Historic Scotland's Annual Report and Corporate Plan 1998-99.

Table 3.18: Historic Scotland: Expenditure by Activity

Table 3.19: Historic Scotland: European and Lottery Funds

Table 3.20: Historic Scotland: Grants to local authorities

Table 3.21: Historic Scotland: Key Performance Targets

Table 3.22: Historic Scotland: Long Term Capital Project

Further Reading:

Historic Scotland: Annual Report and Accounts

Enquiries

Sheenagh Adams.
Room 17B, Longmore House
Sailsbury Place
EDINBURGH EH9 1SH

Royal Commission on the Ancient and Historical Monuments of Scotland (RCAHMS)

3.79 The Vote provides direct funding (£3.0 million in 1999-00) for the Royal Commission on the Ancient and Historical Monuments of Scotland, an executive non-departmental public body (NDPB) sponsored by the Department. The main aims of the Commission are to survey and record the man-made environment of Scotland; to compile and maintain in the National Monuments Record of Scotland a record of the archaeological and historical environment; and to promote an understanding of the information.

3.80 The Commission is currently the subject of a policy and financial management review.

Further Reading:

RCAHMS - Monuments on Record. Annual Review 1997-98, HMSO 1998.

Enquiries:

Ron Dalziel, Historic Scotland - 0131-668 8764.

Construction and Building Control

Overall aim

3.81 To promote quality and value for money in building programmes and to provide high quality professional advice on design, cost, contractual and industry issues relevant to The Scottish Administration's business needs; and to maintain and develop a building control system which protects the health, safety, welfare and convenience of people in and around buildings and promotes energy conservation and efficiency.

Context

3.82 Government construction procurement policy places increasing emphasis on improved client performance, in particular through the pursuit of best value for money, clearer roles and responsibilities, relevant training and skill development, and closer working with the industry. These initiatives, prompted by the Latham Report and an Efficiency Scrutiny, have been given further impetus by the report of the (Egan) Construction Task Force and the establishment of the Government Construction Client Panel network. Procurement procedures continue to be reviewed, revised and promoted in response to these developments.

3.83 Continued development of the Building Standards Regulations has been necessary to respond to changes in European legislation on construction products and health and safety (in particular related to fire safety). Further investigation of new ways of implementing building control, including discussion with regulators from other countries, continues to inform the development of legislative changes. Liaison with local authorities and with the Scottish construction industry is continuing to deal with changes in the regulation of building and the effects of Government policies on the industry.

3.84 Performance against previous objectives in 1997-98

Objective

Construction and Building Control

Implement policy initiatives arising from the Latham Report.

Performance

Issued industry consultation paper on Scottish Scheme for Construction Contracts, developed SI with Scottish Courts Administration and laid order by March 1998.

Issued revised user guidance on the EC Procurement Directives.

Implement policy initiatives arising from Efficiency Scrutiny of Government Construction Procurement.

Co-ordinated meetings and initiatives of internal Construction Procurement Forum and represented Scottish interests on Government Construction Client Panel.

Following research on current building regulations, begin in-house review of building control system.

Research confirmed support for the current format of the building regulations, but indicated a need for better procedures and further updating and simplification. This position was supported at a special meeting of the Building Standards Advisory Committee. Devolution of warrant fee setting to local authorities postponed following consultation with COSLA and other interested parties.

3.85 Programme objectives and targets for 1999-00

Objective

Review impact of new legislation arising from the Latham Report.

Target

Review the industry's implementation of Part II of the Housing Grants, Construction and Regeneration Act 1996, including obtaining feedback on its effects.

Promote better awareness of client best practice and value for money among project owners, project sponsors and programme managers.

Monitor developments in industry and client best practice, review and revise internal guidance as required and support senior managers in implementing revised procedures.

Develop and promote training and support strategies for clients of major capital projects and implement Government Client Improvement Action Plan.

Respond to requests for professional support arising from the new Scottish Parliament.

Provide support to Ministers and the Project Team on the design and construction of the new Parliament building to meet project timetable.

Support client divisions across The Scottish Administration in responding to initiatives of the Parliament and its Executive.

Take forward the initiative on a proposed architectural policy for Scotland.

Develop policy document by end May 1999 and implement initiative following Ministerial consideration.

Objective

Continue process of incrementally reviewing the building control system while maintaining existing system.

Target

Set up review team to consult on problems identified in scoping study, liaise on new British and European Standards for fire safety etc., handle all appeals and Crown exempt cases; support the Building Standards Advisory Committee.

Update existing building standards to meet new European Standards and to meet Government policy on widening access to buildings for disabled people, reduction of greenhouse gas emissions, quality of building sustainability.

Bring into force by January 2000 amended building standards for structures, heat producing installations and access and facilities for disabled people. Research how sustainable construction and climate change will affect building standards.

Maintain liaison with the construction industry in Scotland.

Support Ministers at biannual meetings with the Scottish Construction Industry Group and hold meetings at official level (4 per year).

Liase with DETR and industry bodies on Cowboy Builders and Construction Best Practice initiatives.

Further reading

Building Control: your questions answered - advisory leaflet. The Scottish Office.

Enquiries

Construction Procurement Policy and Support - Alastair Wyllie,
CBCG-A, 2-J22, Victoria Quay, Edinburgh, EH6 6QQ.
Telephone 0131-244 7473. E-mail: alastair.wyllie@scotland.gov.uk

Building Control and Construction Industry - Phil Cornish,
CBCG-B, 2-H27, Victoria Quay, Edinburgh, EH6 6QQ.
Telephone 0131-244 7447. E-mail: phil.cornish@scotland.gov.uk

Town and Country Planning

Overall aim

3.86 To maintain and modernise the planning system to improve the speed and quality of planning decisions.

Context

3.87 Land use planning is to be wholly devolved to the Scottish Parliament. While the longer term future of the planning system will be a matter for the Scottish Parliament, the current emphasis is to modernise the planning system with a view to improving the efficiency and effectiveness of its operation as exercised by the Secretary of State and local authorities. This is particularly appropriate in the context of best value.

3.88 The Planning Audit Unit, which commenced its full programme of work in May 1997, has been examining how planning authorities handle planning applications with a view to improving performance and disseminating good practice advice. The planning system has an important role to play in achieving sustainable development; while the integration of land use and transport policies and the interface between development planning and community planning will also be important developments during 1999 and beyond.

3.89 Expenditure for this programme is shown in Table 3.23.

Table 3.23: Town and Country Planning: Programme Expenditure

3.90 Performance against previous objectives in 1997-98

Objective

Review Planning Guidance to ensure that it takes full account of environmental considerations.

Implementation of decisions in relation to Review of the Planning System designed to improve the efficiency and

Performance

Published National Planning Policy Guidelines on Skiing Developments and on Coastal Development in final form, and on Natural Heritage in draft.

Published Planning Advice Notes on Planning in Small Towns and on Control of Dust at Surface Mineral Workings.

Planning Audit Unit - first year's programme involved audits of development control service at Edinburgh, Aberdeenshire,

effectiveness of the system.

Argyll & Bute, Fife and Inverclyde Councils.

Successful first year of Scottish Quality in Planning Awards.

Programme of modernisation included:

Consultation on and research into: Opencast Coal;
Development Planning Procedures; Neighbour Notification;
Enforcement;

Environmental Assessment; Advertisement Controls;
Permitted Development Arrangements; and Minerals SIs.

New Circulars on Use Classes Order amendment and
Permitted Development rights for water and sewerage
schemes.

Implementation of new Inquiry Procedure Rules and new
administrative practices for public local inquiries on planning
and other related cases.

Targets on Secretary of State and SOIRU cases mostly met.

3.91 Programme objectives and targets for 1999-00

Objective

To maintain and modernise the planning system and determine
planning and related appeals.

Target

Report on future planning guidance programme.

Revise NPPG6 (Renewable Energy).

Revise Neighbour Notification procedures.

Update General Permitted Development Order.

Revise Development Planning procedures.

Objective

Target

Publish interim findings of Compulsory purchase and Land
Compensation review.

Prepare legislative proposals on Marine Fish Farms, ending
Crown Exemption and other miscellaneous provisions.

Complete and report on 3rd year of planning audit work.

Review the interaction between land use planning and related
policy areas eg sustainable development, transport and
community planning.

Issue Secretary of State decision letters in accordance with
targets set out in the Department Planning Charter and NPPG
1.

Planning Division

3.92 Planning applications are dealt with by the relevant local authority, although the Secretary of State can sometimes call-in an application for his own determination. Certain categories of planning application have to be notified to him in certain

circumstances, including those involving:-

- a significant departure from the approved structure plan for the area;
- national interest or controversy;
- a development proposed by the local authority itself; or
- a proposed development in which, or on land in which, the local authority has an interest.

3.93 The Secretary of State then decides whether to determine the application himself or leave it to the local authority. Call-in powers are used infrequently. Where an application is called-in it is the Secretary of State's objective to deal with it as quickly as possible. The following performance targets have, therefore, been set:-

- deal with 80% of cases notified to the Secretary of State for his decision on whether or not to call-in for his own determination within 28 days, and the rest within 2 months.
- if an application is called-in, a report will be made to the Secretary of State following a public local inquiry or written submissions procedure. The aim is to issue a decision within 2 months of receipt of the report in 80% of cases, and within 3 months for the rest.

3.94 The determination of the majority of planning appeals is delegated to The Scottish Office Inquiry Reporter's Unit (see separate paragraphs), although a small number, which raise issues of more than local significance, are determined by the Secretary of State, following receipt of a report from an appointed Reporter. The following performance targets for these cases has been set:-

- to ensure that 80% of appeals against refusal of planning permission should be determined by the Secretary of State within 2 months of receiving the Reporter's report, and the rest within 3 months

3.95 The targets and performance against them for cases handled by the Department in 1997-98 are shown in Table 3.24.

Table 3.24 Performance in Cases Handled by Department

Inquiry Reporters Unit

3.96 The Scottish Office Inquiry Reporters Unit handles planning and related appeals that are lodged with the Secretary of State. It is responsible for organising public local inquiries into planning proposals and related matters, including transport and energy developments, and compulsory purchase orders, and supplies Reporters to conduct local plan inquiries for planning authorities.

3.97 The vast majority of the cases handled by the unit are planning and related appeals. Responsibility for the decision in nearly all of these cases is delegated to the individual Reporter. Over 90% of these cases are considered on the basis of written submissions from the parties, and a site inspection. The remainder proceed by public inquiry. In either event, the determination takes the form of a decision letter, written by the Reporter, which explains how the decision has been reached.

3.98 In a small number of appeal cases, responsibility for the decision is recalled from the Reporter to the Secretary of State. In these cases, a public inquiry usually takes place. The Reporter then prepares a report, containing a recommendation for the decision, which is considered by the Secretary of State. There are also other cases - notably called in planning applications and proposals for developments by various statutory organisations, and local plans where the unit organises a public inquiry or hearing at the request of a client division or other organisation. In all of these cases, the Reporter produces a report, with recommendation, for consideration by the client division or organisation.

3.99 The quarterly performance by the unit in 1997-98 for published targets is shown in **Table 3.25**. For target 1, which applies to about 63% of all delegated appeals determined during the year, the target period was reduced from 28 weeks to 25 weeks, from 1 April 1997. The performance achieved fell short of this more stringent target during the second and final quarter. Overall this amounted to a drop of 1% over the whole period. For planning appeal cases determined by public inquiry (target 2), 67% of cases achieved the target. Although this was a much improved performance compared to the previous year, there is clearly still room for significant improvement. Both targets 3 and 4, relating to enforcement notice appeals, were achieved, with target 4 showing a considerable improvement compared with 1996-97. The target for all types of advertisement appeals was also reduced in April 1997, from 21 weeks to 20 weeks. This more stringent target was not achieved, except during the third quarter of the year.

Table 3.25 Quarterly Performance for Published Targets-1997-98

Evaluation

3.100 Research into the effectiveness of the National Planning Policy Guideline series and into the experiences of Community Councils as statutory consultees is being carried out. Development Planning research is providing the basis for proposals on procedural change, while the planning audit programme is encouraging improved development control performance by local authorities.

Further reading

Review of the Town and Country Planning System: The Way Ahead, The Scottish Office Development Department, December 1995.

Planning Charter Standard Statement, The Scottish Office Development Department, May 1996.

The Royal Fine Art Commission for Scotland, *Eighteenth Report, The Stationery Office, 1998*

Inquiry Reporters Unit: Review of the year 1997-98.

Enquiries

Planning - Mike Affolter,
DD-PL, Room 2-G96, Victoria Quay, Edinburgh, EH6 6QQ.
Telephone 0131-244-7081.

Scottish Office Inquiry Reporters - R M Hickman, Chief Reporter.
Scottish Office Inquiry Reporters Unit, Room 403, Greenside Lane, Edinburgh EH1 3AG.
Telephone: 0131 244 5644.

European Funds

Overall aim

3.101 To maximise the economic and social benefits to Scotland from European Structural Funds.

Context

3.102 The framework of the Structural Funds over the survey years is reasonably stable. The allocations for Objective 1,2,3,4 and 5b have been agreed to 1999 and allocations under the various Community Initiatives have been determined. An Objective 4 for GB was negotiated during 1997-98. A list of Single Programming Documents (SPDs) are given under further reading below.

3.103 Despite the successful introduction of compliance procedures, expenditure between years still remains very uncertain. The general tendency for expenditure and claims to lag significantly behind approvals is a key influence on the profile of the programme. For example, the programme still includes provision for meeting some outstanding claims for expenditure incurred under the previous round of local programmes which ended in 1993.

Expenditure

3.104 Expenditure is set to rise in real terms over the period of the report under the Edinburgh Conclusions. Receipts are estimated to rise from £153m in 1999-2000 to £173m in 2001-02. Table - (cash plans) gives details of both Central Government and Local Authority receipts split by European Regional Development Fund (ERDF) and European Social Fund (ESF).

3.105 Performance against previous objectives in 1997-98

| Objective | Target |
|---|--|
| To ensure a smooth transition the new Objective 2 SPDs for 1997-99. | Achieved. Minimal dislocation between programming periods. |

Deliver Structural Fund Programmes and Community Initiatives effectively in Scotland.

Achieved. Programme performance and progress Satisfactory.

Speed up the system of Funds and Community Initiatives Grant payments consistent with EC and Government Accounting practice.

Achieved. Introduction of Compliance Procedures resulted in improvements in payment performance. The Report of the Working Group on ESF Payment Procedures was submitted to the Commission and, as a result, it was agreed to introduce payment arrangements whereby the Department could anticipate financial transfers from the Commission, enabling earlier ESF payments to be made.

Evaluation

3.106 The Division continues to work closely with local partners (through Monitoring Committees and local Programme Executives) and with the European Commission to ensure rigorous project assessment at application stage: monitor the effectiveness of projects already approved: develop new monitoring tools to assess the effectiveness of projects: and carry out the appropriate interim and final evaluations of all Programmes.

Further reading

Western Scotland Objective 2 SPD 1997-99

Eastern Scotland Objective 2 SPD 1997-99

Highlands and Islands Objective 1 SPD 1994-99

Dumfries and Galloway Objective 5b SPD 1994-99

Borders Objective 5b SPD 1994-99

North West Grampian Objective 5b SPD 1994-99

Rural Stirling and Upland Tayside Objective 5b SPD 1994-99

KONVER SPD 1995-99

RETEX SPD 1995-99

PESCA SPD 1995-99

SME Highlands and Islands SPD 1994-99

SME Lowland SPD 1994-99

URBAN Glasgow North and Paisley SPD 1994-99

RESIDER II Western Scotland SPD 1994-99

RECHAR II Western Scotland SPD 1994-99

RECHAR II Eastern Scotland SPD 1994-99

EMPLOYMENT SPD (Great Britain) 1995-99

ADAPT SPD (Great Britain) 1995-99

ESF Objective 3 SPD (Great Britain) 1997-99

ESF Objective 4 SPD (Great Britain) 1998-99

Enquiries

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4. THE SCOTTISH OFFICE

EDUCATION AND INDUSTRY DEPARTMENT

(Vote 3)

PRIMARY AIM

To create an environment within which the people of Scotland can develop as individuals, particularly as regards their knowledge and skills and businesses can become more competitive nationally and internationally.

The Work of the Department

4.1 The Scottish Office Education and Industry Department is responsible for education and training in Scotland, from pre-school nursery provision through primary and secondary schools to further and higher education and vocational training. It is also responsible for childcare strategy, community education, careers advice, investment assistance and innovation support schemes, and energy efficiency. The Department also sponsors the work of public bodies responsible for enterprise, tourism, sport, and arts and cultural heritage.

Objectives

4.2 The performance of the Department against objectives for 1997-98 is shown below:

Objectives for 1997-98

To extend pre-school education through a voucher system

To secure and monitor delivery in schools of 5-14 Programme curriculum and assessment

To improve school management and facilitate improvements to school security

To maintain a cost effective further education sector, increasing the output of students with non-advanced further education qualifications

To maintain numbers of publicly funded students in higher education

Performance

Following introduction of the scheme in August 1997, 59,000 pre school year children received education in over 2,100 registered centres.

Continuing progress towards target date of 1999-2000

Devolved School Management in place throughout Scotland and 88% of school level expenditure devolved to schools. All authorities claimed maximum amount of grant for school security.

Unit costs continue to reduce. Funding Methodology Review Group was set up and reported and an evaluation of progress on the UHI Project was undertaken.

A total of 119,083 (FTE) students eligible for funding from the Scottish Higher Education Funding Council at Higher Education Institutions in Scotland in 1997-98.

Objectives for 1997-98

To assist in improving the opportunities for school leavers and adults to enter and re-enter the labour market.

To encourage inward investment and tourism.

To secure development of sport activities and stimulate public interest in the arts and cultural heritage.

Performance

61,000 starts on national youth and adult vocational training programmes.

18,000 planned jobs (new/safeguarded) and £1billion planned investment. £2.5 billion tourism expenditure.

Scottish Institute of Sport established and Youth Sport Strategy Action Plans implemented.

4.3 Priority objectives and key targets for the Department in 1999-2000 are shown below:

| Priority Objectives for 1999-2000 | Key Targets |
|--|--|
| To extend participation in pre-school education in Scotland. | To progressively extend the grant funding arrangements to children in the term after their third birthday. |
| To increase the effectiveness of school education. | To create the environment of reduced class sizes, improved school buildings and school management and to also ensure the effectiveness of teachers. |
| To increase access to and widen participation in further education. | An additional 40,000 FTE students over the next 3 years. |
| To ensure the continued provision of higher education in Scotland while widening access for all sectors of the population. | Develop a policy framework to support universities and colleges in widening participation by groups in society which are at present under-represented in higher education. |
| To develop skills and knowledge relevant to employment. | To increase rates of qualification achievement and positive outcomes amongst young people and adults completing vocational training courses. |
| To develop new and existing businesses. | Increase business birth and survival rates, overall investment and exports. Maintain levels of inward investment and tourism. |
| To enhance the effectiveness of the Government's Welfare to Work Programme in Scotland | To establish a New Futures Fund to provide support for the most vulnerable young people |
| To increase the availability of affordable, quality childcare. | To establish local and national information help-lines by end 1999-2000. |
| To encourage access to and participation in Sport and the Arts. | To increase active participation in Sport (including the reversal of the decline in school sport) and Arts and maximise access to museums, galleries and libraries. |

Table 4.1: The Scottish Office Education and Industry Department

Education Programme

Table 4.2: Education: Expenditure Summary

Pre-school Education

Overall aim

4.4 To provide by 2002 a quality grant-funded pre-school education place for every child, whose parents want one, from the term after their third birthday.

Context

4.5 For the school year 1997-98 only the Government implemented the previous administration's voucher system across Scotland with simplified procedures. Since August 1998 local authorities have had the lead role in planning and co-ordinating pre-school education and in providing places, working in partnership with voluntary and private providers. Grants for pre-school education are allocated to authorities under the Education (Scotland) Act 1996. The Government's targets are to give all children in the pre-school year access to a quality, part time education place by the winter of 1998 and to extend this commitment to three year olds in the year before their pre-school year by 2002.

Expenditure

4.6 Estimated outturn and planned expenditure on Pre-School Education are shown in Table 4.2.

Performance against 1997-98 objectives

| Objective | Target | Performance |
|--|--|---|
| To extend pre-school education by means of voucher system throughout Scotland. | To achieve nationwide introduction of the voucher system in August 1997, with maximum cost-efficiency in administration. | The one year national voucher scheme was introduced in August 1997. Under the scheme over 59,000 pre-school year children received education in over 2,100 registered centres. |
| To set out a nationwide framework for the Pre-school Curriculum. | Produce and issue national guidelines on pre-school curriculum, following consultation process, by end of 1997-98. | Consultation on a draft pre-school curriculum framework was undertaken from November 1996 until February 1997 and the final curriculum was published in September 1997. A Gaelic version of the framework was published in December 1997. |

| Objective | Target |
|--|---|
| To maintain the delivery by local authorities of a high quality part-time grant funded education place for every eligible child in the pre-school year whose parents want one. | Maintain take up of places by over 93% of identified eligible children. To ensure the continued operational efficiency of the pre-school education grant arrangements for pre-school year children. To support quality of provision through inspection and development of the curriculum (including the provision of guidance on output standards and by the dissemination of best practice). |
| To extend by August 1999 the grant funding arrangements to children in the term after their third birthday. | Achieve grant funded places for 50% of eligible children in the 1999-2000 school year as a first step towards achieving the target of a place for every child in the term after their third |

Evaluation

4.7 A review of the partnership arrangements local authorities have entered into for the delivery of grant funded pre-school education was commissioned in October 1998. The report will be received early in 1999 and Ministers will consider carefully any recommendations, which are made by the consultants.

Further reading

4.8 Available from The Scottish Office:

Education in Early Childhood: the Pre-School Years - A Consultation Paper, SOEID November 1997

A Curriculum Framework for Children in their Pre-School Year - HM Inspectors of Schools, September 1997 (also available in Gaelic)

Guidance on the Planning of Pre-school Education and Childcare and the Establishment of Childcare Partnerships - SOEID October 1998

Performance Indicators and Self-Evaluation for Pre-School Centres - HM Inspectors of Schools, March 1995

Enquiries

4.9 Mrs L Charles, The Scottish Office Education and Industry Department, Victoria Quay, Edinburgh, EH6 6QQ Telephone: 0131-244 0966

Schools

Overall aim

4.10 To secure the raising of standards of attainment and to promote achievement in Scottish primary and secondary schools, based on a broad curriculum.

Context

4.11 Following consultation, the Government published its framework for setting targets for improvement by schools - '*Setting Targets - Raising Standards in Schools*' - on 4 March 1998. All schools are setting targets for improvement over the period to 2001 under this framework .

4.12 In the Comprehensive Spending Review the Government identified significant additional resources for school education. A major proportion of these will be allocated through the Excellence Fund which was launched in November 1998. The Fund will provide about £377 million of targeted support for a range of initiatives which are central to the Government's priority objectives to raise standards in schools and promote social inclusion.

4.13 The Excellence Fund will also be used to fund the Government's key commitment to reduce class sizes in P1-P3 to 30 or fewer - a commitment which it has now brought forward to 2001. The Government has also made important new commitments to the recruitment of up to 5,000 classroom assistants in primary schools and the extensive piloting throughout Scotland of New Community Schools which will provide integrated provision of education, social work and health education.

4.14 Following the Education (Schools) Act 1997, which came into effect on 31 July 1997, the Assisted Places Scheme is being phased out across the UK. Resources freed are being used to reduce class sizes in Primary 1-3 in state schools.

4.15 The Government issued the discussion paper *Parents as Partners* in February 1998. It invited views on a number of proposals and in response, improvements in the information made available to parents and school boards are being developed.

4.16 In November 1998 the Government announced a series of measures to improve provision for children with special educational needs. It has also established the Advisory Committee on Severe Low Incidence Disabilities under the Chairmanship of Professor Sheila Riddell which will report in early 1999. The Government published a White Paper 'Targeting Excellence - Modernising Scotland's Schools' in January 1999, setting out their proposals for the future of school education. A number of proposals will require legislation which will be for the Scottish Parliament to consider.

4.17 A specific grant programme of £25 million which supports expenditure of £33.3 million over 3 years on measures to improve school security was introduced in 1997-98.

Expenditure

4.18 Details of Central Government expenditure on Schools can be found in **Table 4.2**.

Performance against 1997-98 objectives

| Objective | Target | Performance |
|--|--|---|
| To widen parental choice, making education in the independent sector a realistic option for low income families. | Continue expansion of Assisted Places Scheme, providing assistance for around 4,000 pupils from low income families. | No longer relevant - New Government has implemented policy to phase out the Assisted Places Scheme. |
| To extend further Devolved School Management. | Devolved School Management to be in place in all schools by April 1998. | DSM now in place throughout Scotland and more than 88% of school level expenditure was devolved to schools exceeding the Government target of 80%. |
| To assist the improvement of discipline in Scottish Schools. | To carry forward the positive discipline initiative as set out in the White Paper Raising the Standard including in particular: to introduce a grant scheme to stimulate and support the development of practical initiatives as alternatives to exclusion; to support through promoting Positive Discipline the development by schools of approaches to positive discipline; to develop and issue guidance on best practice in dealing with indiscipline | New Government took forward the key elements of this initiative. 18 authorities bid successfully for support in £3m programme 'Alternatives to Exclusion'. "Promoting Positive Discipline" Initiative is being run by Moray House Institute of Education in partnership with schools and education authorities Following consultation during 1997-98, Guidance on Issues Relating to Exclusion from School was issued in April 1998. |
| To address levels of achievement in Scottish Schools. | Implementation of recommendations of the Task Force on Underachievement in line with the Government's published response, in particular:- To introduce from summer 1997 a new grant scheme to target early intervention in the first two years of primary schools to develop reading, writing and number skills. | Achieved. New Government established a three year Early Intervention Programme with an initial budget of £24 million to allow all authorities to receive support. Subsequently, in the course of the CSR and in the light of the success of the programme, the programme was extended to 5 years and resources increased to a total investment of £60 million. |

Objective

Target

Performance

| | | |
|--|---|--|
| To facilitate improvements of school security. | To introduce in April 1997 a new specific grant to permit schools to improve their security, and to ensure that EAs utilise fully and effectively the resources available. | All authorities claimed maximum amount of grant for which they were eligible, supported by information about improvements carried out. |
| To secure and monitor delivery in schools of 5-14 curriculum and assessment. | To ensure that the 5-14 programme is fully in place in all schools by 1999. | Continuing progress. |
| | To develop the new testing scheme for S1/S2, including arrangements for the reporting of test results, taking into account responses to January 1997 consultation paper. Pilot testing to be carried out in May 1998. | This scheme was cancelled as a result of Ministerial decisions, May 1998. |
| | Inspectorate report on S1 and S2 to be completed and submitted to Ministers by July 1997. | Achieved. |
| | Develop Level F by the end of 1997-98. | Delayed until the end of 1998. |

Programme objectives and targets for 1999-00

| Objective | Target |
|---|---|
| To secure the introduction of clear and measurable targets for all schools. | To monitor progress made by schools against targets they have set, in accordance with agreed procedures for monitoring and reporting. |
| To seek to ensure that every teacher is effective. | Every teacher to have had at least an initial review of their training and development needs by June 1999. |
| | To devise a framework for continuing professional development. |
| | To ensure effective and fair procedures are in place to remove teachers unsuited to the job. |
| To improve the quality of provision in the first 3 years of school education by the reduction in class sizes and to improve standards of literacy and numeracy. | To provide ongoing support and advice to authorities in working towards the reduced P1-3 class size limit and to monitor the expenditure allocated to this programme. |
| | To ensure that improvement plans prepared by authorities meet the objectives of the Early Intervention Programme and to continue to monitor the progress of the Programme across all authority areas. |
| Objective | Target |
| To secure improvements in the condition of school buildings. | To monitor programmes of education authorities in the light of Ministers' wish to give increased priority to investment in |

schools building within their capital programmes.

To secure improvements in school management.

To consult on the future of the promoted post structure, currently set out in the Schools (Scotland) Code, by May 1999 with a view to removing parts of the Code which are no longer relevant.

To improve security in schools.

To continue to monitor use by education authorities of the specific grant for school security. The 3 year programme (introduced in April 1997) will conclude in 1999-00 with a final payment of £5 million

To secure and monitor delivery in schools of 5-14 curriculum and assessment

To review and implement recommendations for strengthening 5-14 assessment and testing by 1999-2000

To secure full implementation of 5-14 by 1999-2000

To secure and monitor delivery of modern languages in schools

To train sufficient teachers to enable all P6 and P7 pupils to experience a modern language by 1999-2000

To establish the Excellence Fund Core Programme

To ensure that the improvement plans prepared by authorities meet the objectives of the Excellence Fund and make appropriate provision in each of the key areas of improvement to be supported.

Through the Excellence Fund Special Programme, to target additional support on underperforming schools in order to raise standards.

Subject to the receipt of suitable bids, to provide financial support for Education Action Plans which relate to particular schools, or groups of schools, and which set out focused, determined and radical approaches to raising attainment at schools which face a significant challenge.

Through the Excellence Fund Special Programme, to pilot New Community Schools across Scotland.

Subject to the receipt of satisfactory bids, to support up to 30 pilot New Community Schools.

Evaluation

4.19 An evaluation framework will be developed for the New Community Schools Pilot Programme.

Further reading

4.20 New Community Schools - the Prospectus Setting Targets - Raising Standards

The Excellence Fund for Schools (SOEID Circular 4/98)

Guidance on Exclusion from School (SOEID Circular 2/98)

Parents as Partners

Special Educational Needs

Enquiries

4.21 Exclusion and parental issues: Miss Lorraine Harper, SOEID, Victoria Quay: Telephone - 0131 244 4423

Targets and New Community Schools: Mr Tom Macdonald, SOEID, Victoria Quay: Telephone - 0131 244 4432

Devolved School Management: Mr Geoff Huggins, SOEID, Victoria Quay, Telephone 0131-244-0023.

Excellence Fund: Mr Geoff Huggins, SOEID, Victoria Quay, Telephone 0131-244-0023.

Special Educational Needs: Mr David Miller SOEID, Victoria Quay: Telephone - 0131 244 0948

Early Intervention: Ms F Osowska, SOEID, Victoria Quay: Telephone - 0131 244 7854

School Security and Buildings: Mr Graeme Stuart, SOEID, Victoria Quay: Telephone - 0131 244 0944

National testing, 5-14 Programme and modern languages: Mrs S Tait, SOEID, Victoria Quay: Telephone - 0131 244 0967

Teachers, including in-service training, and school management structures: Mr S Carmichael, SOEID, Victoria Quay: Telephone - 0131 244 0980

Initial Teacher Education and probationary teachers: Mrs L Brownlee, SOEID, Victoria Quay: Telephone - 0131 244 0998

HM Inspectors of Schools

Overall aim

4.22 To promote and contribute to the continuous improvement of the quality of pre-school, school, further and community education in Scotland.

Context

4.23 HM Inspectors of Schools are the principal professional advisors on education to the Secretary of State. They undertake a programme of independent inspection to evaluate and report on the standards of attainment and quality of education across pre-school, primary, secondary, independent and special schools, and in the further and community education sectors. The Inspectorate are also involved in assessing the quality of teacher education; managing the policy related research programme and disseminating and promoting use of the findings and managing international relations on behalf of the Scottish Office Education and Industry Department (SOEID).

Expenditure

4.24 Expenditure on the Inspectorate's work on research is given in Table 4.3. Table 4.4 provides details of the projects already underway and those planned in the future.

Table 4.3: Expenditure on Research

Table 4.4 Research Project Numbers, Costs and Future PlansPerformance against 1997-98 objectives

| Objectives | Target | Performance |
|---|---|---|
| To maximise effectiveness of education in Scotland by the application of relevant and competent research. | Research will be commissioned which is directly related to policy needs. 90% of projects completed during the year to be judged as satisfying predefined criteria of utility, meeting research objectives, value for money, and quality of reporting. | All research commissioned was directly related to policy as agreed by Secretary EID and the Minister. All the projects completed during the year that were evaluated were judged as satisfying the predefined criteria. |

Programme objectives and targets for 1999-00

| Objective | Target |
|--|--|
| To carry out rigorous and independent inspection and publish | To conduct and publish reports on 350 school and nursery |

reports which provide frank and clear assessments of the quality of educational provision in individual institutions and across Scottish education as a whole.

inspections and 8 Further Education sector inspections. To publish a series of aspect reports in 1999-00 covering key areas of the curriculum.

To maximise the effectiveness of education in Scotland by the application of relevant and competent research.

Research will be commissioned which is directly related to policy needs. Projects completed during year should satisfy predefined criteria of utility, meeting research objectives, value for money and quality of reporting.

To publish at least 7 Educational Research Interchange reports, each within 6 months of the final project report.

Further reading

4.25 "How Good is Our School? Self-evaluation using performance indicators"

Information for Parents

Close to the Mark

Making it Happen in 12 Schools

Educational Research 1998: A Register of Current Educational Research Projects: SOEID September 1998, ISBN 074807194-6

Enquiries

4.26 Ann McVie, HM Inspectors of Schools, Room 2B-25, Victoria Quay,
Telephone 0131-244-0619

Community Education

Overall aim

4.27 To develop learning opportunities, outwith the mainstream provision, which meet the learning needs of young people, adults and communities.

Context

4.28 The Department funds the Scottish Community Education Council (SCEC), an NDPB which is responsible for the promotion and development of community education in both the voluntary and statutory sectors. It also administers a grant scheme to support national voluntary organisations in the community education sector. Community education is actively supporting the development of lifelong learning, social inclusion and active citizenship.

Expenditure

4.29 Provision for current expenditure in 1998-99 is £2.13m for grants to support the Scottish Community Education Council, community education national voluntary organisations and national development projects.

Performance against 1997-98 objectives

| Objective | Target | Performance |
|--|---|--|
| To Review arrangements for the promotion and development of community education in Scotland. | Implement recommendations of PFMR to an agreed timetable. | First phase of PFMR completed and the main recommendation to develop a national strategy for community |

| | | |
|---|--|--|
| To Revise the grant scheme which assists community education voluntary organisations to ensure that funds are properly targeted and administered expediently. | Introduce by April 1998, a new system for administering the scheme based on a 3 year funding regime. | education commenced February 1998. Deferred to await development of national strategy for community education. |
|---|--|--|

Programme objectives and targets for 1999-00

Objective

To meet the lifelong needs of individuals, and the requirements of employers, through high quality and cost-effective community education.

Target

Undertake a review of community education training by Autumn 1999. Issue circular to local authorities in relation to the development of community learning plans and national and local targets by April 1999. Complete stage 2 of SCEC's PFMR and restructure the National agency by April 1999.

| | |
|---|--|
| To revise the grant scheme which assists community education voluntary organisations to ensure that funds are properly targeted and administered expeditiously. | Introduce by April 2000, a new system for administering the scheme based on a 3 year funding regime. |
|---|--|

Enquiries

4.30 Mrs P Morrison, SOEID, Victoria Quay: Telephone 0131 244 0979

Childcare

Overall aim

4.31 To ensure the provision of high quality affordable childcare to help parents balance work and family life and to provide targeted support to families with very young children to promote the child's development and social inclusion.

Context

4.32 The development and implementation of a childcare strategy is a new initiative for which objectives were identified in May 1998. In aiming to help parents balance work and family life objectives differ from but relate to those for Children's Services which are the responsibility of Social Work Services Group. The linked but separate initiative to increase support for families with very young children follows a cross Departmental Review of Provision for Young Children carried out in 1997-98. The aim is to promote co-ordinated support to families in targeted areas drawing on, for example, education, social work and health services.

Objectives and targets

- To ensure additional targeted support to families with very young children(0-3) including childcare and wider family support
- children to be supported by end 1999-2000.
- To ensure the establishment of effective Childcare Partnerships and, through them, sustainable, accessible, quality childcare

Childcare Partnerships to be established in each local authority area and 1,000 childcare places to be created or sustained by end 1998-99. Local and national information helplines to be established by end 1999-2000

Evaluation

4.33 Evaluation will be based mainly on analysis of local authority plans. Further evaluation work is under consideration.

Further reading

4.34 Meeting the Childcare Challenge: A Childcare Strategy for Scotland, May 1998, Cmnd 3958.

Guidance on the Planning of Pre-School Education and Childcare and the Establishment of Childcare Partnerships, The Scottish Office, October 1998

Guidance on Expansion of Support for Families with Very Young Children, The Scottish Office, December 1998.

Enquiries

4.35 Jane Morgan, Childcare Strategy Division, The Scottish Office Education and Industry Department, Victoria Quay, Edinburgh EH6 6QQ (0131-244 7640).

The Government's Expenditure Plans 1999-00 to 2001-02

Careers Service

Overall aim

4.36 To furnish realistic and informed careers advice and guidance to young people in schools and colleges and others.

Context

4.37 Under the Trade Union Reform and Employment Rights Act 1993, the duty to provide careers service transferred from Education Authorities (EAs) to the Secretary of State. All 17 careers service areas in Scotland now have a careers service provided under contract between The Scottish Office Education and Industry Department and careers service companies jointly formed by Local Enterprise Companies and EAs.

Expenditure

| 4.38 | 1997-98 allocation | 1998-99 allocation |
|--------------------------|--------------------|--------------------|
| | £m | £m |
| Contract Funds | 19.0 | 19.2 |
| Previous Year Carry Over | 1.4 | 1.6 |
| Teacher Training Costs | 0.2 | 0.1 |
| Careers Officer Training | 0.1 | 0.1 |
| Innovation Funds | 0.6 | 0.7 |
| Other Training Costs | 0.1 | 0.1 |

Performance against 1997-98 objectives

| Objective | Target | Performance |
|--|---|--|
| Increase work with employers and training providers. | Employer contacts up from 15,879 to 19,055 | 21,456 contacts made with employers. |
| Increase careers service input to the content of careers education in secondary schools. | Introduce baseline measure of schools activities. | SQMS Standards on Careers Service Delivery revised to include specific reference to the further development and implementation of careers education and guidance provision in schools. |
| Complete external audits of all careers service companies to enable them to achieve the quality standards of SQMS. | By end December 1997. | All completed with the exception of Dumfries and Galloway and the Western Isles (January 1998). |

Table 4.5: Careers Service performance 1995-96 to 1997-98

Programme objectives and targets for 1999-00

| Objective | Target |
|---|---|
| To provide realistic and informed careers advice and guidance to young people in schools and colleges | 70% of S4 pupils to be interviewed, 80% of S5 and S6 pupils to be interviewed |
| To improve young people's employability and entrepreneur | Publication of new Work Experience Guidelines by Spring |

skills.

1999. Guidelines to be adopted by local authorities/schools.
National Centre: Education for Work and Enterprise to report
on progress in meeting their stated aims /objectives.

To improve access and uptake of adult guidance.

25,000 calls to 'Learning Direct' helpline.

To consider contracting with independent SQMS unit for the delivery of the systems audit programme.

By end September

Further reading

4.39 "The Guidance Framework for Careers Service Companies", The Scottish Office, April 1998.

Enquiries

4.40 Mr Colin Brown, SOEID, Victoria Quay: Telephone - 0131 244 0959



Scottish Office Pensions Agency (SOPA)

Overall aim:

4.41 To regulate and administer the NHS and Teachers' pension schemes in Scotland, and the other occupational pension schemes for which the Secretary of State is responsible.

Context:

4.42 The Scottish Office Pensions Agency is an Executive Agency of The Scottish Office. The overall framework within which it operates is set out in its Framework document.

4.43 Details of progress towards achieving the Agency's main objectives and key targets are published in its Annual Report and Accounts.

Programme objectives and targets for 1999-00

The Agency's Annual Report for 1998-99, showing its performance against key targets, together with the Agency targets for 1999-00, will be published in July 1999.

Details of the Agency's running costs and staff numbers are given in Appendices 3 and 4.

Further reading:

4.44 Scottish Office Pensions Agency Annual Report and Accounts 1997-98.

Enquiries:

4.45 Mr M McDermott: Room 5.14, St Margaret's House, 151 London Road, Edinburgh, EH8 7PG: Telephone - 0131 244 3217

Sport

Overall aim

4.46 To raise participation in sport, particularly among young people, and to develop sporting talent.

Context

4.47 The Government is committed to the concept of Sport for All. To help develop sporting excellence work is underway on the Scottish Institute of Sport (SIS) which will be part of a regional structure of sports facilities underpinning the UK Institute of Sport. The structures of the SIS will reflect Scotland's distinctive needs and requirements, while allowing UK level Scottish performers to access the UK Institute as required.

4.48 The Scottish Sports Council is the Government's advisory body on sport and in May 1998 published the document Sport 21 which set out a longer term strategy for Scottish sport into the new Millennium.

4.49 In addition to grant-in-aid the Scottish Sports Council disburses the National Lottery proceeds allocated to sport in Scotland. (Covered in table)The scheme has been extended to allow the Lottery Sports Fund to provide revenue funding for specific purposes. In light of this development the SSC introduced Talent Award and Major Events Sports Schemes in December 1996, the Coaching Programme in October 1997 and a Talent Identification scheme in December 1998.

4.50 Table 4.6 shows the number and value of Lottery Sports Fund awards for financial year 1997-98.

Table 4.6: Value of awards for financial year 1997-98

Table 4.7: Grant-in-aid to Scottish Sports Council

Performance against 1997-98 objectives

| Objective | Target | Performance |
|--|---|---------------------|
| To secure development of sport activities, especially in schools, as envisaged in Government 1995 policy document and in line with details set out in the progress report published earlier this year. | Agree shape and functions of Scottish Institute of Sport, to link in with the new British Academy of Sport, by July 1997. | Achieved |
| | Secure launch of Scottish Sports Council Youth Sport Strategy Action Plans by May 1997. | Achieved |
| | Evaluate the new Sportsmark Scheme now introduced for secondary schools and extend to primary schools by end December 1997. | Scheme discontinued |

Programme objectives and targets for 1999-00

| Objective | Target |
|---|---|
| To raise participation in sport, particularly among young people. | Increase from 11 to 15 the number of local authorities with completed plans for community integrated school sport programmes. |
| To provide accessible, good quality and cost effective sports facilities. | The SSC to complete 17 national and regional demonstration projects. |
| To raise standards of performance at all levels of sport. | Increase the number of active coaches in local coaching programmes. |

4.51 A range of detailed performance indicators and targets have been agreed with the SSC.

Evaluation

4.52 The SSC Management Statement includes agreed evaluation and monitoring procedures for the Council and the arrangements for the preparation and publication as appropriate of a Corporate Plan, Operating Plan, Statement of Accounts and Annual Report.

Further reading

4.53 SSC Corporate Plan (summary published); SSC Annual Report; The People's Lottery, HMSO(Cm 3709)£6.80.

Enquiries

4.54 Mrs Susan Herbert, SOEID-Sports Policy Unit, Victoria Quay, Telephone - 0131 244 0985

Further Education

Overall aim

4.55 To enable the Secretary of State to fulfil his statutory duty to secure adequate and efficient provision of further education in Scotland, and thereby to contribute to Education and Training Targets for a competitive Scotland.

Context

4.56 In 1997-98 100% of recurrent funding to colleges was allocated by a formula linked to student activity which aimed to increase student participation and achieve greater efficiency. A safety net operated to ensure that no college's grant was 6% or less than the previous year.

4.57 Following the issue of the Funding Methodology Review Group's report in 1997, work continued on the implementation of the Group's recommendations.

4.58 Mr Brian Wilson announced to college Principals in June 1998 the key themes that will underpin the strategic framework for further education, which should be published early in 1999.

4.59 In January 1998 the Secretary of State announced proposals to establish the Scottish Further Education Funding Council, in line with the recommendations made by the Garrick Committee. The new Funding Council will be established on 1 January 1999 and will assume all of its responsibilities on 1 July 1999.

Expenditure

4.60 Expenditure on the Further Education Programme is shown in Table 4.2. College income from the European Social Fund decreased from £22.5 to £21 million. Falkirk College's new Further Education Centre in Stirling, procured under the Private Finance Initiative, was opened in January 1998. Two major capital projects at Stevenson and Cardonald Colleges are nearing completion. These projects benefited from SOEID assistance totalling £7.8 million and works should be completed by 1999. Colleges are continuing to make use of the freedom to borrow to fund capital projects. During 1997-98 this amounted to £22.6 million.

Performance against 1997-98 objectives

| Objective | Target | Performance |
|--------------------------------------|---------------------------------------|--------------------------------|
| To maintain a cost effective further | To review the operation of mechanisms | Unit costs continue to reduce. |

| | | |
|---|---|---|
| education sector, increasing the output of students with non-advanced further education qualifications. | for the financial provision of the FE Colleges - the current allocation formula, PFI, bursaries etc - to ensure that they continue to support a diverse, relevant, responsive and high quality FE sector. | Funding Methodology Review Group set up and reported. Some recommendations acted on. Follow up work being done on others. |
| | To ensure that the development of the UHI project is managed effectively, consistent with Government policies and with regard for value for money. | Evaluation of progress of the UHI Project, including assessment of project strategy for the next 3 years undertaken. (Completed May 1998). Brian Wilson announced in May 1998 that the UHI Project had passed the evaluation. |
| | To monitor the financial health of individual colleges and support appropriate action in relation to any at risk. | Continue to monitor through regular financial returns and audited annual accounts. Special assistance was given to Clydebank College where a rescue package was put in place. |
| | To ensure any mergers comply with Departmental guidance. | No mergers approved. |

4.61 Maintaining and improving quality is a key college priority. Published college reports show a range of performance indicators. **Tables 4.8 to 4.11** provide additional statistical information about this sector.

Table 4.8 : Number of Higher and Vocational Further Education FTE Students in FE Colleges(1)

Table 4.9: National Certificate Module Results in SOEID Funded Colleges

Table 4.10: Number of FTE Lecturers in FE Colleges(1)

Table 4.11: First Destination of Full-Time Graduates and Diplomates from SOEID Funded Colleges

Programme objectives and targets for 1999-00

| Objective | Target |
|--|---|
| To improve collaboration and remove needless competition between colleges. | To encourage rationalisation of the sector including mergers where appropriate. |
| To increase access to and widen participation in further education. | An additional 40,000 FTE students over the next 3 years. |

Evaluation

4.62 In July 1998 the Secretary of State announced that The Scottish Office would be conducting a Review of the Scottish Further Education Unit (SFEU) under the programme of five yearly Non-Departmental Public Body Reviews.

4.63 Following the recommendations of the Further Education Funding Methodology Review Group in October 1997, The Scottish Office has commissioned 2 research projects to examine the issues of access. *New Entrants to FE* will investigate the factors which influence participation and non-participation in various forms of FE provision, with a focus on the innovative course developments aimed at re-engaging those persons who think that education is not available or appropriate for them. *Distribution of FE Provision* will analyse the current distribution of FE provision by course and college. It will measure

accessibility to courses and colleges and produce a "map" of such accessibility, so that those areas which are significantly higher or lower than the normal can be identified.

Further reading

4.64 Further Education in Scotland 1997 - Report by the Secretary of State for Scotland, The Stationery Office, £7.50

Further Education Statistics: 1996-97 - Scottish Office Statistical Bulletin Edn.F7/1998/10, The Stationery Office £2.00

Enquiries

4.65 Mr C M Reeves, FEFD, Victoria Quay. Telephone - 0131 244 0287

Higher Education

Overall aim

4.66 To maintain planned numbers of students and to continue to improve the quality and relevance of teaching and research in Scottish higher education institutions.

Context

4.67 The Government announced its proposals for the future funding of higher education and student support in July 1997, following the publication of the Dearing and Garrick Reports. The annual tuition fee of £1,000 is about a quarter of the annual cost of tuition. Contributions to the fee are related to the financial circumstances of the student's family through the application of a means test. Those from lower income families, about 40% of Scottish students in higher education, will pay nothing - and about a quarter, those from better off families, will pay the full £1,000.

4.68 The higher education institutions in Scotland funded through the Scottish Higher Education Funding Council provide a wide range of teaching (mainly at first or subsequent degree level), research and other services. Grant funds for teaching and research are allocated to the Scottish HEIs by the Scottish Higher Education Funding Council (SHEFC). SHEFC's grants are intended to contribute to the recurrent and capital needs of the institutions. On average the HEIs generate about 30% of their total income from non-public sources including international export earnings.

Expenditure

4.69 Following the Comprehensive Spending Review, an additional £230 million will be provided to higher education over the next 3 years. The sector will also benefit from an addition £15 million over the period through funding transfers to Scotland from the Department for Education and Employment. The overall funding available will mean higher education institutions' efficiency gains are limited to 1 per cent in 1999-2000, as recommended by the Dearing Committee, and will allow for 2,000 additional full-time students in higher education by 2001-02.

4.70 Table 4.12 shows the total of grants to be paid by SHEFC, including recurrent support for teaching and research and capital grants, and tuition fees paid directly to institutions by the Student **Table 4.12: Public Funding for Scottish HEIs**

Table 4.13: Students Eligible for Funding from the Scottish Higher Education Funding Council at Higher Education Institutions in Scotland

Table 4.14: Number of first degree graduates, by first destinations and type of employment

Table 4.15: Summary of Quality Assessment Reports in Session 1997-98 showing numbers of departments in each category

Table 4.16: Summary of Quality Assessment Outcomes 1997-98 (revised outcomes)

Table 4.17: Departments in Scotland receiving the top rating of 5* in 1996 Research Assessment Exercise

Awards Agency for Scotland, other award making bodies and by private contributions to fees. The plans assume that the number of places for full-time equivalent students will be held at 118,700 from 1998-99 to 2000-01 and will increase by 2,000 in 2001-02.

Performance against 1997-98 objectives

| Objective | Target | Performance |
|--|--|---------------------------|
| To maintain numbers of publicly funded students in higher education in Scotland at current levels. | 118,700 (full-time equivalent) students in Scottish HEIs in 1997-98. | Achieved - see Table 4.12 |
| To maintain quality of teaching and research. | Over 20% of quality assessments of teaching by SHEFC rated as "excellent". | Achieved - see Table 4.15 |

Programme objectives and targets for 1999-00

| Objective | Target |
|---|--|
| To ensure the continued provision of higher education in Scotland while widening access for all sectors of the population and maintaining and improving the quality of teaching and research. | 118,700 (full-time equivalent) students in Scottish HEIs in 1998-99. Develop with the Scottish Higher Education Funding Council a policy framework to support universities and colleges in widening participation by groups in society which are at present under-represented in higher education. |

Further reading

4.71 NCIHE: Higher Education in the Learning Society

Report of the National Committee, July 1997

Report of the Scottish Committee, July 1997

SHEFC Corporate Plan, 1998

SHEFC Annual Report and Accounts, 1997-98

Enquiries

4.72 Mr D J Ferguson, SOEID-HE2, Victoria Quay: Telephone - 0131 244 0385



Student Awards Agency for Scotland (SAAS)

Overall aim

4.73 To provide financial support for students in higher education and other related services in an efficient and effective manner.

Context

4.74 The number of Scottish domiciled students holding awards under the Students' Allowances Scheme and the Postgraduate Students' Allowances Scheme was 115,143 in academic year 1997-98 and is forecast to remain about the same in 1998-99. The overall take up of student loans was 64% in academic year 1997-98 and is estimated to reach 66% in 1998-99.

4.75 The Committee of Inquiry into higher education reported, in July 1997, that additional funding was needed to avoid cuts in

standards and to allow more students to enter higher education. The Committee proposed that this should be provided by full-time students in higher education making a contribution to their tuition costs. The Government agreed and, in July 1997, announced proposals for means tested contribution to tuition fees which will provide around £140 million per year for higher education generally.

4.76 In October 1997 the Agency published a booklet "Higher Education in the 21st Century" giving details of the support available to students entering higher education in session 1998-99 and beyond. The Agency issued the booklets to institutions and local education authorities and a helpline was set up to take requests for copies. The Agency distributed 50,000 copies of the booklet.

4.77 Ministerial and official correspondence increased by over 100% in 1997-98. The majority of questions raised were related to the new student support arrangements contained in the Teaching and Higher Education Bill introduced in December 1997.

4.78 The Agency underwent a review early in 1998 as a consequence of severe difficulties faced during the 1997 season. A report was presented to Parliament on 12 May 1998, and all of its recommendations - which were aimed at increasing the Agency's efficiency and effectiveness - were accepted by Ministers.

Table 4.18: Expenditure on Student Support

Performance against 1997-98 objectives and programme objectives and targets for 1999-00

4.79 Details of progress towards achieving the Agency's main objectives and key targets in 1997-98 are published in its Annual Report and Accounts. The Agency's Annual Report for 1998-99, showing its performance against key targets, together with the Agency's targets for 1999-00 will be published in July 1999.

Evaluation

4.80 The detailed operation of the various schemes is reviewed on an annual basis and modifications to the Students' Allowances Scheme for undergraduates will be required as a result of the changes announced in July 1997.

Further reading

4.81 Student Awards Agency for Scotland Annual Report and Accounts 1997-98 (£6.85 from the Stationery Office).

Enquiries

4.82 Contact Mr S D Blyth, Room 008, Gyleview House, Telephone - 0131 244 5825.

Gaelic

Overall aim 4.83 To sustain and develop the Gaelic language in Scotland.

Context

4.84 The Department operates a scheme of specific grants for Gaelic education under which education authorities can apply for grants of up to 75% of the cost of Gaelic education projects. The scheme has been in operation since 1986. Twenty three education authorities participated in the scheme in 1996-97. In 1997-98 there were 1,736 children in Gaelic-medium education in 55 primary schools and 231 pupils in 12 secondary schools. The expenditure under the scheme is given at **Table 4.19**.

4.85 The Broadcasting Act 1990 placed a duty on the Secretary of State for Scotland to contribute to a Gaelic Television Fund to finance the making of a wide range of television programmes in the Gaelic language. The Fund is administered by the Gaelic Broadcasting Committee appointed by the Independent Television Commission. The Broadcasting Act 1996 contains provisions which, from 1 April 1997, extended the scope of the Fund to enable it to be used to support Gaelic radio as well as television. Details of expenditure on Gaelic broadcasting are in **Table 4.19**.

Table 4.19: Expenditure on Gaelic Education and Broadcasting 1993-94 to 1999-00

Performance against 1997-98 objectives

| Objective | Target | Performance |
|-----------|--------|-------------|
|-----------|--------|-------------|

| | | |
|---|---|--|
| To continue to provide financial support for Gaelic broadcasting. | That the Gaelic Broadcasting Committee continues to finance the making of a wide range of programmes and begins to support Gaelic radio production. | A wide range of programmes, comprising 150.1 hours of television production, were funded in 1997-98. |
|---|---|--|

Programme objectives and targets for 1999-00

Objective

To support the teaching of Gaelic in schools and post-16 education in the medium of Gaelic.

Target

Numbers of pupils in Gaelic-medium education (1,736 in primary schools in 1997-98) to continue to rise in line with demand.

To secure the production of good quality Gaelic broadcasting.

The Gaelic Broadcasting Committee to continue to finance the making of a wide range of programmes (monitored through its Annual Report) and to maintain, and if possible increase, viewing figures.

Further reading

4.86 Gaelic Broadcasting Committee Annual Report 1997-98

Enquiries

4.87 Francis Brewis, Room 1A, Victoria Quay : Telephone - 0131 244 0336.

The Government's Expenditure Plans 1999-00 to 2001-02

Arts and Libraries

Overall aim

4.88 To increase public awareness and participation in the arts and to encourage increased private sponsorship.

Context

4.89 Almost the entire expenditure programme is administered at arm's length from The Scottish Office through various non-departmental public bodies. While the National Institutions (the National Galleries, Library and Museums of Scotland) are themselves service providers, the Scottish Arts Council passes on most of the funds it receives in the form of grants to artists and art organisations and it is they who are the providers of arts and cultural services. Scottish Screen's objectives are to raise the quality and quantity of Scottish film making, to preserve Scotland's film heritage, and to help develop the audience for film and television culture.

4.90 In addition to grant-in-aid the Scottish Arts Council disburses the National Lottery proceeds allocated to the arts in Scotland.

4.91 **Table 4.20** shows the number and value of awards made from the Lottery Arts Fund since the beginning of 1997.

Expenditure

4.92 **Table 4.21** shows a breakdown of the Arts and Libraries Programme line from the Departmental Expenditure Summary.

Table 4.20: Value of awards since 1997

Table 4.21 Central Government Expenditure on Arts and Libraries

Performance against 1997-98 objectives

| Objective | Target | Performance |
|--|--|--|
| To encourage increased public access to and participation in the arts. | Agree targets with National Institutions including targets for numbers of visitors/users | Targets set as planned. The NGS and the NMS returned lower visitor numbers in 1997-98, against the record high levels achieved in 1996-97. In the case of the NMS, at least part of the fall in numbers is attributable to the introduction of admission charges in January 1998. Admissions to the NLS were curtailed during major building works at the George IV Bridge site. (See Table 4.23] for details of visitor numbers). |

| Objective | Target | Performance |
|-----------|---|-------------|
| | Fund, to programme, agreed major capital projects: Museum of Scotland; conversion works at Dean Centre; and fire safety improvements at National Library's HQ building. | Achieved |

| | | |
|--|---|---|
| To encourage increased private sponsorship and private funding of the arts. | Agree with National Institutions targets for sponsorship of temporary exhibitions and private funding contributions to other projects by 30 June. | Substantially achieved. Sponsorship was obtained for most temporary exhibitions, and private funding was obtained for other projects. |
| Complete implementation plans of policy and financial management reviews of National Galleries and National Library of Scotland. | Finalise arrangements with the Institutions by 30 June 1997. | Substantially achieved. Plans finalised in August 1997 for National Galleries of Scotland, and October 1997 for National Library of Scotland. |
| To achieve structural and VFM improvements in the arrangements for the 4 National Arts Companies within available financial provision in accordance with the recommendations of, and on the timetable set by, the National Companies Implementation Group. | To timetable set by Implementation Group. | Only partially achieved . Although it proved not possible to adhere to the timetable set by the Implementation Group, agreement was reached on a basis for collaboration between the National Companies. |
| To develop the film industry in Scotland. | Establish new NDPB "Scottish Screen" and have fully operational by 31 December 1997. | Scottish Screen was set up on April 1997 and was operating effectively by 31 December 1997. |

Table 4.22: Scottish Arts Council: Numbers Attending Performances/events of Revenue Funded Organisations

| Objective | Target |
|---|---|
| To increase public access to, and understanding of, the arts and cultural heritage. | National Museums' visitor numbers to increase to 1,000,000; National Galleries' visitor numbers to increase to 1,100,000. National Museums to have 4 Outreach programmes; the National Galleries to have 2 Outreach programmes. |
| To promote work of good quality in the creative and performing arts to a wide audience. | SAC to increase access to the arts by supporting local structures and initiatives. |
| To encourage increased private sponsorship and private funding of the arts. | In 1999-2000, National Museums of Scotland to aim to realise £2.6m in private funding. The National Galleries of Scotland aim to realise £1.15m in private funding. |
| To encourage the use of Scotland as a film location. | To maintain or increase the number of films made (from 12 in 1997) and the expenditure on film-making in Scotland. |

Table 4.23: National Institutions: Admissions and Staff Numbers

Table 4.24: National Institutions: Long-term capital projects costing over £1m

Evaluation

4.93 The National Institutions maintain programmes of internal reviews of their various departments and functions. These help inform the Corporate Plan. A quality audit commissioned in 1994 has resulted in the adoption throughout the Scottish Arts Council of a quality service programme: further audits are being carried out every 3 years.

Further reading

4.94 National Galleries of Scotland: Report 1991-93

National Library of Scotland: Annual Report 1997-98

National Museums of Scotland: Annual Report 1997-98

Scottish Arts Council: Annual Report 1996-97

Scottish Film Council: Annual Report 1995-96

Enquiries

4.95 Jim Graham, SOEID Arts and Cultural Heritage, Area 1A, Victoria Quay: Telephone - 0131 244 0351

Industry, Enterprise and Training

Table 4.25: Industry, Enterprise and Training Programme: Voted Expenditure Summary



Scottish Enterprise

Scottish Enterprise

Overall aim

4.96 To develop a high output, high income and low unemployment economy in Scotland which provides a high quality of life and is sustainable both in economic and environmental terms.

Context

4.97 SE continues to develop and build on their activities aimed at encouraging economic and industrial growth and competitiveness. A realignment of training programmes to reflect and support the introduction of New Deal has taken place with more work underway to support the introduction of individual learning accounts and the Scottish University for Industry. Support for indigenous business development and inward investment continues to be central to SE activities. Training related outputs and plans are duplicated in the Vocational Training section of this chapter.

A proportion of SE expenditure is in support of inward investment projects in liaison with Locate in Scotland. The Scottish Office Investment Assistance Division and Highlands and Islands Enterprise also provide funding for such projects and some details of overall funding and outputs are reported in the Inward Investment section of this chapter.

Objectives, performance and targets

| | 1997-98 | 1997-98 | 1998-99 | 1999-2000 |
|--------------------------------------|---------|---------|---------|-----------|
| | Plans | Outturn | Plans | Plans` |
| * To create and safeguard employment | | | | |

| | | | | |
|--------------------------------|--------|--------|--------|--------|
| Net jobs created/safeguarded * | 30,700 | 31,500 | 30,000 | 30,000 |
|--------------------------------|--------|--------|--------|--------|

* Figures for number of jobs created or safeguarded are estimates based on evidence from evaluation studies. They include jobs created by inward investment projects.

*** To increase business competitiveness**

Existing Businesses

| | | | | |
|------------------------------------|--------|--------|--------|--------|
| Businesses assisted - | 13,500 | 16,150 | 14,000 | 15,000 |
| Associated increase in sales (£m)- | 670 | 473 | 500 | 500 |

New Businesses

| | | | | |
|------------------------------------|-------|-------|-------|-------|
| Businesses assisted - | 5,200 | 5,287 | 5,290 | 5,300 |
| Associated increase in sales (£m)- | 320 | 332 | 322 | 300 |

Exports

| | | | | |
|---|-------|-------|-------|-------|
| Businesses assisted - | 2,000 | 1,580 | 1,575 | 1,500 |
| Associated increase in export sales (£m)- | 260 | 315 | 295 | 290 |

*** To address market failure in the provision of physical business infrastructure**

Site and Property Provision

| | | | | |
|---------------------------------|--------|--------|--------|-------|
| Businesses assisted - | 270 | 290 | 270 | N/A |
| Area completed (000 sqm) - | 400 | 350 | 390 | 180 |
| Jobs capable of accommodation - | 15,100 | 10,000 | 14,000 | 4,500 |

*** To improve the environment in areas with economic potential**

| | | | | |
|---------------------|-----|-----|-----|-----|
| Land renewed (ha) - | 870 | 750 | 840 | 850 |
|---------------------|-----|-----|-----|-----|

*** To support the regeneration of areas of high unemployment and deprivation**

| | | | | |
|---------------------|----|----|----|----|
| Land renewed (ha) - | 60 | 45 | 88 | 90 |
|---------------------|----|----|----|----|

*** To develop skills and knowledge relevant to employment**

| | | | | |
|---|--------|--------|-----|-----|
| No of starts in training for young people - | 31,400 | 33,070 | N/A | N/A |
| No of qualifications awarded - | 14,000 | 15,130 | N/A | N/A |
| No of starts in training for adults - | 23,200 | 24,300 | N/A | N/A |
| No of positive outcomes - | 9,800 | 9,380 | N/A | N/A |

Skills and Knowledge

| | | | | |
|--|-----|-----|--------|-----|
| No of starts in training and development | N/A | N/A | 38,325 | N/A |
| % achieving a VQ (level 2 and above) | N/A | N/A | 55 | N/A |
| % achieving a positive outcome | N/A | N/A | 70 | N/A |

Access to Opportunity

| | | | | |
|--|-----|-----|--------|-----|
| No of starts in training and development | N/A | N/A | 17,850 | N/A |
| % achieving a VQ (level 2 and above) | N/A | N/A | 35 | N/A |
| % achieving a positive outcome | N/A | N/A | 55 | N/A |

Evaluation

4.98 Programme of evaluations updated annually and presented in the Scottish Enterprise Corporate Plan. In the course of the year the network undertook or commenced a number of evaluations including: Skillseekers; Training for Work; and Benefits of Inward Investment. In 1998-99, the network will undertake related evaluation to provide broader based evaluation evidence to give a more comprehensive and strategic overview of its interventions. A Policy and Financial Management Review was completed during 1996-97.

Further reading

4.99 Scottish Enterprise: Annual Reports

Highlands & Islands Enterprise

Overall aim

4.101 To enable the people of the Highlands and Islands to realise their full potential.

Context

4.102 The Highlands and Islands economy continues to improve despite the many challenges facing remote communities and primary industries, such as fishing and agriculture. HIE focus efforts on Business Start Up programmes for indigenous businesses, securing inward investments, community land issues, strengthening communities and devising new programmes to help the unemployed. Training programmes have been realigned to reflect and support the introduction of New Deal. Training related outputs and plans are duplicated in the Vocational Training section of this chapter.

4.103 A proportion of HIE expenditure covered in this section is in support of inward investment projects. The Scottish Office Investment Assistance Division and Scottish Enterprise (in liaison with Locate in Scotland) also provide funding for such projects and some details of the overall funding and outputs are reported separately in the Inward Investment section of this chapter.

Objectives, performance and targets

| | 1997-98 Plans | 1997-98 Outturn | 1998-99 Plans | 1999-2000 Plans` |
|---|--------------------------|----------------------------|--------------------------|-----------------------------|
| * To create and safeguard employment | | | | |
| Jobs created/safeguarded* | 3,050 | 2,801 | 3,150 | 2,850 |
| * Figures for number of jobs created or safeguarded are estimates based on evidence from evaluation studies. They include jobs created by inward investment projects. | | | | |
| * To increase business competitiveness | | | | |
| Businesses assisted under | | | | |
| Finance for Business Scheme- | 1,250 | 852 | 1,000 | n/a |
| Associated private sector investment (£m)- | 55 | 43 | 53 | 48 |
| * To address market failure in the provision of physical business infrastructure | | | | |
| <u>Site and Property Provision</u> | | | | |
| Area completed (1000 sqm) - | 14,000 | 15,230 | 7,300 | 10,800 |
| Jobs housed - | 2,760 | 2,805 | 2,880 | 2,750 |
| * To improve the environment in areas with economic potential | | | | |
| Land renewed (ha) - | 35 | 47 | 35 | 35 |
| | 1997-98 Plans | 1997-98 Outturn | 1998-99 Plans | 1999-2000 Plans` |
| * To strengthen communities in the Highlands and Islands | | | | |
| Community Action Grants approved - | 310 | 451 | 300 | 300 |
| * To develop skills and knowledge relevant to employment | | | | |
| <u>Youth Programmes</u> | | | | |

| | | | | |
|--|-------|-------|-------|-----|
| No of starts in training - | 2,100 | 2,288 | 2,150 | N/A |
| % of leavers gaining recognised qualifications - | 36 | 41 | 41 | N/A |
| % of positive outcomes - | 50 | 70 | 70 | N/A |

Training for Work

| | | | | |
|--|-------|-------|-----|-----|
| No of starts in training - | 1,400 | 1,412 | 993 | N/A |
| % of leavers gaining recognised qualifications - | 27 | 30 | 30 | N/A |
| % of positive outcomes - | 28 | 24 | 24 | N/A |

Evaluation

4.104 Programme of evaluations updated annually and presented in the Highlands and Islands Enterprise Corporate Plan. A series of assessment exercises under which the HIE network's major programmes will be reviewed over a 4 year period has been implemented. During 1997-98 the network Business Advisory Services was evaluated and a summary of results included in the Annual Report. The report of the second stage of the Policy and Financial Management Review is due to be completed early in 1999.

Further reading

4.105 Highlands and Islands Enterprise: Annual Reports

Highlands and Islands Enterprise: A Strategy for Enterprise Development.

Enquiries

4.106 John Patterson, SOEID, 3-G, Victoria Quay, Edinburgh EH6 6QQ (0131 244 7591)

Vocational Training

Overall aim

4.107 To equip individuals with vocational skills and knowledge required in the labour market

Context

4.108 Vocational Training funded by the Scottish Office is delivered through Scottish Enterprise and Highlands & Islands Enterprise. The main components are: Skillseekers (which includes Modern Apprenticeships) targeted at 16 and 17 year olds in the Youth Training Guarantee Group and Training for Work targeted at unemployed adults aged 25 or more. (Training for unemployed 18-24 year olds is funded by the Employment Service under the New Deal initiative.) In addition the enterprise bodies incur significant training related expenditure on their business start / investment programmes. Some training related outputs and plans are duplicated in the SE/HIE sections of this chapter.

The Scottish Office also finances various enhancements to the New Deal including the New Futures Fund aimed at tackling social exclusion and additional advisory staff located within SE/HIE. In addition it is funding training related initiatives for the establishment of Individual Learning Accounts aimed at encouraging individuals to take responsibility for their own learning and the Scottish University for Industry aimed at stimulating demand for lifelong learning among employers and individuals.

Provision (£m)

| | 1997-98 Plans | 1997-98 Outturn | 1998-99 Plans | 1999-2000 Plans |
|---|--------------------------|----------------------------|--------------------------|----------------------------|
| Skillseekers | 90 | 89 | 91 | 88* |
| Training for Work | 73 | 70 | 65 | 48 |
| Business Start / Investment | 29 | 27 | 31 | 31 |
| New Futures Fund /Follow Through Strategy | N/A | N/A | N/A | 7 |
| Scottish University for Industry | N/A | N/A | 1 | 5 |

| | | | | |
|------------------------------|-----|-----|-----|-----|
| Individual Learning Accounts | N/A | N/A | N/A | 3 |
| Total | 192 | 186 | 187 | 182 |

* Includes £3m for Right to Study

Objectives, performance and targets

| | 1997-98 Plans | 1997-98 Outturn | 1998-99 Plans | 1999-2000 Plans` |
|---|------------------|--------------------|------------------|---------------------|
| * To develop skills and knowledge relevant to employment | | | | |
| <u>Skillseekers</u> | | | | |
| Total no of first time starts | 25,862 | 27,138 | 26,612 | 23,650 |
| Skillseekers | N/A | 23,284 | N/A | 18,850 |
| Modern Apprenticeships | N/A | 3,754 | N/A | 4,800 |
| Total no of SVQs awarded | 14,585 | 14,510 | N/A | N/A |
| <u>Training for Work</u> | | | | |
| No of starts | 24,300 | 25,713 | 17,850 | 14,000 |
| No of positive outcomes | 10,192 | 9,714 | 10,720 | N/A |

* To increase participation in lifelong learning and encourage people to take responsibility for their own learning

Both the University for Industry and Individual Learning Accounts are to be established by the year 2000. A target of 100,000 ILAs by March 2002 has been set.

Enquiries

4.109 Skillseekers: Patricia Russell, SOEID, Training for Young People, 3-G, Victoria Quay, Edinburgh EH6 6QQ (0131 244 0606)

Training for Work: David Binnie, SOEID, New Deal and Adult Training, 3-H, Victoria Quay, Edinburgh EH6 6QQ (0131 244 0076)

Investment Assistance

Overall aim

4.110 To secure employment opportunities and increase regional competitiveness and prosperity, particularly in areas of deprivation, through support for investment projects that will create or safeguard jobs, and generate benefits for the wider economy.

Context

4.111 Support is provided through discretionary Regional Selective Assistance (RSA) grants for investment projects undertaken by businesses in the Assisted Areas. RSA is to a large extent demand led. Uptake therefore tends to reflect, in broad terms, levels of investment activity in the economy as a whole and one or two major projects can have a significant effect on the statistics for any particular year. This makes it difficult to estimate the precise impact of the scheme in terms of number and value of future projects which will be supported. A significant proportion of the value of RSA grants is made in support of inward investment projects in liaison with Locate in Scotland. Scottish Enterprise and Highlands and Islands Enterprise also support such projects and details of the overall funding and outputs are reported separately in the Inward Investment section of this chapter.

The Assisted Areas are those areas of Great Britain where regional aid may be granted under European Community law. The current Assisted Areas were designated in August 1993. The legal basis for designating Assisted Areas in Great Britain is the Industrial Development Act 1982.

Revised European Commission guidelines on regional aid were adopted in December 1997 as part of the drive to reduce the overall level of aid to industry in the European Community and to prepare for the accession of new Member States. The new

guidelines lower the permitted limits on aid and reduce the proportion of the European Union's population covered by areas where regional aid is permissible and require Member States to submit proposals for future Assisted Areas to the Commission by 31 March 1999. As part of a review of the Assisted Areas of Great Britain the Government issued a Consultation Document on 30 July 1998, seeking views on the designation of Assisted Areas. Consultation closed on 30 October 1998. The new rules set out in these guidelines come into effect on 1 January 2000.

Objectives, performance and targets

| | 1997-98 | 1997-98 | 1998-99 | 1999-2000 |
|---|---------|---------|---------|-----------|
| | Plans | Outturn | Plans | Plans |
| * To support projects which improve employment opportunities in the Assisted Areas | | | | |
| <u>RSA</u> | | | | |
| Projected total grant expenditure (£m) | 80 | 77 | 87 | 77 |
| Projects approved | 240 | 242 | 230 | N/A |
| Total value of offers made (£m) | 200 | 113 | 105 | N/A |
| Associated private sector investment (£m) | 2,650 | 748 | 500 | N/A |
| Jobs to be created/safeguarded | 25,500 | 16,200 | 15,800 | N/A |

Note: The table gives the number and value of offers during the year concerned, together with the associated total project costs and jobs to be created or safeguarded. Projects often take a number of years to implement fully and some may not proceed while others may be reduced in scale. On average around two-thirds of RSA related planned jobs are actually created or safeguarded (grant payments are scaled down accordingly). Expenditure in any particular year will relate mostly to offers made in previous years.

Evaluation

4.112 RSA is subject to periodic full-scale evaluation. An evaluation is currently underway. In addition, the scheme's progress is regularly reviewed in the annual reports on the Industrial Development Act 1982.

Further reading

4.113 Industrial Development Act 1982: Annual Report by the Secretaries of State for Trade and Industry, Scotland and Wales for the year ended 31 March 1998 (The Stationery Office 1998 - £12). Regional Selective Assistance 1985-1988: An evaluation by PA Cambridge Economic Consultants Ltd (London, HMSO, 1993).

Enquiries

4.114 Colin Forsyth, Scottish Office Education and Industry Department, Meridian Court, 5 Cadogan Street, Glasgow G2 6AT (0141-242-5681).

Inward Investment

Overall aim

4.115 To attract inward investment to Scotland in order to create and safeguard jobs and to assist in the further development within Scotland of a knowledge-based economy.

Context 4.116 The attraction of inward investment to Scotland is spearheaded by Locate in Scotland, a joint operation between The Scottish Office and Scottish Enterprise. It is staffed by people drawn from both organisations and its work is guided by a Supervisory Board, chaired by the Minister for Business and Industry in The Scottish Office. Public expenditure on inward investment comes in 2 main forms: Regional Selective Assistance (RSA) from The Scottish Office Investment Assistance Division directly related to capital expenditure and jobs and expenditure by Scottish Enterprise, Highlands & Islands Enterprise and the Local Enterprise Companies generally to assist with property and training costs etc. Statistics on these broad categories of expenditure are set out in the table below. It should be noted that this expenditure is also included in the sections on Investment Assistance and Scottish Enterprise and Highlands & Islands Enterprise. For the purposes of this table, inward investment refers to investment into Scotland from overseas and from other parts of the United Kingdom.

Objectives, performance and targets

| | 1997-98 Plans | 1997-98 Outturn | 1998-99 Plans | 1999-2000 Plans |
|--|------------------|--------------------|------------------|--------------------|
| * To attract inward investment to Scotland | | | | |
| Investment Assistance | | | | |
| Expenditure (£m) | 60 | 46 | 52 | 46 |
| Scottish Enterprise / Highlands & Islands Enterprise | | | | |
| Expenditure (£m) | 75 | 41 | 47 | 55 |

Note: The footnotes to the tables on Investment Assistance also apply to this table.

Objectives, performance and targets

| | 1997-98 Outturn |
|---|--------------------|
| * To attract inward investment to Scotland | |
| No of Projects | 87 |
| Planned Investment | £1.012 billion |
| Planned Jobs: | |

| | |
|-------------|--------|
| New | 14,524 |
| Safeguarded | 3,423 |
| Total | 17,947 |

Note: These figures relate only to projects handled by Locate in Scotland or The Scottish Office. They are based on information provided by the companies concerned at the time the investment decision was taken and take no account of subsequent developments. A few projects may not proceed and others may be reduced in scale as a result of changes in the commercial environment. Equally, however, some projects may lead to more investment and more jobs than originally anticipated; and the figures take no account of the substantial number of new jobs created indirectly in supplier companies. Experience over a number of years indicates that, on average, around two-thirds of planned direct jobs are created.

For the future, Locate in Scotland will be seeking to ensure that Scotland continues to attract strong flows of inward investment.

Evaluation

4.117 RSA, which is the principal form of financial assistance used in the attraction of inward investment, is the subject of regular evaluation exercises, one of which is underway at present. Locate in Scotland was included in the Policy and Financial Management Review of Scottish Enterprise completed in 1997.

Further reading

4.118 Locate in Scotland Annual Reviews

Industrial Development Act 1982: Annual Reports by the Secretaries of State for Trade and Industry, Scotland and Wales

Scottish Enterprise Annual Reports

Highlands and Islands Enterprise Annual Reports

Enquiries

4.119 Inward Investment - Peter Ritchie, Locate in Scotland, 120 Bothwell Street, Glasgow G2 7JP (Tel: 0141 228 2399).

Investment Assistance - Colin Forsyth, Investment Assistance Division, The Scottish Office Education & Industry Department, Meridian Court, 5 Cadogan Street, Glasgow G2 6AT (Tel: 0141 242 5681).

Scottish Enterprise/ Highlands & Islands Enterprise - John Patterson, Enterprise and Tourism Division, The Scottish Office Education & Industry Department, Victoria Quay, Edinburgh EH6 6QQ (Tel: 0131 244 7591).

Scottish Tourist Board

Overall aim

4.120 To generate jobs and wealth for Scotland through the promotion and development of tourism.

Context

4.121 World tourism expenditure is growing at around 4% per annum and Scotland is still well placed to achieve growth in UK and overseas markets. Scotland's performance particularly in the English market has been very encouraging in recent years and there has been a strong recovery in Business tourism. However, the continuing strength of sterling has halted growth in expenditure from overseas tourism and has made it more attractive for UK residents to holiday overseas rather than in Scotland. Nevertheless the tourism industry may still be able to achieve the ambitious spending and employment targets set for the year 2000.

Objectives, performance and targets

| | 1997-98 Plans | 1997-98 Outturn | 1998-99 Plans | 1999-2000 Plans |
|---|------------------|--------------------|------------------|--------------------|
| * To increase tourism expenditure through targeted marketing | | | | |
| <u>Tourism expenditure (£m)</u> | | | | |
| UK - | 1,450 | 1,744 | 1,530 | 1,567 |
| Overseas - | 1,000 | 891 | 1,120 | 1,198 |
| Total - | 2,450 | 2,635 | 2,650 | 2,765 |
| <u>Market Share</u> | | | | |
| % of all UK expenditure - | 10.9 | 11.2 | 11.7 | 12.4 |
| % of all overseas expenditure in UK - | 8.3 | 6.8 | 8.5 | 8.7 |
| * To promote high quality in all services and facilities | | | | |
| Membership of Quality Assurance Scheme | 7,300 | 9,218 | 10,260 | 10,775 |
| * To promote all year round tourism and corporate business | | | | |
| % of tourism expenditure outwith July to September - | 57 | 57 | 58 | 59 |
| * To develop tourism outwith the main tourism areas | | | | |
| % of tourism expenditure outwith Edinburgh and Glasgow areas - | 74 | 68 | 74 | 74 |

Evaluation

4.122 There is an ongoing and comprehensive programme of monitoring and evaluation of all Board activities. A Policy and Financial Management Review is due for completion in 1999.

Further Reading

4.123 STB Annual Reports; STB Corporate Plan; Scottish Tourism Strategic Plan; and Progress Reports on the Strategic Plan (published in the Spring).

Enquiries 4.124 Neil Stewart, SOEID, Area 3-F25, Victoria Quay, Edinburgh, EH6 6QQ (Tel: 0131 244 7576).

Innovation

Overall aim

4.125 To assist the competitiveness and growth of industry in Scotland by encouraging product and process development and the use of expert advice.

Context

4.126 The SMART and SPUR grant schemes support SMEs in the development of highly innovative products and processes where risk makes funding difficult. The Teaching Company scheme encourages collaboration and transfer of technology skills between higher education and industry. This programme is mainly funded by DTI but the Scottish Office contributes financially and actively promotes the scheme in Scotland. Expert Help which was transferred to the enterprise bodies from 1 October 1998 aims to encourage companies more generally to improve business performance through use of expert advice.

Objectives, performance and targets

| | 1997-98 Plans | 1997-98 Outturn | 1998-99 Plans | 1999-2000 Plans |
|---|------------------|--------------------|------------------|--------------------|
| * To assist small and medium sized enterprises (SMEs) in the development of new products and processes | | | | |
| SMEs assisted | 50 | 59 | 50 | 50 |

Objectives, performance and targets

| | 1997-98 | 1997-98 | 1998-99 | 1999-2000 |
|--|---------|---------|---------|-----------|
| | Plans | Outturn | Plans | Plans |
| * To increase awareness and use by SMEs of expert external advice | | | | |
| SMEs making use of Expert Help | 1,700 | 1,923 | N/A | N/A |
| * Facilitate technology transfer from education to industry and enhance the relevance of research and training to business. | | | | |
| No of Teaching Company Schemes | 70 | 73 | 100 | 120 |

Evaluation

4.127 The Scottish Office participates in evaluation of research and technology schemes by DTI.

Further reading

4.128 The Expert Help Scheme: An Evaluation of its Usage and Impact: University of Glasgow; Ivan Turok, A Scottish Office Central Research Unit paper, HMSO 1996.

Enquiries

4.129 Colin Wood, Education and Industry Department, Innovation and Support Services Division, Meridian Court, Glasgow G2 6AT (0141-242 5479).

Energy

Overall aim

4.130 To promote energy efficiency in Scotland and provide Scottish Office Ministers with advice on energy related matters.

Context

4.131 Efforts in the promotion of energy efficiency are directed at disseminating good practice via partnership, seminars, advisory work and answering telephone enquiries. Policy advice is provided on a range of energy related matters including applications for new or altered power stations and for overhead power lines.

Objectives, performance and targets

| | 1997-98 | 1997-98 | 1998-99 | 1999-2000 |
|--|---------|---------|---------|-----------|
| | Plans | Outturn | Plans | Plans |
| * To promote energy efficiency and better environmental practice by Scottish industry, commerce and the public sector | | | | |
| Visits to companies and organisations - | 180 | 65 | 200 | 200 |
| Events organised/participated in - | 90 | 98 | 100 | 100 |
| * To stimulate the development of economically attractive and environmentally acceptable renewable energy technologies. | | | | |

The third Scottish order obliging the Scottish public electricity suppliers to secure further specified amounts of new generating capacity from renewable sources was laid in early 1999.

Evaluation

4.132 Energy policy is made on a UK basis in conjunction with DTI and other territorial departments. DETR monitors and evaluates progress on Energy Efficiency. Activities are also subject to third party evaluation because of increasing development

of partnership activities.

Further Reading

4.133 Scottish Renewables Obligation 3 - SOEID Bulletin Office of Electricity Regulation - Annual Reports Climate Change - The UK Programme

Enquiries

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Table 4.25: Scottish Enterprise: Long-term Capital Projects costing over £2 million

Table 4.26: Highlands and Islands Enterprise: Long-term Capital Projects costing over £250k

5. THE SCOTTISH OFFICE DEPARTMENT OF HEALTH

(Vote 4)

PRIMARY AIM

To improve the health of the people in Scotland by preventing illness, encouraging and maintaining healthier lifestyles, providing care closer to patients' homes, securing hospital services of the highest quality, improving the quality and effectiveness of health care interventions and making effective and efficient use of the available resources.

5.1 The Scottish Office Department of Health comprises the Management Executive of the National Health Service in Scotland and the Public Health Policy Unit. They work through the 15 Health Boards, 3 special Health Boards and 47 NHS Trusts; with general practitioners and others in primary care; and, to promote public health, with other agencies. The aim of improving the health of the people of Scotland has been taken forward, both by tackling unhealthy lifestyles, such as diet, drug, alcohol and tobacco misuse, and by developing the role of primary care within the NHS, by reviewing the acute hospital and other services and continuing the development of care in the community. These developments have been underpinned by the publication of "Designed to Care" and "Towards a Healthier Scotland" which set out the Government's proposals for reform of the National Health Service in Scotland and for the wider public health agenda respectively.

Expenditure Trends

5.2 Details of outturn and planned capital and current expenditure on the health programme in total and for each of the main sub-programmes are provided in **Table 5.1** and illustrated in **Chart 5.2**. Further details of individual sub-programmes are shown in the relevant section. Planned net expenditure in 1999-2000 represents a real terms increase of 3.8 per cent compared with the 1998-99 plan. In 1999-2000 it is estimated that 83 per cent of the gross cost of the NHS in Scotland will be met from general taxation and 11 per cent from the NHS element of the National Insurance contribution. The remainder will come from charges and other receipts.

Table 5.1: National Health Service, Scotland - Cash Plans

Chart 5.2: Health expenditure by main sub programmes (net)

Table 5.3: Population Statistics 1996-2011 (thousands)

5.3 A principal determinant of the growth in demand for health care is the steadily increasing size of the age groups which require higher levels of services. Forecast changes between 1996 and 2011 by population groups are set out in Table 5.3.

5.4 The use made of healthcare services varies markedly according to age. Table 5.4 shows the average expenditure per head on health care in 1997-98 on different age groups. Demographic changes will affect demand for health care. As the proportion of elderly people in the population increases so will demand. Total demand will also be affected by overall changes in the size of the population. The likely effect of demographic changes is shown in Table 5.5, which suggests that over the next 3 years demographic changes will produce additional requirements averaging 0.12 per cent per year.

Table 5.4: NHS Expenditure By Age Group 1997-98

Table 5.5: Additional Expenditure Required to Meet Demographic Pressures

Table 5.6: Targets for 2000

Table 5.7: Primary immunisation uptake rates

Millennium Date Change

5.5 A national co-ordination group has been set up to oversee the NHS in Scotland's progress in meeting the threat posed by the millennium date change. Every health body has been fully briefed and directed on Year 2000 issues and has a strategy and action plan for dealing with the potential problems. Special action teams have been set up to arrange sample testing and to identify how hospitals should tackle estate systems such as lifts and heating systems. A central team is working with medical physicists in hospitals to gather information about medical equipment and information on the compliance of medical equipment is being co-ordinated centrally. The current rate of progress is encouraging and it is expected that over 90% of NHS in Scotland systems will be compliant by early 1999. Exceptions to this are being identified and specific action will be taken to solve the problem or provide an alternative solution. Robust contingency arrangements are being prepared to ensure that any non-compliant equipment will not disrupt patient services.

Improving Health

Overall aim:

5.6 To improve the health of the people of Scotland by preventing illness; by encouraging and maintaining healthier lifestyles; and by tackling inequality.

Expenditure

5.7 Expenditure on improving health is incurred across the whole of the health programme.

Scotland's Health Record

5.8 Key indicators of health status continue to show improvement. Between 1983 and 1997 life expectancy at birth increased from 69.9 to 72.6 and 75.7 to 78.0 for men and women respectively.

Infant mortality fell from 6.2 deaths per thousand live births in 1996 to 5.3 in 1997, the lowest rate ever recorded in Scotland. Nevertheless, despite these general improvements, Scotland's health record continues to compare badly with other western industrialised countries. The Government, therefore, published a Green Paper entitled "Working Together for a Healthier Scotland" in February 1998. The Green Paper sought views on proposals for a new public health strategy to improve health in Scotland and to tackle inequalities in health. The many views expressed during the consultation exercise informed the preparation of a White Paper which was published in February 1999. The current health improvement targets, set out in Table 5.6 below, are being reviewed during the development of the White Paper.

5.9 Following publication of the Government's UK Tobacco Control White Paper in December 1998, a package of measures aimed at reducing smoking prevalence in Scotland will be implemented during 1999 and beyond.

5.10 Good progress continues to be made with the implementation of "Eating for Health: A Diet Action Plan for Scotland". Among the major areas of activity taking place during 1998 were: extending the period of funding for the Scottish Community Diet Project for a further 3 years until September 2001 and awarding the Project additional resources to develop an enhanced programme of work within low income communities; productive discussions with the Meat and Livestock Commission on their current and potential contribution to dietary improvement; and the development by the Scottish Consultative Council on the Curriculum, in conjunction with The Scottish Office Education and Industry Department, of a short practical cookery skills course for all pupils post S2. The Health Education Board for Scotland (HEBS) continues to promote healthy eating, not only through its 'Big 3' campaign (which focuses on the prevention of coronary heart disease, cancer and stroke) but also through a variety of specific initiatives such as the setting up of a community food project data base to promote awareness of effective approaches to tackling food poverty.

Screening and Immunisation

5.11 All women aged between 50 and 64 are offered screening for breast cancer at 3 yearly intervals; and those between 20 and 60 are invited for a smear test for cervical cancer. **Table 5.7** shows the trend in immunisation rates and **Table 5.8** the number of cases of these notifiable diseases recorded over the same period. Uptake of immunisation continues at a high level. In relation to the target that 95 per cent of the child population should be immunised against various diseases, this is being met for diphtheria, tetanus, polio, whooping cough and Haemophilus Influenza B (HiB), and nearly so for measles, mumps and rubella (MMR). There were concerning signs that some parents were reacting in 1998 to media reports questioning the safety of MMR vaccination. The Chief Medical Officer wrote to Health Boards and general practitioners to encourage parents to continue to bring their children forward for vaccination.

Table 5.8: Number of cases of notifiable diseases (all ages) 1978-1997

Drugs, HIV/AIDS, and Alcohol

5.12 In April 1998 the UK White Paper on Drugs "Tackling Drugs to Build a better Britain" was published and Ministers were asked to reflect on its implications for Scotland. As a result, an enhanced drugs strategy framework for Scotland is currently being prepared, which draws together the themes of the Drugs Task Force report, recent Government strengthening of Scotland's drugs strategy and the outcome of current consideration of the UK White Paper.

5.13 Drug Action Teams (DATs) are currently in place in every health board area to facilitate a co-ordinated local response to drug misuse. A policy evaluation of DATs and Alcohol Misuse Co-ordinating Committees (AMCCs) was commissioned in April 1998 and has been completed. The findings have been taken into account in the framing of the Government's enhanced drug strategy "Tackling Drugs in Scotland: Action in Partnership". As well as examining the achievements of the DATs and AMCCs, the evaluation results will be considered carefully with a view to strengthening all DATs and AMCCs.

5.14 The Scotland Against Drugs Campaign has been re-focused to ensure community focus and harness business and media backing for anti-drugs initiatives. A three-year Action Plan is now in place which will promote closer links with local Drug Action Teams. Private sector support continues to be an important element in the campaign, with Drugs Challenge Funding now in its third year. Core funding continues to be given to the Scottish Drugs Forum, the national co-ordinating body for those concerned with drug problems in Scotland.

5.15 HIV/AIDS remains a health priority. Since a number of significant changes have occurred in relation to HIV infection in Scotland, including the epidemiology of the disease, major advances in effective treatment and changes in health education, a Review of HIV Health Promotion was initiated in October 1998. The outcome of the Review is expected in 1999.

5.16 Support continues to be given to the Scottish Council on Alcohol, the national voluntary organisation concerned with developing voluntary services for alcohol misusers in Scotland. The Scottish Office Minister for Health is a member of the Ministerial Group on Alcopops which is continuing to monitor the action being taken by the drinks industry to ensure that alcoholic drinks are not marketed at the very young. The Teenwise Alcohol Project, a pilot-led initiative aimed at reducing underage drinking was launched by The Scottish Office in June 1997. The Initiative has been evaluated by an independent research team and the findings will be disseminated so that successful approaches can be more widely adopted. In October 1997, The Scottish Office convened a national alcohol conference which aimed to identify areas where action to tackle alcohol misuse might be targeted. A Working Group comprising members of the key national alcohol agencies in the field, and chaired by The Scottish Office, was subsequently set up. The Working Group's remit was to examine the conference recommendations and take forward some of the key priorities within a strategic framework. The 1997 Alcohol Conference Action Plan (ACAP) Working Group Report was published in early 1999.

Objectives

5.17 The performance of the Department against key objectives in 1997-98 is shown below

Objectives

Maintain programme of action to reach targets for improving Scotland's health by the year 2000.

Performance

Premature mortality cancer target of 15% now achieved. Further reductions in premature mortality rates from Coronary Heart Disease suggest full target will be met.

Objectives

Performance

Limited further progress towards dental health target for 5 year olds, approximately 43% of this age group now with no cavities, fillings or extractions. Continuing progress in 45-54 age group where now only 17% are without their own teeth.

| | |
|---|--|
| | Progress towards smoking targets disappointing, with increased prevalence rates of 32.1% among 12-24 year olds and 33.5% among 25-64 age groups. |
| | Alcohol consumption levels increased to 25% and 11% exceeding sensible drinking levels for men and women respectively. |
| Support implementation of recommendations of the Diet Action Plan for Scotland and maintain programme of other action and initiatives to facilitate achievement of health targets | Major national activity during 1997-98 included the continued development of the Scottish Community Diet Project to improve the diet of low income communities and the introduction of the Scottish Healthy Choices Award Scheme for all catering interests in Scotland. |
| 95 per cent of the child population to be immunised against diphtheria, tetanus and whooping cough, measles, mumps and rubella, polio and Hib meningitis | Exceeded in all cases apart from vaccinations for mumps, measles and rubella which fell slightly short. |
| Finalise Drugs Task Force recommendations and enable drug and alcohol teams at local level to meet their strategic plans. | Drugs task force recommendations substantially implemented. Evaluation of drug and alcohol teams commissioned. |
| Reduction in numbers of new HIV infections. | Numbers rose slightly in 1997 over 1996; there is no downward trend yet apparent. |

5.18 Objectives and targets for the Department in 1999-2000 are shown below: These targets are being reviewed in the course of the current preparation of the White Paper on improving Scotland's health.

| Priority Objectives for 1999-2000 | Target |
|---|---|
| 40% reduction in coronary heart disease mortality rate for people under 65. | 46 deaths per 100,000 population. |
| 15% reduction in cancer mortality rate for people under 65 | 88 deaths per 100,000 population. |
| Number of women aged between 50 and 64 screened for breast cancer over a 3 year period. | 75% |
| Number of women aged between 20 and 60 screened for cervical cancer. | 80% |
| Reduction in number of people smoking aged between 12 and 24. | 21% of population aged between 12 and 24. |
| Reduction in number of people smoking aged between 25 and 65. | 32% of population aged between 25 and 65. |

| Priority Objectives for 1999-2000 | Target |
|--|--------------------------------|
| Reduction in numbers of people drinking in excess of sensible limits | 12% of population aged over 18 |

| | |
|--|---------------|
| Mothers still breast feeding at 6 weeks | 50% |
| 5 year olds having no dental cavities fillings or extractions | 60% |
| Adults between 45 and 54 with no teeth of their own | Less than 10% |
| Children under the age of 2 who have received MMR and Diphtheria immunisations | Ongoing |

Evaluation

5.19 The Green Paper "Working Together for a Healthier Scotland" proposed a 3-pronged approach to achieving better health through improving life circumstances such as reducing poverty and deprivation, ensuring adequate housing and promoting educational achievement and employment opportunities; discouraging damaging lifestyles, through healthier eating, a reduction in smoking and alcohol consumption and more physical exercise; and tackling specific health topics such as coronary heart disease, cancer, stroke and sexual health, including teenage pregnancy. The majority of over 800 responses to the Green Paper supported this approach. A White Paper is now being prepared. This will emphasise the need for a concerted approach to health improvement, involving collaboration among all the key interests including the NHS, local government, business, voluntary organisations, local communities and individuals. While the overall objective of the new strategy is to improve the health of the population as a whole, the key focus will be ensuring that resources are properly targeted at those who are most disadvantaged and have the greatest needs, thereby ensuring that the highest priority is given to tackling health inequalities.

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Hospital and Community Health Services

(Including NHS Trusts and Cash Limited Family Health Services Expenditure)

Overall aim:

5.20 To develop and reshape hospital services to secure high quality secondary care and tertiary hospital services for the population of Scotland, while providing care closer to patients homes.

Expenditure

5.21 Details of gross and net current and capital expenditure on Hospital and community health services (HCHS) are shown in **Table 5.9.** **Table 5.10** provides a breakdown of NHS Trusts' costs. Receipts from income from sales of surplus land and buildings, charges to private patients, income generation schemes, the processing of blood plasma for Northern Ireland, the handling charges for sales of blood products, antibodies and related products and the repayment of payments made under the Nursing and Midwifery Student Bursary Scheme (Project 2000) are appropriated in aid of the Health Programme. Following the White Paper "Designed to Care" it was decided that Health Boards would be issued with a Unified Budget covering their general allocation, capital charges, general medical services (part), out of hours funding, general pharmaceutical services (part) and their drugs budget. This decision means that some expenditure which was previously shown under Family Health Services now appears under Health Board expenditure.

Table 5.9: Distribution of HCHS Costs

Table 5.10: Distribution of NHS Trusts costs

5.22 **Table 5.11** shows the main capital and current allocations to Health Boards and the Common Services Agency. From within their allocations Health Boards are expected to fund pay and price increases, continue to develop and improve services in line with declared priorities and meet increases in demand. **Table 5.12** shows how the NHS Trusts' external financing limit is derived.

Table 5.11: Estimated current and capital expenditure by Health Boards and the Common Services Agency during 1999-2000

Table 5.12: Estimated capital expenditure by NHS Trusts during 1999-2000

5.23 The Private Finance Initiative (PFI), which explores ways in which the private and public sectors can work in partnership to provide an environment in which the NHS in Scotland can carry out its core function of providing patient care, continues to provide private investment in the NHS in Scotland. To date 28 PFI projects with a capital value of £480 million have been completed or contracts have been signed. In 1998 three major hospital contracts were agreed providing two new District General Hospitals in Lanarkshire replacing the outmoded facilities at Law and Hairmyres Hospitals and a new acute teaching hospital in south east Edinburgh bringing together on one site the services presently provided at the Royal Infirmary of Edinburgh, Simpson Memorial Maternity Pavilion, Chalmers Hospital, City Hospital and Princess Margaret Rose Orthopaedic Hospital. These contracts will provide the NHS in Scotland with three state of the art hospitals for the 21st century. A further 21 projects with a capital value of over £130 million are at different stages of the PFI process. **Table 5.13** shows the forecast value of private sector investment in future PFI projects in the NHS in Scotland. Private investment in the NHS in Scotland through the PFI will continue, provided existing and future projects prove to be affordable to the healthcare planners, offer value for money to the taxpayer and provide the people of Scotland with real healthcare improvements. However, it has been demonstrated that PFI is not suitable for all projects and public sector capital will continue to be made available.

Table 5.13: Forecast capital spending by the private sector as a result of PFI deals

Table 5.14: Community activity indicators

Table 5.15: Hospital and community workload statistics

Activity

5.24 The number of inpatients treated has risen steadily over the last 10 years. The increase in day case activity in the acute sector, combined with the transfer of former long stay patients to more appropriate care in the community, has resulted in a reduced requirement for staffed beds. Community health service activity also reflects changes in practice. The reduction in health visitor cases and visits is offset by the introduction of practice nurses, the changing focus towards health promotion and better use of health clinic facilities rather than home visits. Home nurse activity has been increased with a greater emphasis on home care for client groups and community dental activity has been reduced because of a greater reliance on the services provided by general dental practitioners. Tables 5.14 and 5.15 show changes in activity since 1985.

Improving Quality

5.25 Progress has continued in improving the way in which services are provided for patients. This work has been taken forward locally, mainly by Health Boards and NHS Trusts. Particular attention has been paid to reducing waiting times. Patient activity and waiting times figures for March 1998 continue to confirm an increase in discharges and a reduction in waiting times. In particular it showed that on 31 March 1998, no patient with a Patient's Charter guarantee waited more than 12 months for inpatient or day case treatment. *'The NHS in Scotland Annual Report 1997-98'*, includes information on waiting times standards and guarantees, cancellation rates, complaints and ambulance response times. This Annual Report contains much of the detailed information previously shown in the Departmental Report. In addition each Health Board and NHS Trust produces its own annual report.

5.26 The Management Executive encourages the development and use of indicators of clinical care to stimulate discussion aimed at improving clinical effectiveness. As part of this policy drive, the Clinical Outcomes Working Group of the Clinical Resource and Audit Group (CRAG) has now published 6 reports, the most recent in March 1998. These reports lead the way in making public information about clinical outcomes across Health Boards and NHS Trusts. An important component of the emphasis on raising standards is clinical audit, by which clinicians review their work to ensure best standards. CRAG has contributed to its development by encouraging participants, funding projects and disseminating results. Outputs from nationally funded projects are being implemented and closer links developed with Health Boards and NHS Trusts on issues of clinical quality assurance. The Scottish Intercollegiate Guidelines Network, a professionally led initiative funded by the Department, has a major work programme developing clinical guidelines which seeks to ensure the availability of comprehensive guidance

on important clinical topics.

5.27 National specialist services are provided in designated centres for the whole of Scotland. Those funded centrally are paediatric cardiac surgery, heart transplantation, heart/lung transplantation, liver transplantation, brain injury rehabilitation, spinal injuries, adult cystic fibrosis, cochlear implantation, molecular genetics, domiciliary ventilation, treatment of pulmonary vascular hypertension, reference laboratories, and a range of small-scale national services. A National Services Advisory Group provides advice on the services which should be commissioned on a national basis.

5.28 The Government's policy on care in the community aims to develop community based services for frail elderly people; for those who are mentally ill; and who have physical or learning disabilities. The Framework for Mental health Services in Scotland, published in 1997 set out the requirements for comprehensive mental health services. The Scottish Office established in late 1998 a review of policy for the care of people with a learning disability. In January 1999, The Scottish Office published its policy on The Care and Treatment of mentally Disordered Offenders, and announced a review of the Mental Health (Scotland) Act 1984.

Trends in Productivity

5.29 The index of productivity relates changes in the output of HCHS to changes in the costs of providing these services, and provides a broad measure of the extent to which improvements have been made in the efficiency with which resources are used. Estimates of the growth in the output of HCHS take account of the following measures of patient activity; inpatient discharges and day cases; new attendances at outpatient clinics; attendances at Accident and Emergency departments; attendances at day hospitals; and contacts with community services.

Chart 5.16: HCHS: Output, Expenditure and Productivity

5.30 The trends in output, costs and productivity between 1991-92 and 1997-98 are shown in **Chart 5.16**. Over this period patient activity has increased by 19.8 per cent, an average annual growth of 3.1 per cent. The total costs of these services (after allowing for inflation) increased by 10.1 per cent, an average annual rise of 1.7 per cent. The output of HCHS has therefore grown more rapidly than the costs of providing these services, and as a result productivity has improved at an average annual rate of 1.5 per cent. Between 1996-97 and 1997-98 productivity increased by 2.1 per cent.

5.31 The measurement of trends in efficiency in HCHS should be interpreted with some care. In recent years there have been changes in methods of measuring and recording expenditure on services and this may have affected some of the trends. In some respects the estimated trend may understate the improvements that have taken place in efficiency. For example, this measure of efficiency takes no account of improvements that occur over time in the quality and effectiveness of health care and treatment. Nor does this measure take account of services such as health promotion that provide a valuable service but do not yield an output which is readily measurable.

Hospital Unit Costs

5.32 **Chart 5.17** shows the trends in the unit costs of some of the key hospital services between

1991-92 and 1997-98. Again, these costs have been adjusted to take account of inflation. In the acute sector the average cost of treating inpatient and day cases fell by 1.8 per cent per annum over this period. The average cost per birth in maternity services has fallen since 1991-92

.Chart 5.17: Unit Costs by Programme of Care

5.33 In services for the mentally ill, people with learning disabilities and long stay services for elderly people, the average cost per inpatient week has risen significantly in real terms between 1991-92 and 1997-98. Again, these measures of trends in unit costs have to be treated with some caution. The trends may be influenced by changes in methods of allocating costs between different services and by changes in the type of patients being cared for in hospital.

NHS Staff

5.34 Achievement of the Government's objectives for health depends on the skill and commitment of those who work in the NHS. Expenditure on manpower is approximately 70 per cent of the revenue expenditure of HCHS. The number of staff employed in 1997 was just under 136,000.

5.35 The number of medical staff increased from 6,014 in 1989 to 7,441 in 1998. The figure in 1998 represented a 0.09% decrease on the previous year. In 1998 there was an increase of nearly 1.8% in the number of hospital consultants over the

previous year. The number of Specialist Registrar grades, formally launched in April 1996, has risen to from 341 in 1996 to 959 in 1998. This represents a rise of 11.6% on the previous year. (All numbers are whole time equivalents that have been rounded).

5.36 The NHSiS Human Resources Strategy "Towards a new way of working" recognised the unique nature of the NHSiS workforce and requirement to shape employment practice to provide the best opportunity to recruit and retain staff. In partnership with the Service, Health Service trade unions and professional organisations we are developing equal opportunities, including disability and race, and family friendly policies which incorporate support for flexible working, job share and flexible child care arrangements. These policies will aim to achieve a consistent approach across all sectors of the NHSiS in line with the governments values of fairness, equity and equality.

Physical Environment

5.37 NHS Trusts continued their efforts to ensure that their estate was used efficiently and to provide an appropriate quality of health care facilities to complement and support the provision of quality health care.

5.38 Against a national target to improve energy efficiency by reducing volume consumption, climatically adjusted, by 1.5 to 2 per cent per year, a 4.3 per cent saving was achieved in 1997-98. This contributes to an improvement in volume consumption of 26 per cent over the past twelve years and brings the NHSiS to within 4% of the maximum target reduction to be achieved by the year 2000-01.

5.39 The performance of the Department against key objectives in 1997-98 is shown below:

| | |
|---|--|
| Health Boards' corporate contracts for 1998-99 reflecting national priorities. | All Health Boards' corporate contracts signed-off by September 1998. |
| Planning strategies of Health Boards and GP fundholding partners linked and reflecting national priorities. | Purchasing strategies no longer required following the introduction of Health Improvement Programmes (HIPs). Draft HIPs examined to ensure national priorities reflected and comments provided to Health Boards as appropriate |
| Strategies developed by Health Boards by March 1998 for comprehensive community based mental health services. | The Framework for Mental Health Services in Scotland was published in September 1997. Each Health Board in Scotland has been developing its mental health strategy in the light of the Framework and in consultation with local authorities users, carers, other agencies and The Scottish Office. |
| No-one with a guarantee waits over 12 months for inpatient treatment and 75% of people waiting less than 9 weeks for first outpatient appointment by 31 March 1998. | At 31 March 1998, no patient had waited longer than 12 months for inpatient/day case treatment and 69.3% of patients were waiting less than 9 weeks for their first outpatient appointment. |
| Delivery of Common Core Work Programme planned for 1997-98. Ensure each Board develops and implements local protocols for at least 2 clinical guidelines published in 1997-98 | 11 clinical guidelines were published by the Scottish Intercollegiate Guidelines Network. An Implementation Sub-group has been established to support and monitor implementation of guidelines. |
| Provision of care in the community for all reductions in NHS provision agreed between Health Boards and local authorities. | This is a continuing objective. It was achieved in 1997-98, reflected in an increase in resource transfer from the NHS in Scotland to local authorities to over £80 million |
| To ensure that community services are in place before any long stay hospital is closed . | This is a continuing commitment. It has been achieved. Ministerial approval for closure of a hospital is not given until Ministers are satisfied alternative services are, or will be, in place. |
| Health Boards' management costs no more than £10 per head of population by March 1998. | The average expenditure on management costs over the year was £11 per head, however the full year effect of the efficiencies achieved is expected to deliver the £10 target. |

5.40 Objectives and targets for the Department in 1999-2000 are shown below:

| Priority Objectives for 1999-2000 | Target |
|---|---|
| Patients with a guarantee waiting less than 12 months for inpatient/day case treatment. | 100% |
| Patients waiting less than 9 weeks for first outpatient appointment. | 75% |
| Patients on in-patient/day case waiting list. | To reduce the inpatient/day case waiting list to below 84,649 by 31 March 1999 and below 75,000 by 31 March 2002. |

| Priority Objectives for 1999-2000 | Target |
|--|---------------|
| Ambulance response times: | |
| 21 minutes for areas with less than 0.5 people per acre. | 95% |
| 18 minutes for areas with between 0.5 and 3 people per acre. | 95% |
| 14 minutes for areas with more than 3 people per acre. | 95% |

Evaluation

5.41 In December 1997 the Government published a White Paper "Designed to Care" which set out significant changes to the way the National Health Service in Scotland will operate. The proposals put the quality of clinical care at the centre of the National Health Service's activity, abolishing the internal market and introducing a partnership approach to delivering health care. In particular, the number of National Health Service Trusts is to be reduced from 47 to 28 from 1 April 1999. The Trusts will be of 2 kinds - Acute Hospital Trusts and Primary Care Trusts, the latter planning and managing primary and community health services. The emphasis on quality was also signalled by the announcement in "Designed to Care" of the Government's intention to introduce clinical governance into the NHS in Scotland. Guidance on the implementation of clinical governance was issued in November 1998. In addition, the Acute Services Review led by the Chief Medical Officer was established, reporting in June 1998. Its proposals include the establishment of a "Clinical Standards Board for Scotland" to provide reassurance that quality is maintained throughout the National Health Service in Scotland. These initiatives will be implemented progressively. Some of them require legislation.

5.42 Community services are provided increasingly in collaboration with local authorities. The Framework for Mental Health Services in Scotland, published in September 1997, has set the basis for comprehensive mental health strategies across Scotland.

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Family Health Services

Overall aim Context

5.43 To meet all reasonable demand for primary care services of high quality.

5.44 Demand-led expenditure on FHS allows for marginal but steady increase of approximately 1 per cent per annum in the number of doctors and dentists. It also reflects pressures arising from the demographic shift towards the elderly, more patients being treated in the community as part of the primary care-centred NHS and new drugs and dental treatments.

Expenditure

5.45 A breakdown of expenditure on the Family Health Services (FHS) is shown in **Table 5.18**. Receipts from the sale of pre-payment certificates for prescription charges, prescriptions, pharmaceutical, dental and optical charges, rebates from manufacturers under the pharmaceutical price regulation scheme and rents of doctor's houses are appropriated in aid of the Health Programme. The introduction of the Unified Budget has resulted in some changes to the expenditure figures for past years, see paragraph 5.21.

5.46 The NHS (Primary Care) Act 1997 was the result of wide ranging consultation on the future development of primary care. Professionals in the field strongly supported the idea of increasing local flexibility through piloting and evaluating new arrangements aimed at improving services and reducing bureaucracy. Seven pilots are now working to promote access and reduce inequalities in primary care, through local contracting. A similar programme is under way on dental services. Four personal dental services pilots have been approved for implementation in Scotland. It is envisaged that they will commence in 1999.

Table 5.18: Distribution of Family Health Service costs

5.47 The Scottish Dental Access Initiative was introduced in 1997 to improve equity of access to NHS dental services. This is done by providing grants to dentists to set up or expand NHS practices or to return from a career break to work in an NHS practice in areas where there is unmet demand by patients for NHS dentistry. In October 1998, the grant criteria were extended to encourage NHS dentists to increase patient registrations in areas of high oral health need.

5.48 NHS dental capitation payments for children in deprived areas were enhanced with effect from April 1998, in return for which dentists will be expected to undertake increased oral health promotional activity. The scheme will cover all children aged 0-2 years, with a sliding scale of enhancement to recognise the greater challenge faced by dentists in more deprived areas, and 3-5 year olds with the highest caries levels.

Objectives

5.49 The performance of the Department against key objectives in 1997-98 is shown below:

| Objective | Performance |
|--|---|
| Reduce the rate of increase of the drugs bill by meeting indicative prescribing budgets. | Indicative prescribing budget overspend was 1% compared to 0.4% in 1996-97. The drugs bill increased by 9.6% compared to 9.0% in 1996-97. |
| 50% of the population covered by GP Fundholding. | This was overtaken by the Government's decision to abolish fundholding. |
| 65% of children registered with a dentist by 31 December 1997. | 69% |

5.50 Objectives and targets for the Department in 1999-2000 are shown below:

Priority Objectives for 1999-2000

Target

Establish Primary Care Trusts to integrate service delivery.

1 April 1999

Develop Local Health Care Co-operatives (LHCCs) as clinically led networks focused on improving services, quality and standards.

No target - local arrangements for set up to ensure LHCCs are suited to local needs.

All NHS computer systems to be using the Community Health Index (CHI) number.

31 March 2000.

Evaluation

5.51 The Government's White Paper, 'Designed to Care', proposes that primary care will be strengthened through the creation of Primary Care Trusts from 1 April 1999. They will be responsible for all primary health care including community hospitals, mental health services and learning disability services as well as networks of general practices in Local Health Care Co-operatives. These Co-operatives, which will play a key role in Primary Care Trusts, will replace GP fundholding, which will be brought to an end. Primary Care Trusts will lead discussions on the Joint Investment Funds, which will be established to support agreements between primary and secondary clinicians on changes in the clinical settings in which care is delivered and on priorities for quality improvements. Primary Care Trusts will also need to work closely with those responsible for social work services and housing.

Enquiries

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e mail: Agnes.Robson@Scotland.gov.uk

Other Health Services Including Welfare Foods

Overall aim:

5.52 To support the work of the NHS in Scotland by providing services on a national basis.

Expenditure

5.53 A breakdown of expenditure on Other Health Services (OHS) is shown in Table 5.19 below.

Table 5.18: Distribution of Family Health Service costs

5.54 Expenditure on OHS includes the Health Education Board for Scotland, the National Board for Nursing, Midwifery and Health Visiting for Scotland, The National Centre for Training and Education in Prosthetics and Orthotics, Welfare Foods, Research and Training. A wide range of voluntary organisations in the health field receive grants under Section 16B of the National Health Service (Scotland) Act 1978 when their objectives correspond with the policies and priorities of the NHS in Scotland and their expertise and activities can complement the services it provides.

Research

5.55 Research and Development has a vital role to play in underpinning clinical and management decisions in the NHS. A strategy for improving the scope, relevance and quality of R & D in Scotland was first published in 1993 and revised and re-launched in 1998. The Chief Scientist's Office, which forms part of the Department, is responsible for developing and implementing this strategy. The research budget of £11 million supports a wide range of projects and is particularly focused on the clinical priority areas of mental health; coronary heart disease and stroke; and cancer.

5.56 A single funding stream for research undertaken in the NHS was introduced in 1998-99 with the aim of supporting work which was of the greatest value to the health service, whilst realising improved transparency and accountability. Following a

new and rigorous application process, £28 million of support funding, previously distributed through Additional Cost of Teaching (Research) Funding, was allocated to 28 Trusts and GP Practices with awards ranging from £5,000 to £4.6 million.

Health Education

5.57 The Health Education Board for Scotland (HEBS) has a key role in delivering the health education effort in pursuance of the targets for improving Scotland's health set out in **Table 5.6**. The current priority areas for HEBS are coronary heart disease, stroke, cancer, smoking, alcohol and drugs misuse, HIV/AIDS, mental health, accident prevention, dental and oral health and inequalities in health. These are being reviewed, however, in the light of the responses to the Green Paper, "Working Together for a Healthier Scotland". HEBS, in collaboration with Health Boards and other relevant interests, will undertake a wide range of campaigns and programmes and, through its health information services and education, training and research services, give a lead to the health education effort in Scotland.

Welfare Foods

5.58 Provision for Welfare Foods forms part of the social services provided by the Government for families receiving social security benefits. It is demand led and the GB Health Departments have joint responsibility for the scheme. Eligible families receive liquid milk or infant formula and free vitamins.

Objectives

5.59 The performance of the Department against key objectives in 1997-98 is shown below:

| Objective | Performance |
|---|---|
| To implement new funding arrangements for research and development in Boards and Trusts. | A bidding process for R&D support funds was introduced; bids received and evaluated; and successful Trusts and GP Practices awarded funding for 1998-99. |
| 5.60 Objectives and targets for the Department in 1999-2000 are shown below: | |
| Priority Objectives for 1999-2000 | Target |
| To help ensure adequate nutrition for certain vulnerable categories of person. | To provide milk, infant formula and vitamins to families with children under 5 who are in receipt of Income Support or income based Job Seeker's Allowance. To provide milk for children under 5 in approved day nursery care. To provide milk for disabled children aged between 5 and 16 who are unable to attend school. To provide infant formula at a reduced price to families in receipt of Family Credit. |
| To encourage and maintain healthier lifestyles through effective health education initiatives | To undertake a range of health education activity, including campaigns, programmes and the provision of information services, covering Scotland's health priorities. |

Evaluation

5.61 The use and effectiveness of R&D Support Funds released to NHS Providers will be measured on a 6 monthly basis through the mechanism of performance targets. The newly introduced process for the consideration of applications and the allocation of funds will be formally reviewed during the course of the financial year. An evaluation of the drug and alcohol misuse co-ordinating structures on the ground throughout Scotland was completed in 1998 and will inform the production of an

enhanced drug misuse strategy for Scotland in 1999.

Enquiries:

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Further Reading

Designed to Care, The Scottish Office 1997.

Towards a Healthier Scotland, The Scottish Office 1998.

Tackling Drugs to Build a Better Britain

Research Strategy for the National Health Service in Scotland, The Scottish Office 1998.

Eating for Health: A Diet Action Plan for Scotland, The Scottish Office 1996.

National Health Service in Scotland Annual Report 1997-98, The Scottish Office 1998.

Working Group on the Clinical Resource and Audit Group.

6. THE SCOTTISH OFFICE HOME DEPARTMENT

(Vote 5)

OVERALL AIM

To develop and implement policies which promote quality of service and value for money in the protective services, the wider criminal justice system, and social work services.

The Work of the Department

6.1 The Scottish Office Home Department is responsible for police, fire and social work services, criminal justice policy and civil law matters. The Scottish Prison Service is an Executive Agency within the Department. The main tasks of the Department are to:

- provide support and advice to Ministers in relation to these services and policy areas;
- develop policies and programmes to enhance public protection by reducing crime and improving the protective services;
- implement reforms of the Scottish Criminal Justice system; promote responsive and economical provision of social work services taking account of changes in the pattern of need.

Objectives

6.2 The performance of the Department against key objectives in 1997-98 is shown below.

| Objectives | Targets | Performance |
|---|--|---|
| Secure the passage of the Crime and Punishment (Scotland) Bill | By April 1997. | Achieved. |
| Provide for the deployment of 500 additional police officers. | 500 additional officers on operational duties by March 1998. | Forces exceeded target with total staff numbers (police and civilians) rising by 896. |
| Implement the Children (Scotland) Act 1995. | Publication of all relevant regulations and guidance by 1 April 1997 and follow up thereafter. | All regulations and guidance published by due date. Monitoring and Evaluation of the Act underway. |
| Development of social work services in the criminal justice system. | Courts enabled to make up to 6,000 probation and 6,300 community service orders; extension of supervised attendance orders to cover the whole of Scotland by April 1998. | Provision was made available. Outturn: 5,339 probation orders, 6,862 community service orders. Supervised attendance order extended to all courts except Glasgow District (October 1998). |

Table 6.1: Law, Order and Protective Services and Social Work Services: Net ProvisionExpenditure Summary

6.3 Programme objectives and targets for 1999-2000

Objectives

Ensure implementation of the criminal legal assistance provisions of the Crime and Punishment (Scotland) Act 1997.

Produce a report for the new Scottish Parliament on the structure of police forces and fire brigades in Scotland

Develop a challenge competition for community safety initiatives.

Development of criminal justice social work services.

Targets

Assess impact of fixed payment system by 31 March 2000.

Complete consultation process and submit report to Scottish Parliament.

Announce results of competition and grants to approved projects.

Courts enabled to make up to 6,400 Probation orders, 7,400 community service orders and 4,300 supervised attendance orders. Piloting of Drug Treatment and Testing Orders and Electronic Monitoring. Establish Criminal Justice Development Centre.

6.4 The Scottish Office was successful in 4 bids to be funded under the **Invest to Save Budget** which was part of the Comprehensive Spending Review outcome. The 4 bids which had a combined value of £2 million are as follows:-

- The Scottish Legal Database (£0.21m): A pilot project creating a database enabling electronic access within the public sector to civil and criminal legislation, statutory instruments, case law and guidance and policy documents. The project will considerably reduce the time to retrieve and analyse legal information.
- Early Intervention with young offenders (£0.45m): A pilot programme using multi-agency teams to identify young people at risk of offending and drawing up action plans to reduce this risk. The aim is to work with children and their families to reduce offending rates and the number of young people in residential care.
- Integrated approach to community care services (£0.98m): This project will integrate the planning, commissioning and delivery of health and social services for community care clients. This will provide a more flexible range of services to clients in their homes.
- Integration of Probation and Employment Services for Offenders (£0.45m): This is multi-agency pilot programme, based in Glasgow, designed to provide an individualised programme as part of a probation order. It will challenge offending behaviour and offer the offender opportunities to develop and maintain an economically independent lifestyle. The aim of the programme is to reduce the number of prison sentences and re-offending rates.

Legal Aid

Overall aim

6.5 To ensure access to legal aid for those people who could not otherwise afford it, and the provision of an efficient and effective service to everyone who qualifies.

Context

6.6 Legal aid in Scotland is administered by the Scottish Legal Aid Board which is a non-departmental public body. The Board derives in general powers and functions from the Legal Aid (Scotland) Act 1986, and is responsible for the award of legal aid in all cases except some children's cases and solemn criminal, which are decided by the courts; and for the settlement of all accounts.

Performance against previous objectives (1997-98)

| Objective | Target | Performance |
|--|--|---|
| For the Department - Ensure implementation of the criminal legal assistance provisions of the Crime and Punishment (Scotland) Act 1997. | Consult interested parties on fixed payments by 31 March 1998. | Revised consultation period from October-December 1998. |
| Update and rationalise legal aid regulations. | Timeous uprating of benefits changes. | Regulations updated in Spring 1998. |

| | | |
|---|--|---|
| Develop proposals on civil legal aid. | Develop proposals by Autumn 1997, after due consultation. | Consultation exercise ended August 1998. Responses currently being considered. |
| For the Board - To initiate the pilot project proposed in the Crime and Punishment (Scotland) Bill for direct employment of solicitors to provide criminal legal assistance. | 31 March 1998. (Subsequently agreed with Department to delay implementation until 1 October 1998 to allow new Administration to consider this issue.) | Pilot Public Defence Solicitors' Office opened on 1 October 1998. |
| To draft a code of practice for solicitors providing criminal legal assistance. | Secretary of State approval by 31 March 1998. | Approved by Secretary of State on 2 March 1998. Came into effect on 1 October 1998. |

Performance of the Scottish Legal Aid Board against previous objectives

| | 1997-98 Target % | 1997-98 Performance % |
|--|------------------------|-----------------------------|
| Assessment of | | |
| Civil Applications Within 6 weeks | 92 | 86 |
| Civil Accounts Within 4 weeks | 83 | 82 |
| Criminal Applications Within 5 days | 85 | 81 |
| Criminal Accounts Within 2 weeks | 80 | 82 |
| Advice and Assistance Applications Within 5 days | 83 | 80 |
| Advice and Assistance Accounts Within 2 weeks | 90 | 92 |

Programme objectives and targets for 1999-2000

| Objective | Target |
|--|--|
| For the Department - Ensure implementation of the criminal legal assistance provisions of the Crime and Punishment (Scotland) Act 1997. | Assess impact of fixed payment system by 31 March 2000. |
| Develop proposals on civil legal aid. | Introduce pilot schemes to employ solicitors to train Citizens Advice Bureau staff by 31 March 2000. |
| Update and rationalise legal aid regulations. | Timeous uprating for benefits changes. |
| For the Board - Improve the effective delivery and quality of financial services. | Introduction of new internal financial systems. |
| Enhance staff's ability to improve business processes. | Establish a comprehensive management information system. |

6.7 Specific targets for the Board, including the handling of applications and claims, are set out in the Board's Corporate Plan for 1998-2001.

Evaluation

6.8 The Public Defence Solicitors' Office will be evaluated through The Scottish Office Central Research Unit.

Further reading

Annual Report 1997/98 and Corporate Plan 1998-2001 of the Scottish Legal Aid Board are available from the Board.

Legal Aid (Scotland) Act 1986.

Crime and Punishment (Scotland) Act 1997.

Access to Justice Beyond the Year 2000, available from the Division.

Draft Criminal Legal Aid (Fixed Payments) (Scotland) Regulations 1998.

Code of Practice for Criminal Legal Assistance 1998, available from the Board.

Enquiries

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Criminal Injuries Compensation

Overall aim

6.9 To pay compensation for personal injuries attributable to crimes of violence.

Context

6.10 The Criminal Injuries Compensation Board administers the 1990 Criminal Injuries Compensation Scheme which is based on common law damages. A replacement tariff-based scheme, which is administered by the Criminal Injuries Compensation Authority, was introduced on 1 April 1996. Outstanding cases under the 1990 scheme should be dealt with by March 2000 when the Criminal Injuries Compensation Board will be wound up. Until then the two schemes will operate side by side.

6.11 Performance against previous objectives (1997 - 98)

| Objective | Target | Performance |
|--|------------------------------|---|
| To monitor the 1996 tariff scheme and meet all settled claims for compensation, within budget, for personal injuries attributable to crimes of violence. | Expenditure within provision | Larger than anticipated payments are being paid in respect of the remaining 1990 scheme cases, which may result in overall provision being exceeded. Expenditure is within budget for the 1996 tariff scheme. |

6.12 The Criminal Injuries Compensation Board and the Criminal Injuries Compensation Authority aim to deal with applications as effectively and expeditiously as possible. Table 6.2 shows performance in Scottish cases.

Table 6.2: Criminal Injuries Compensation Scheme: Indicators for Scotland

6.13 Programme objectives and targets for 1999-2000

| Objective | Target |
|--|-------------------------------|
| To continue to monitor the tariff-scheme and meet all settled claims for compensation within budget. | Expenditure within provision. |

Evaluation

6.14 This area was subject to a major policy review and evaluation which resulted in the introduction of the tariff scheme on 1 April 1996. Future evaluation will concentrate on monitoring the performance of the new scheme to ensure that targets are reached within provision.

Further reading

6.15 Criminal Injuries Compensation Authority - Annual Report 1997/98

Criminal Injuries Compensation Board - 32nd Annual Report

Criminal Injuries Compensation Appeals Panel - Annual Report 1997/98

Enquiries

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Scottish Prison Service

Overall aim

6.16 To keep in custody those committed by the courts, to maintain good order in each prison, to care for prisoners with humanity and to provide prisoners with a range of opportunities to exercise personal responsibility and prepare for release.

Context

6.17 The average daily prisoner population has continued to rise throughout the 1990s, to 6,059 in 1997-98. Population projections, taking account of the upward trend in the number of remand prisoners and adult sentenced prisoners, suggest that the prison population may reach 6,200 in 1999-2000.

6.18 Establishments have continued to make progress against SPS objectives despite the operational pressures generated by increases in prisoner numbers. Secure custody remains the Service's top priority and this is reflected in the fact that security targets were again fully met in 1997-98 with a sustained significant reduction in escapes. Good order was also maintained and comprehensive security standards and audit systems were developed to assist in fulfilling our primary obligation to the public. The target for cost per prisoner place was again met.

6.19 Progress has been made across a range of initiatives in 1998. Random Mandatory Drug Testing (MDT) has completed its first full year of operation. An increased emphasis is being placed on the development of effective prisoner programmes to address offending behaviour and on a more structured approach to needs and risk assessment.

6.20 Refurbishment throughout the estate continued, and plans developed for expanding capacity to cope with increased prisoner numbers.

Expenditure.

6.21 Table 6.3 sets out expenditure and operational statistics, and Table 6.4 the long term capital projects costing over £500,000 which are currently in progress or due to start in the financial year 1999-2000.

Table 6.3: Expenditure and Operational Statistics for Scottish Prison Service

Table 6.4: Prisons long term capital projects

6.22. Performance against previous objectives (1997-98).

| Objective | Targets | Performance |
|---|----------------|---|
| No Category A prisoner should escape. | | Target met. |
| The number of escapes by Category B prisoners should be no higher than 1.7 per 1,000 prisoners. | 11 escapes | Target met. There was only one escape. |
| The number of escapes by Category C prisoners should not exceed 2 per 1,000 prisoners. | 12 escapes | Target met. There were no escapes. |
| The number of serious assaults on staff should be no more than 3 per 1,000 staff. | 14 assaults | Target not met. There were 18 assaults. |
| The number of serious assaults on prisoners should be less than 1996-97 outturn. | 127 assaults | Target met. There were 108 assaults. |

| Objective | Targets | Performance |
|---|-----------------------------------|--|
| To ensure that 450 prisoners have completed a cognitive skills programme and 70 prisoners have completed a sex offender programme during 1997-98. | 450 cog skills 70 sex offender | Target met. 635 completed a cognitive skills programme. 91 completed a sex offender programme. |
| To keep costs within £28,317 per place available for use. | £28,317 | Target met. £26,170. |
| To reduce the average number of days lost per person per year through staff sickness to 15. | 15 days | Target met. |

Programme objectives and targets for 1999-2000

6.23 The performance measures and targets for 1998-99 were published in the SPS Corporate Plan. Performance measures and targets for 1999-2000 will be announced by the Secretary of State by the end of May 1999.

Evaluation

6.24 The SPS Efficiency Plan continues to generate efficiency gains to enable the Service to live within running costs limits. The implementation of the new staffing structure began in April 1995. Management layers were reduced and staff reassigned from grades to roles based on specific operational needs.

Further reading

6.25 Scottish Prison Service Annual Report for 1997-98.

Enquiries

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Calton House, 5 Redheughs Rigg, Edinburgh
EH12 9HW Tel No. 0131 244 8660

Police

Overall Aim

6.26 To ensure that the police service is structured effectively and has the necessary powers and guidance, and appropriate resources (including centrally-funded services), for the discharge of its functions.

Context

6.27 The Government's approach to preventing crime in the community is underpinned by a new community safety strategy which encourages police forces and local councils to work together to create safer communities through partnership, and the setting of targets to reduce levels of crime. Funding continues to be available for the extension of CCTV coverage. Other community safety measures have also been introduced in the Crime and Disorder Act 1998. These include Anti-Social Behaviour Orders, which will prevent a person behaving in a way likely to cause alarm or distress in the community; and Sex Offender Orders which, where necessary, will be applied for against anyone with a conviction for a sex offence in order to protect the public from any serious harm. The Government has acted to ban all handguns and is considering what further controls on firearms might be necessary. The Government's objective of an effective and efficient police service is being met by relieving the police of unnecessary burdens, partly through the use of new technology, and by maximising the number of officers on the beat. The Government's Best Value approach is being implemented by the police service.

Expenditure

6.28 Table 6.5 shows details of police expenditure.

Table 6.5 Police Expenditure

PERFORMANCE AGAINST PREVIOUS OBJECTIVES - 1997-98

| Objective | Target | Performance |
|---|--|---|
| Provide for deployment of 500 additional police officers. | 500 additional officers on operational duties by March 1998. | Forces exceeded target with total staff numbers (police and civilians) rising by 896. |
| Develop further crime prevention measures. | Implement initiatives identified by the Scottish Crime Prevention Council. | Initiatives approved by the Council developed and implemented. |
| Run the second round of the CCTV Competition. | Award grants to CCTV projects approved by Ministers. | 30 projects with total grant value of £1.9m awarded. |
| Develop police IT strategy. | Strategy implementation to begin in 1997-98. | Team established and database procured. |
| Introduce "Livescan" fingerprint system. | System introduced in April 1997. | Livescan successfully introduced in 31 key police stations in Scotland. |

PROGRAMME OBJECTIVES AND TARGETS FOR 1999-2000

| Objectives | Targets |
|---|--|
| Produce a report for the new Scottish Parliament reviewing the structure of police forces in Scotland. | Ensure that the police service is adequately resourced, appropriately advised, has the necessary powers and is properly trained to meet its responsibility to deal with crime, and to prevent crime. |
| Develop a challenge competition for community safety initiatives promoting partnerships between police and local authorities. | Announce results of competition and grants to approved projects. |

Objectives

Introduce arrangements for extended access to criminal record checks for employment vetting and other purposes under Part V of the Police Act 1997.

Introduce improved procedures for dealing with intimidated and vulnerable witnesses.

Targets

Complete the planning process and determine arrangements for phased implementation.

Implement agreed recommendations of "Towards A Just Conclusion" report, following consultation.

6.29 Table 6.6 shows that the number of crimes recorded by the police fell for the sixth successive year.

Table 6.6 : Crimes and Offences recorded and cleared up.

Table 6.7 : Crimes and Offences recorded and percentage cleared up by police force area for 1997.

Chart 6.1: Crimes recorded by the Police, 1992 - 1996 6.30

Chart 6.1 illustrates the different categories of crime recorded by the police for the past 5 years. Table 6.7 shows by police force the total number of crimes and offences by category and crime clear up rate.

Evaluation

6.31 Key policy changes and crime prevention initiatives are evaluated. Recently published examples and other relevant publications are given below.

Further reading

Her Majesty's Chief Inspector of Constabulary for Scotland Annual Report for the Year Ended 31 March 1997 (Cm 4054, 1998)

The Scottish Office Central Research Unit Does Closed Circuit Television Prevent Crime? (April 1997)

The Scottish Office "Measure for Measure" A Guide to Monitoring and Evaluation of Crime Prevention Initiatives (April 1997)

Enquiries

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Fire Services

Overall aim

6.32 To ensure the fire service is structured effectively and has the necessary powers and guidance, and appropriate resources (including centrally provided services), for the discharge of its functions.

Context

6.33 The fire service is operated by 2 brigades reporting to their councils as fire authorities and by 6 brigades reporting to joint boards (comprising up to 12 fire authorities). The number of calls attended by brigades has reduced in recent years (mainly due to a big fall in the number of malicious false alarms). Fire prevention work, on the other hand, has increased and has been largely responsible for cutting fire deaths from 127 in 1993 to 87 in 1997-98. It is intended that fire authorities will be given a new duty to promote community fire safety, to strengthen the impetus to reduce fire casualties.

Table 6.8 below provides information about fire service operations and staff in post.

Table 6.8 Fire Service Operations and Personnel

Table 6.9 Fire Service Expenditure

Expenditure Table 6.9 below provides details of Central Government and local authority spending on the fire service.

Performance against previous objectives (1997-98)

| Objectives | Targets | Performance |
|--|--|--|
| Promote effectiveness of the fire service. | Ensure that the fire service is adequately resourced, appropriately advised and properly trained to meet its firefighting and other emergency responsibilities, and promote fire safety. | The number of personnel increased by 137 (1.6%); fire deaths fell by 15 (15%). |
| Pursue establishment of real fire training facility for the Scottish Fire Service Training School. | In place by March 1998. | Achieved in May 1998. |

Programme objectives and targets for 1999-2000

| Objectives | Targets |
|---|--|
| Promote effectiveness of the fire service. | Conclude consultation exercise on future structure of fire service. Further develop Best Value process for fire service. |
| Ensure necessary powers available and guidance given to fire service. | Review legislation on fire safety in non-domestic premises. Give guidance as required. |

Evaluation

The fire service is evaluated annually by HM Inspectorate of Fire Services.

Further reading

Fire Statistics United Kingdom 1997, Home Office Statistical Bulletin 25/98, November 1998.

Her Majesty's Chief Inspector of Fire Services for Scotland, Report for 1997-98 (Cm 4086), The Stationery Office, November 1998.

Her Majesty's Chief Inspector of Fire Services for Scotland, Reports and Intermediate Reports on inspections of each fire brigade in Scotland, The Stationery Office, various dates.

Enquiries

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Emergency Planning and Civil Defence

Overall aim

6.34 To promote central and local government preparedness for emergencies of any kind.

Context

6.35 The leading role at the local level is taken by councils' emergency planning units but an important role is played also by police forces and by co-ordinating arrangements which bring together representatives of local agencies from more than a single council area.

Performance against previous objectives (1997-98)

| Objectives | Targets | Performance |
|--|---|--|
| Promote effective emergency planning arrangements. | Support appropriate structures and activities in local authorities and arrange training for central and local government staff as required. | Local authorities advised and supported in emergency planning. Emergency planning awareness course run on 4 occasions. |

Programme objectives and targets for 1999-2000

| Objectives | Targets |
|---|---|
| Promote effective emergency planning arrangements. | Seek views of Scottish Executive on future financial provision. Continue to mount training courses as required. |
| Plan for, and react to, any problems associated with the start of the new millennium. | No significant disruption to key public services. |

Evaluation

6.36 Emergency plans are exercised frequently, and tested by real emergencies; the reaction to each such incident is evaluated.

Enquiries

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Social Work

Overall aim

6.37 To promote a responsive, effective and economical provision of social work services taking into account changes in the pattern of need.

The overall strategic priority is better outcomes for the recipients of social work services.

Context

6.38 Improvements in the delivery of community care have been pursued with the emphasis on better and quicker decision making, helping more people get care at home and developing new local partnerships between the statutory, voluntary and independent sectors. The few remaining uncommenced provisions of the Children (Scotland) Act 1995 came into effect on 1 April 1998, introducing new adoption allowance schemes. A review of the Act's provisions being delivered by local authorities has now begun and strategic service targets and outcomes will be developed. Electronic monitoring of offenders is being piloted and the Crime and Disorder Act 1998 introduced a new community sentence, the Drug Treatment and Testing Order, and extended post-custodial supervision for serious sex and violent offenders. Views have been sought on options for restructuring the delivery of criminal justice social work services, the mechanisms for resource allocation and accreditation of programmes.

Performance against previous objectives (1997-98)

| Objective | Targets | Performance |
|--|--|---|
| Enable a greater proportion of vulnerable people to live in homely settings in the community | Creation of additional services in the community to enable 600 transfers from long stay care. | Long-stay closures are running ahead of target numbers but local authorities continue to provide a range of services for transferred patients, and also for people presently in the community. 'Blocking' of acute beds in some areas is indicative of resource constraints. |
| Implement the Children (Scotland) Act 1995 | Publication of all relevant regulations and guidance by 1 April 1997 and follow up thereafter. | Regulations and Guidance published. Monitoring and Evaluation Group on 1995 Act established. |
| Maintain the children's hearings system | Make 350 appointments to children's panels by December 1997. | 436 letters of appointment issued. |
| Encourage volunteering and the development of new volunteer bureaux | Establishment of a further 8 volunteer bureaux by 31 March 1998. | 24 volunteer bureaux established. |
| Development of social work services in the criminal justice system | Courts enabled to make up to 6,000 probation and 6,300 community service orders, extension of supervised attendance orders to cover the whole of Scotland by April 1998. | Provision was made available. Outturn: 5,339 probation orders, 6,862 community service orders. Supervised attendance orders extended to all courts except Glasgow District (October 1998). |

Programme objectives and targets for 1999-2000

| Objective | Target |
|---|---|
| 1. Implement White Paper on regulation of services and the workforce. | Prepare first draft of Instructions for legislation in the second session by end March 2000. |
| 2. Development of community care services. | Increase the proportion of people receiving home-based (as opposed to residential) forms of care. |
| 3. Monitor and Evaluate Implementation of Children | Continue review of Children's Services Plans. Introduce |

(Scotland) Act 1995.

4. Maintain the children's hearings system.

5. Encourage volunteering and develop the role of the voluntary sector.

6. Development of criminal justice social work services.

7. Improve training of workforce.

Strategic Framework for Children's Services. Monitor and Evaluate take-up of Children's Services Development Fund

Issue all appropriate letters by end December 1999

Complete Local Volunteering Development Agency network. Ensure Scotland plays its part in major UK initiatives eg Giving Age. Implement Compact between Government and the Voluntary Sector.

Courts enabled to make up to 6,400 probation orders, 7,400 community service orders and 4,300 supervised attendance orders. Piloting of Drug Treatment and Testing Orders and Electronic Monitoring. Establish Criminal Justice Development Centre.

Let contract for residential child care training by October 1999.

3.39. Table 6.10 shows the number of children in care or under supervision and the number of referrals to the Reporter to the Children's Panels in recent years.

Table 6.10: Services for Children

Evaluation

6.40 Policy evaluation is carried on at 3 levels:

(a) a regular series of statistical publications;

(b) inspections carried out by the Social Work Services Inspectorate which look at quality of service in areas of policy interest;

(c) major contracted out policy evaluation projects. These include at present evaluations of:

The Bridges One Door Initiative - demonstration project providing access to services for homeless young people

The Keep Warm this Winter Campaign

The Freagarrach and Apex Cue Ten projects for persistent young offenders

The Children's Hearings System

A project to provide Fostering as an Alternative to Secure Care

Open Doors at Barlinnie Prison - a throughcare project for mentally disordered offenders

The pilot arrangements for 100% Funding of Social Work Diversion from prosecution schemes

The Airborne Initiative for young offenders at high risk of custody.

Pilot schemes on diversion from prosecution.

Restriction of Liberty Orders.

Further reading

Modernising Community Care: An Action Plan, HMSO 1998.

Modernising Social Work Services: A consultation paper on workforce regulation and education, November 1998 (available from The Scottish Office).

Children's Safeguards Review, HMSO 1997, and The Scottish Office response, November 1998.

Inter-Agency Guidance on Child Protection Procedures - "Protecting Children - A Shared Responsibility", HMSO November

1998.

Review of Criminal Justice Social Work Services, September 1998 (available from The Scottish Office).

Women Offenders - A safer way, HMSO 1998.

Reports of the Social Work Inspectorate (available from Stationery Office).

Scottish Office Social Work Services Group Statistical Bulletins (available from Stationery Office, 71 Lothian Road, Edinburgh).

Enquiries

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7. THE GENERAL REGISTER OFFICE FOR SCOTLAND

(Vote 7)

AIMS

- to administer civil registration of vital events - births and deaths, plus marriages, divorces and adoptions - and the statutes relating to the formalities of marriage and the conduct of civil marriage, ensuring that all information collected is relevant, accurate, complete and updated as required, in such a way as to maintain public confidence;
- to take periodic censuses of Scotland's population, and to prepare and publish timeously demographic and other statistics relevant to the needs of government, other public-sector organisations and the private sector;
- to preserve and store certain public records about individuals permanently and securely; and to make available open public records to customers (for example, genealogists); and
- to maintain for The Scottish Office the National Health Service Central Register of patients.

Expenditure Summary

7.1 Details of previous outturn and future plans are shown in Table 7.1.

Table 7.1 General Register Office for Scotland: Expenditure Summary

Approach

7.2 In carrying out its work and furthering its objectives, the Department seeks to act fairly and prudently, in a manner consonant with the aims of the Citizen's Charter, the Department's Charter Standard Statement and the Code of Practice for Official Statistics; to maintain appropriate confidentiality of personal information not in the public domain; and to undertake its work efficiently and price its services appropriately and in accordance with Treasury requirements.

7.3 GRO(S) complies with the CBI Prompt Payment Code. Departmental policy is to pay bills in accordance with contractual conditions, or - where no such conditions exist - to pay within thirty days of receipt of goods and services, or on presentation of a valid invoice, whichever is the later. A senior manager has the responsibility for following up any complaints.

Objectives

7.4 In 1999-00 GRO(S) will continue to improve the efficiency and effectiveness with which its objectives are delivered, largely through the use of rapidly developing information technology. Continuing objectives are:

- to oversee the local registration of, and to process information about, a steady flow of some 165,000 vital events each year;
- to undertake each year up to 20,000 searches on behalf of postal, fax and e-mail customers and to issue up to 40,000 copies of entries in statutory registers;
- to maintain some 100 search places at New Register House for members of the public themselves to access the open records, to handle each year up to 5000 enquiries by personal callers and up to 550,000 accesses to individual records in New Register House;
- to offer members of the public electronic access from outside GRO(S), via local registration offices, and via the World Wide Web, to certain open records;
- to deal each year with some 11,000 items of registration-related casework;
- to make annual estimates of the population of Scotland;
- to deal each year with some 7,000 requests for statistical information;
- to prepare for the taking of a census of population involving over 2 million households in the Spring of 2001; and
- to process each year for the NHS in Scotland up to 700,000 data-changes and data-quality verifications against the NHS Central Register, and to handle up to 55,000 transactions in connection with medical research projects.

7.5 To help achieve its management and efficiency-plan targets, the Department now makes use of a range of workload, performance and quality-of-service measures, across its administrative and statistical operations. Some examples are shown in Table 7.2. Those for which a run of four years' figures is given are from the Registrar General's statutory Annual Reports to Parliament; for these the aim is to secure at least 95% performance against target.

Table 7.2: General Register Office for Scotland: workload and performance measures

(Selected performance measures used in the Registrar General's Annual Report)

| | 1995- 1996, | 1996- 1997, | 1997- 1998, | 1998- 1999 (to date) |
|--|------------------------|------------------------|------------------------|-------------------------------------|
| Targets for turnround of registration correspondence and casework include:-marriage dispensation - notification of decision within 1 working day of receipt | 100% | 100% | 100% | 100% |
| change of name, correction of error, re-registration, adoption - response within 10 working days | 92% | 90% | 98% | 99% |
| | 1995- 1996, | 1996- 1997, | 1997- 1998, | 1998- 1999 (to date) |
| Target for personal caller requesting a certificate is despatch within 5 working days | 100% | 100% | 100% | 100% |
| Targets for turnround of correspondence in relation to records include:- letter with correct fee and information - certificate or "no trace" reply or microfilm or microfiche sent within 10 working days | 100% | 100% | 100% | 100% |
| letter with ancestry order requiring search of Old Parish Records or open census records - extract or "no trace" reply sent within 15 working days | 100% | 100% | 99% | 96% |
| Target turnround time for substantive replies to enquiries seeking published, or readily available, statistical information is 5 working days from receipt | 97% | 97% | 98% | 99% |
| Target turnround time for substantive replies to statistical enquiries seeking large amounts of information, or requiring new analyses, (excluding complex replies requiring individual agreements with customers) is 10 working days from receipt | 95% | 96% | 97% | 98% |
| Target time for processing database changes to the NHS Central Register is within 6 weeks of notification of occurrence of an event | 100% | 99% | 100% | 100% |
| (The main "events" in this context are birth; death; change of name; and change of health board.) | | | | |
| Target time for flagging survey patients on the NHS Central Register is within 3 weeks of receipt of request | 94% | 100% | 95% | 97% |
| Target time for telling medical researchers about events of interest to them in connection with flagged survey patients is within 9 weeks of registration or notification | 95% | *63% | *77% | 98% |

*In 1996-97 and 1997-98, it was not possible to inform researchers within the target time of deaths of survey patients due to the bedding-in of a new computer system for recording registration information. Performance for other categories of information conveyed to researchers was however 100%.

Future plans

7.6 Since 1990, when it became clear that it was cost-effective to introduce small computers into local registration offices, 154 offices have been computerised, and by January 1999 were recording some 92 per cent of Scotland's births, deaths and marriages. Since January 1996 GRO(S) have taken in registration data electronically from these local offices, with processing benefits to the Department, and savings in running costs now beginning to be secured. The continuing pace of computerisation depends largely on the new local councils, which from 1 April 1996 have had the statutory responsibility to provide, equip and staff Scotland's 344 local registration offices, many of them very small. With GRO(S) encouragement, steady progress is being made and seems likely to continue, albeit more slowly among the smaller offices, during the period to 2000, with a target of 93 per cent of events regarded as achievable by 31 March 2000.

7.7 GRO(S)'s efficiency plans in the period to 2000 include steadily increasing use of information technology to deliver further improvements in value within tight resource constraints, as informed by a recent review of the Department's IS strategy. Demand for access to the range of registers and other records held at New Register House continues to increase. This service and that of preparing extracts and certificates are financed by charges to customers, annual income from which totals around £0.8 million. The computerised index to the registers has proved both effective and popular. Further IT investment to cope with buoyant demand and to improve efficiency was made during 1998, and more is planned. To allow genealogical customers anywhere in the world to search in Scotland's indexes for vital events over 100 years old, paying by credit-card, an Internet service provided in co-operation with a private sector contractor was launched in April 1998. This has proved to be very successful and has generated extra income for GRO(S). Additionally, the department increasingly makes its range of demographic statistics available electronically on the World Wide Web to facilitate analysis by professional users.

7.8 A major element of GRO(S)'s future planning concerns the development work for the next population census in 2001. Consultation with users has led to the refinement of cases for dealing with specific topics. A census test was held in June 1997 in parts of Scotland, contributing to a wider Great Britain test. This allowed comparative testing of various operational approaches and different census forms. Conclusions reached from the test have contributed to the Government's proposals for a 2001 Census. The proposals for Scotland will be subject to legislative approval by the Scottish Parliament. A major procurement exercise has been underway during 1998 inviting private sector contractors to tender for various census tasks, including data capture. A Census Rehearsal, being planned for Spring 1999, will include parts of Dundee and Angus in Scotland.

7.9 GRO(S), in co-operation with The Scottish Office Department of Health and their contractors have made useful progress during 1998 towards the integration of the NHS Central Register, at present managed under contract by GRO(S), and the Community Health Index databases operated by the National Health Service in Scotland, and this is planned to continue.

Bibliography

Registrar General for Scotland, Annual Report 1997. GRO(S), Edinburgh 1998. ISBN 1 874451 51 6. ISSN 0080-786 9.

1991 Census of Population, Reports for Scotland, for each Region, and various topic reports. HMSO.

2001 Census Programme as at October 1997. ONS, GRO(S) and the Northern Ireland Statistics and Research Agency.

Enquiries

GRO(S) make copious information - including the Registrar General's Annual Report for 1997, and the Department's Citizen's Charter statement - available on their World Wide Web site:

<http://www.open.gov.uk/gros/groshome.htm>

Further information may also be obtained by telephone from Brian Philp on 0131 314 4434 (GTN 7166 434), email brian.philp@gro-scotland.gov.uk.

8. NATIONAL ARCHIVES OF SCOTLAND

(Vote 8, formerly the Scottish Record Office)

AIMS

To **select, preserve and make available the national archives of Scotland** to the highest standards;

To **promote the growth and maintenance of proper archive provision** throughout the country; and

To **lead the development of archival practice** in Scotland.

Expenditure Summary

8.1 Details of previous outturn and future plans are shown in **Table 8.1**.

Table 8.1 Scottish Record Office - Expenditure Summary

8.2 NAS running costs are shown in **Appendix 3**. Non-running cost expenditure is predominantly capital and grants. Receipts arise mainly from fees and charges made for the inspection and copying of legal documents. **Appendix 3** shows the Departmental paybill while **Appendix 4** shows staff numbers.

Objectives

8.3 The specific objectives for 1999-2k and beyond are currently under review, as a result of the Prior Options Review of the Agency. Ongoing approved objectives are:

- to improve access to the records, by applying new technologies to public ordering, making available digital images of selected documents and by putting catalogue and other information on the national archives on the Internet;
- to fulfil obligations under the Citizen's Charter, by meeting the demand for the inspection and copying of records within existing staff levels and within agreed processing times;
- to develop publications and educational service, to allow greater self-help by researchers and meet the Scottish Certificate of Secondary Education requirements and other initiatives;
- to improve appraisal and selection procedures for departmental records, weed out duplicate and ephemeral material from court processes (Court of Session and Sheriff Court Records), and develop suitable appraisal and selection procedures for electronic records produced by departments and the courts; and
- to transfer appropriate records from NAS to professionally staffed local archives, encourage local archivists to provide lists of records in their custody and in private hands for the National Register of Archives (Scotland), and encourage the provision of good local archive services within the context of changes in local government.

Performance

8.4 Key performance indicators are shown in **Table 8.2**. Information about NAS's performance measures can be found in Scottish Record Office's Annual Accounts for 1997-98.

Table 8.2 Scottish Record Office - Performance Indicators

Future Plans

8.5 The agency is planning a restructured operation, reflecting on recommendations from the Prior Options Review issued in 1998. Active involvement in the Scottish Parliament business and Freedom of Information legislation also strongly features in the aspirations of the NAS, by providing professional archival services.

8.6 The Scottish Archive Network (SCAN) has been established to create a national network of cultural heritage information via the Internet. The project has an intensive 3 year set-up schedule. SCAN will link archive institutions throughout Scotland and provide virtual search facilities across the globe, encouraging wider interest in Scotland and its history. Users will be able to consult catalogues, view exhibitions and order copies of records remotely, rather than by personally visiting the search rooms. This innovative approach to wider technological access to archive material is an endorsement of NAS's commitment to maintaining archival standards.

8.7 Further expansion of archival services are planned under the European Archive Network (EUAN) initiative. This aids partner archives to improve standards and practice and benefits from committed EU funding.

8.8 A buildings strategy has been compiled and options, including PFI and traditional capital are being explored. Rationalisation of buildings and third party income generation are viewed positively to resolve funding conflicts and create a more efficient and effective organisation. The NAS continues to strive for energy conservation measures for both environmental and financial reasons through a programme of energy saving initiatives.

8.9 The NAS corporate plan is normally updated annually, including a statement of NAS's aims and objectives. The format is being significantly changed through implementation of a specific recommendation in the Prior Options Review. A new approach is planned as there are services which may be developed as income streams to achieve various self-financing initiatives. There remains a very strong commitment to a public service.

8.10 NAS takes the lead in setting standards for record keeping on behalf of The Scottish Office and associated departments, and advises other public sector organisations in Scotland on record- keeping practices. European and international recognition of NAS role, complemented through the Scottish and European Archive Network partnerships, assists greatly in planning coherent archive strategies and standards while ensuring access for future generations.

8.11 The renaming of the agency as the National Archives of Scotland is expected to increase its profile and ensure that there is a clearer understanding of its role.

8.12 NAS expects to provide archival services to the Scottish parliament.

8.13 Development of criteria for the long-term management of records held in electronic filing systems in The Scottish Office; of a system for the effective appraisal and selection of electronic record schemes; and of storage and access arrangements for electronic and multi-media records which are to be maintained by NAS.

8.14 NAS plans to continue with professional development of staff, in line with the Investors in People initiatives.

8.15 NAS is committed to change accounting policies and procedures to meet resource accounting requirements. This includes the creation of asset registers and management of capital finances on a commercial basis, reflected in the annual accounts.

Payment Performance

8.16 In line with the CBI prompt payment code, NAS's policy is to pay bills in accordance with contractual conditions, or where no such conditions exist within 30 days of receipt of goods and services or the presentation of a valid invoice. Independent analysis and reporting of payment performance confirms that in excess of 95% of NAS's invoices meet this commitment.

Bibliography

Annual Report of the Keeper of the Records of Scotland 1997-98 (Scottish Record Office 1998).

Annual Accounts for 1997-98 (Scottish Record Office 1998).

Enquiries

Further information may be obtained from Jim Grady, tel. 0131-535-1304. JGRADY@NAS.GOV.UK



9. REGISTERS OF SCOTLAND

AIMS

Registers of Scotland is a separate Department within the Civil Service and responsible for the public registers and records which provide for the registration of deeds relating to rights in land, as well as a wide range of deeds relating to succession, trusts, family agreements, diligence and sequestration, state appointments and others. The Agency's aim is to compile and maintain the public registers promptly, accurately and cost-effectively and to provide, develop and improve high quality services to meet customer needs. Central to that aim is the extension of the Land Register.

Expenditure Summary

Details of previous outturn and future plans are shown in **Table 9.1** below.

Table 9.1 Registers of Scotland: Expenditure Summary

Objective¹

To extend the Land Register to the whole of Scotland by 2003

To keep registration and recording turnaround times to a minimum

Target²

To continue the Land Register extension programme and achieve the transfer of the Counties of Perth, Angus and Kinross on 1 April 1999; Berwick, East Lothian, Roxburgh, Selkirk and Peebles on 1 October 1999; and Argyll and Bute on 1 April 2000.

Sasine Writs turnaround time to be reduced to 25 days by 31 March 1999 and to 23 days by 31 March 2000.

Dealings with Whole on the Land Register turnaround time to be reduced to 25 days by 31 March 1999 and to remain at 25 days during 1999-2000.

¹ Objectives as published in the 1997-98 Annual Report.

² These are the key targets against which the Agency will be measured during the period 1997-2000. Where applicable, interim targets for 1998-1999 are given in brackets

Objective

To adhere to the principles of the Citizen's Charter

To meet fully the current needs of our customers and anticipate

Target

To maintain and enhance customer service through the retention of Charter Mark and by improving customer satisfaction on First Registration turnaround times to 75% by 31 March 2000.

To launch a Registers Direct Service to existing pilot

and satisfy their future needs

To assist in promoting and developing a Scottish Land Information Service for Scotland (ScotLIS)

To meet the financial objectives set by the Secretary of State and Treasury, including the achievement of a 6% return on net capital employed for the Trading Fund.

customers by 30 November 1998.

For the Trading Fund to achieve a 6% return on net capital employed over the three-year period ending 31 March 1999, and on a rolling basis thereafter.

Sasine Writs unit costs to be reduced by 5% in real terms by 31 March 2000 from the base of £32.46 at 31 March 1997 (interim target for 1998-1999 is 5.4% reduction in real terms).

Dealings with Whole unit costs to be reduced by 2.4% in real terms by 31 March 2000 from the base of £55.10 at 31 March 1997 (interim target for 1998-1999 is 2.4% reduction in real terms).

Performance

The Agency's published Annual Report and Accounts contains a full report on its key targets and main objectives. Intakes, outputs, stock levels and turnaround times for each of the Agency's products are shown in **Table 9.2**.

Table 9.2 Registers of Scotland: Performance Indicators

Payment Performance

The Agency complies with the CBI Prompt Payer's Code. Unless otherwise stated in the contract, payment is made within 30 working days of receipt and agreement of invoices for goods and services completed to the satisfaction of the Agency. In 1997-98, the Agency achieved a 97% success rate. The Agency has a system in place for dealing quickly with complaints and disputes and advises suppliers without delay when invoices, or parts of invoices are contested.

Compensation Payments

During 1997-98, the Agency settled 34 claims for loss at a cost of £73,238, of which 2 payments totalling £3,657 were ex gratia payments in respect of non statutory liability. The remaining 32 payments, totalling £69,581 were made under the indemnity provisions of the Land Registration (Scotland) Act 1979.

Service First

The Agency was awarded the Charter Mark in November 1996, having demonstrated excellence in customer care. In the Agency's first year of Charter Mark status (1996-1997), an overall customer satisfaction rating of 97% was achieved. In 1997-1998 an overall satisfaction rate of 99% was achieved. As part of the 1997-98 customer survey, a mystery shopping exercise was introduced for the first time. This was used to identify delivery of aspects of service such as quality, approach and consistency of response across the then existing customer service points.

During 1997-1998 the Agency continued its programme of roadshows and business events for customers and the public. In total nineteen separate events were held across Scotland.

Technological advances enabled the Agency to bring together the delivery of non-registration services into a 'one-stop' Customer Service Centre which opened for business in March 1998. This means that, irrespective of the mode of communication, all customer requests are now dealt with at a central point.

Equal Opportunities/ Recruitment

The Agency is an equal opportunity employer and takes full recognisance of the Civil Service Code of Practice on the employment of people with disabilities. All recruitment campaigns are conducted on the basis of fair and open competition and selection is based on merit and in accordance with the guidance laid down by the Civil Service Commissioners. During 1997-1998, 13 recruitment campaigns were run to fill 79 vacancies. In total, there were 870 applicants of which 36.2% were women, 1.3% were of ethnic minority origin and 2% were disabled.

Efficiency Plans

In addition to the planned efficiencies relating to key targets, as detailed in Table 1.2, the Agency is committed to improvement through the extension of the Land Register, the enhancement of workflow processes by utilising new technology, and through its ongoing programme of process re-engineering. Additional efficiencies will be achieved through the implementation of a long-term accommodation strategy, enhanced procurement and disposal policies and the further development of the in-house quality programme which is based on the EFQM model of self assessment.

Future Plans

Appendix (4) of the Report sets out the Agency's staff figures. Central to the Agency's future aims is to complete the extension of the Land Register to the whole of Scotland by 2003 (or earlier, if resources permit). The Agency is also committed to providing direct access to all its databases and to assist in the promotion and development of a National Land Information Service for Scotland.

On 1 April 1996, the Agency assumed Trading Fund status and is charged with meeting the financial objectives set by the Secretary of State and Treasury, including the overall return set for the Trading Fund.

The future success of the Agency is dependent on having a skilled and motivated workforce. In this regard the Agency will further refine the grading and organisational structure. The associated competency framework will continue to be implemented and internal communications will be enhanced to ensure that staff remain fully informed regarding Agency plans and initiatives. All of these measures will support the Agency's drive towards Investors in People accreditation in the coming year.

Publicity and Advertising

In 1997-98 the Agency spent £87,340 on advertising and marketing. This represents an increase over previous years due to the gaining momentum of ScotLIS and Registers Direct.

Bibliography

Registers of Scotland Annual Report and Accounts 1997-98 (available from HMSO Bookshops).

Registers of Scotland Framework Document (available from Registers of Scotland).

Registers of Scotland Charter Standard Statement (available from Registers of Scotland).

Putting Things Right - Registers of Scotland Complaints Procedures (available from Registers of Scotland).

Enquiries

Further information may be obtained from: Alison Rooney, Director of Finance and Planning,
Tel 0131- 479 3695. E-mail: alison.rooney@ros.gov.uk

10. SCOTTISH COURTS

ADMINISTRATION

(Vote 9)

AIMS

To secure, in co-operation with the Judiciary, provision of ready access to justice through the speedy, efficient and cost-effective administration of Courts and Tribunals.

To promote, through the reform of the law of Scotland, the independence, integrity and quality of the judicial process in civil proceedings (and, in relation to evidence, in criminal proceedings).

The Work of the Department

10.1 The main component of the Scottish Courts Administration is the Scottish Court Service, which was established as a Next Steps Agency on 3 April 1995. The Agency comprises a Headquarters organisation (whose responsibilities include policy and financial planning, resource monitoring and management, personnel development and management, estates management and the maintenance of services); the staff of the Supreme Courts (with responsibility for the administration and the financial and resource management of the Court of Session, the High Court of Justiciary and the Office of the Accountant of Court); and the staff of the Sheriff Courts (discharging responsibility for the administration and the financial resource management of the 49 Sheriff Courts throughout the six Sheriffdoms in Scotland). The Director, SCA is the Departmental Accounting Officer for the Vote from which the Scottish Court Service is funded and is the principal adviser to the Secretary of State on matters affecting SCA as a whole, including the financing of the Accountant in Bankruptcy, the Scottish Law Commission and various specialist Courts and Tribunals.

Expenditure Summary:

Table 10.1: Scottish Courts Administration: Expenditure Summary

Objectives:

10.2 The performance of the Department against key objectives in 1997-98 is shown below:

Objectives

To provide the staff and services required to meet the needs of the Judiciary and court users;

to provide court houses of appropriate size and quality;

to implement and develop the Justice Charter for Scotland and the Scottish Court Service Charter Standard Statement;

to secure value for money and to manage the Agency's resources efficiently, effectively and with due regard to economy;

Performance

SCS met or exceeded most of the targets set by the Secretary of State for 1997-98. Full details can be found in the Scottish Court Service Annual

to consider the implications of the Scotland Bill on SCA areas of responsibility including identification of the Lord Advocate's civil functions to be transferred to the First Minister.

SCA participated in consideration of provisions to prevent anti-social behaviour and, with the Central Research Unit of the Scottish Office, initiated research into procedures for the recovery of possession of property, notably in the public sector housing area.

Achieved

SCA monitored delivery of the Scottish Law Commission Fifth Programme of Law Reform and, with Scottish Office and other colleagues, co-ordinated the bringing forward of proposals for the implementation of the Commission's recommendations by relevant departmental interests covering major areas of law including reform of land tenure, boundary walls, the law of the tenement, interpretation in private law and aspects of the law of diligence.

Achieved

SCA contributed to the Scottish office consultative document on Vulnerable and Intimidated Witnesses and also participated in projects on childrens' evidence and victim support.

Achieved

SCA participated with the Lord Chancellor's Department in supporting UK ministers in negotiations under the third Pillar of the European Union, notably in the conclusion of a convention on jurisdiction in matrimonial matters which was signed in May 1998, in the review of the Brussels and Lugano conventions and in work to create a convention on applicable law on tort and delict.

Achieved

Objectives

Performance

to contribute to the review by the Sheriff Court Rules Council of summary cause and small claims procedure.

Achieved.

to prepare and issue, on behalf of the Lord Advocate a consultation paper proposing changes in the jurisdiction limits of the Civil Courts.

Achieved.

to contribute to the development of the research programme monitoring the working of the new procedures in Courts under the Children (Scotland) Act 1995. Achieved.

Capital Expenditure:

10.3 The purpose of the capital programme is the provision of new court buildings and the upgrading of existing ones to meet the needs of the Scottish Courts.

10.4 The strategy is to ensure that court buildings continue to meet contemporary statutory requirements, are adequately maintained and, wherever possible, are improved to provide the quality of accommodation which meets the Justice Charter standards. Major capital projects were commissioned at Justiciary Buildings in Glasgow, the High Court of Justiciary in Edinburgh and Paisley Sheriff Court.

Programme Objectives and Targets for 1999-2000

Scottish Court Service:

Objectives and targets for 1999-2000 will be announced by the Secretary of State by May 1999.

Accountant in Bankruptcy:

Specific objectives

- To establish the Register of Company Insolvencies in Scotland by July 1999.
- Revise and re-publish notes of guidance to interim and permanent Trustees in CD-rom form by end May 1999.

SCA Resources and Liaison Unit:

- Complete current project to provide IT support to judiciary by Summer 1999.

Legal Policy Division:

- Take forward the review by the Sheriff Court Rules Council of summary cause and small claim procedure.
- To analyse responses to the consultation paper on jurisdiction limits in the Sheriff Court and provide advice to the Lord Advocate by Summer 1999.
- Publish results of research into the effectiveness of Debtors (Scotland) Act 1987 and begin consideration of research findings with a view to advice to Ministers by Autumn 1999
- To participate with UK Departments in negotiations under the arrangements for civil judicial co-operation and other areas of work under the Treaty of the European Union, in particular to conclude the review of the Brussels and Lugano convention by July 1999.
- To consider, with relevant colleagues in Scottish Office and Crown Office, the responses to consultation on aspects of law and procedures relating to vulnerable and intimidated witnesses with a view to advising ministers of the need for law reform and/or further research by April 1999.
- To continue responding to further development of the Scotland Act for SCA areas of responsibility by Summer 1999.

Evaluation

10.5 An extensive research programme to assess the SCS quality of service provision was begun in 1998. The conclusions will inform the development statements on standards of service for the various groups of court users. SCS recommendations for joint targets and performance indicators for all agencies in the criminal justice process were accepted by the Secretary of State's Criminal Justice Forum and are being progressed by its Efficiency Task Group.

Further Reading

10.6 Scottish Court Service: Framework Document, HMSO Dd 8382219, April 1995; Scottish Court Service: Corporate Plan: 1998-99 - 2000-01, and Scottish Court Service Annual Accounts and Reports 1997-98, both available from the Chief Executive, Scottish Court Service, Hayweight House, 23 Lauriston Street, Edinburgh EH3 9DQ. Telephone No. 0131 221 6820.

Enquiries

10.7 David Stewart, Deputy Director, Scottish Courts Administration, Hayweight House, 23 Lauriston Street, Edinburgh EH3 9DQ. Tel: 0131 221 6817.

11. CROWN OFFICE AND PROCURATOR FISCAL SERVICE

(Vote 11)

AIMS

To play a pivotal role in the achievement of the purpose of the criminal justice system of maintaining the security and confidence of the community by providing just and effective means by which crimes may be investigated, and offenders brought to justice.

11.1 The Crown Office and Procurator Fiscal Service, provides a system of independent public prosecution in Scotland. Its responsibilities also include the investigation of all sudden, suspicious and unexplained deaths, and investigation of complaints against the police.

Supporting Aims, Objectives and Key Priorities

11.2 The key objectives of the Department are:-

- to provide the sole public prosecuting authority in Scotland, which in the public interest, ensures that all crimes made known to the Procurator Fiscal, including cases of serious and complex fraud, are investigated and that effective and consistent use is made of the range of prosecution options and alternatives to prosecution;
- to investigate all sudden deaths made known to the Procurator Fiscal and, in appropriate cases, conduct public inquiries;
- to investigate independently all complaints of criminal conduct by police officers;
- through the Scottish Charities Office to supervise charities and investigate alleged misconduct and mismanagement in the voluntary sector;
- through the office of the Queen's and Lord Treasurer's Remembrancer to administer property falling, as bona vacantia or treasure trove, to the Crown as ultimus haeres.

11.3 The ways in which the Department seeks to achieve its key objectives are driven by its VALUES which are:-

- **impartiality** - decisions will be impartial, fair and timely, and taken on an independent, objective and professional assessment of the evidence available.
- **thoroughness** - the investigation, preparation and presentation of cases will be carried out thoroughly, critically and accurately.
- **integrity** - the professional integrity of the department's staff will be maintained by, inter alia,
 - open with the court, and fair and dispassionate in the prosecution of cases in court;
 - disclosing to the defence any information considered material to the defence;
 - preserving the confidentiality of reports and investigations;
- **sensitivity** - the department will be sensitive and responsive to the needs of the public, including victims, next of kin and witnesses;
- **co-operation** - the department will seek to maintain effective working relationships with other agencies in the criminal justice system;
- **professionalism** - the department is committed to maintaining high quality performance by all staff.

Ministerial Responsibilities

11.4 The Lord Advocate and the Solicitor General for Scotland are the Law Officers for Scotland. They are Government Ministers in their own right, independent of the Secretary of State for Scotland. The Lord Advocate is the principal law officer of the Crown in Scotland, responsible for investigation of crime in Scotland and for prosecutions in the High Court, Sheriff Courts and District Courts, discharging these functions through the Crown Office and Procurator Fiscal Service.

Structure of the Department

11.5 The Crown Agent is the head of the Department and is based in the Crown Office which is the operational and administrative headquarters. As the Queen's and Lord Treasurer's Remembrancer he is charged with the administration of estates which fall to the Crown in Scotland in the absence of other heirs. The Crown Agent, Deputy Crown Agent, Head of Policy, Principal Establishment and Finance Officer and six Regional Procurators Fiscal form the senior management team of the Department.

11.6 The Scottish Charities Office is a division of the Crown Office and is the regulatory authority for the charitable sector in Scotland, acting on behalf of the Lord Advocate in the implementation of the supervision of charities legislation. The Charities Office investigates concerns about misconduct and mismanagement in the administration of charities, taking regulatory action which can include court proceedings, in appropriate cases. The Charities Office also protects the public interest in proposals for the variation and reorganisation of public trusts.

The Procurator Fiscal Service

11.7 The operational activities of the Department are carried out, in the main, by the Procurator Fiscal Service which is divided into six geographical areas each headed by a Regional Procurator Fiscal (RPF) who has delegated control over resources. RPFs have responsibility for assessing their financial and staffing requirements for the region and each produces annually a regional management plan setting out key performance and expenditure strategies. Each RPF is also responsible for the investigation of complaints of criminal conduct by police officers.

11.8 Fiscals, exercise a considerable discretion and, subject to the instructions of the Lord Advocate, enjoy a large degree of autonomy in operational decision making.

11.9 Responsibility for the investigation of crime, whether reported by the police or some 50 other reporting agencies, is a distinctive feature of the prosecutor in Scotland. Procurators Fiscal are empowered to instruct the police and direct their criminal enquiries and are likely to become involved at an early stage in the investigation of serious cases. In exercise of this responsibility Procurators Fiscal and their staff interview witnesses and prepare reports to Crown Office for consideration by the Law Officers or Crown Counsel. Such reports include analysis of the available evidence and recommendations as to proceedings.

11.10 In recent years much emphasis has been placed on using alternatives to prosecution, and the range of disposals available to Procurators Fiscal has increased so that much crime of a less serious nature can be dealt with by means other than prosecution. The prosecutor may decide to take no proceedings; to issue a warning letter or personal warning; to divert an accused to a social work scheme; to make a conditional offer of fixed penalty; or, if it is in the public interest, to bring an accused before a court. The use of non-court disposals represents a cost effective response to less serious crime. Where criminal proceedings are brought the prosecutor decides both the charge and the appropriate forum.

Main Activities

11.11 Approximately 47 per cent of the Department's operational resources are devoted to the investigation, preparation and prosecution of summary crime (ie in the District and Sheriff Summary Courts); 36 per cent to the preparation and prosecution of solemn crime (ie Sheriff & Jury and High Court cases); 13 per cent to disposing of cases other than by prosecution; and 5 per cent investigating sudden and suspicious deaths and conducting Fatal Accident Inquiries. The Department responds to the volume of crime reported to it by the Police and 54 other agencies and, through regular liaison with and the provision of training to many of these reporting agencies, devotes considerable effort towards promoting the quality of reports submitted to Procurators Fiscal.

Cash plans, running costs and staffing

Table 11.1: Cash plans

Table 11.2: Running costs

11.12 The Department's cash plans (Tables 11.1 and 11.2) cover the running costs of the Crown Office. These running costs together with capital and grant in aid comprise the entry for Administration in Table 11.1: Cash Plans and correspond to line A: Administration in the Subhead detail of the Estimates. The associated prosecution expenses in respect of witnesses which were previously accounted for separately are now included in running costs. The forecast outturn for 1998-99 is £ 51 million of which running costs are £ 49 million inclusive of VAT recoveries, capital is £ 1 million and the cost of grants to the four Scottish Universities that provide forensic pathology expertise and advice is expected to be £ 1.5 million. Appropriations in aid

comprise monies received in respect of sales of printed material (£ 30,000), obsolete equipment (£ 4,000), administration of estates of deceased persons without known heirs (£ 75,000), estate receipts (£ 328,000), postal citations (£ 50,000), and EEC grants (£ 75,000).

11.13 The Estimates include provision for Consolidated Fund Extraordinary Receipts of £ 11 million in respect of receipts from fixed fines and penalties. The forecast outturn for 1998-99 is expected to be within provision.

Staffing

11.14 The total figure for 1998-99 does not show any significant increase in overall staff numbers. However, additional legal staff are being recruited to meet the new burden of the European Convention on Human Rights from the Summer of 1999.

Table 11.3: Staffing

Table 11.4: Senior Civil Service Salaries as at 1 December 1998

11.15 The Department's recruitment procedure follows the guidance contained in the Civil Service Commissioner's Recruitment Code. Systems are in place to ensure that recruitment is carried out on the basis of fair and open competition and selection on merit and in accordance with the guidance laid down in the Code. The procedures are subject to audit. There have been 3 occasions when appointments of less than 12 months have been extended up to 24 months to complete specific pieces of work. There have been no other exceptions to fair and open competition and selection on merit.

11.16 The Department is committed to ensuring equality of opportunity to all employees at all stages of employment. Managers are kept up to date of any changes in legislation, such as the Disability Discrimination Act, by way of written material and seminars. The number of women employed in the Senior Civil Service has increased in the last year, from 14.7 per cent to 15.7 per cent. Ethnic minorities and disabled employees are not represented in this group and form 0.7 per cent and 2.4 per cent respectively of all staff, a slight increase on last year's figures. The Department continues to offer part time working and job sharing whenever possible.

11.17 The Department achieved the Investors in People award in April 1998, the first Government Department to do so at the first assessment.

11.18 No public appointments have been made within the Department.

Table 11.5: Capital Assets

Long-term Capital Project

11.19 There are no long-term capital projects planned.

Payment

11.20 The Department is committed to the proposals to encourage prompt payment of commercial debt announced in the Competitiveness White Paper and the CBI prompt payment code. The Department's policy is to pay bills in accordance with contractual conditions, or where no such conditions exist, within 30 days of receipt of goods and services or the presentation of a valid invoice, whichever is the later. In practice, unless queried, most invoices are paid within 10 working days of receipt. Payment performance was monitored in line with HM Treasury's instructions issued in June 1996. A current analysis of invoices showed that 99.9 per cent were paid within 30 days of receipt of a valid invoice. The Department still encounters problems with the delay in submission of invoices from our agents. To rectify this could reduce control over correct authorisation procedures. The Department continues to review its system to improve its performance on payments.

Performance and Future Workload

11.21 Alleged offenders must be dealt with in the most appropriate way having regard to the public interest, either by prosecution or by an alternative to prosecution. Table 11.6 shows that the number of reports received increased in 1997-98 and a further increase is estimated for 1998-99. The estimated total of non-court disposals for 1998-99 indicates that alternatives to prosecution continue at a similar level to 1997-98 in accordance with the Department's policy of making full use of these.

Table 11.6: Reports Received and Alternatives to Prosecution

Table 11.7: Unit Costs

11.22 Since criminal cases vary in size and complexity, a system of measuring workload in terms of weighted units is employed. Cases are assessed according to the disposal selected by the prosecutor and the amount of time taken to process them.

11.23 Table 11.7 shows actual and predicted national average cost per weighted case unit. Although solemn case disposals represented less than 2 per cent of the total number of reports submitted to the Service during 1997-98, they accounted for 35.6 per cent of resources. The revision of the weightings for cases to reflect all of the work involved, including the extra work resulting from legislation introducing additional court diets, has been completed as part of the task of designing an improved performance measurement system being introduced in 1998-99.

11.24 In 1997-98 there was a 3.3 per cent increase in the number of solemn cases disposed of but an 11 per cent reduction in the number of hours spent by legal staff in solemn courts (Table 11.8). There was also a reduction in the number of hours spent in all summary courts.

Table 11.8: Time spent in Summary/Solemn Courts

Table 11.9: Performance Against Operational Targets

Management Information

11.25 Performance against targets is monitored by Regional Procurators Fiscal and reviewed regularly at local meetings with Procurators Fiscal. Similarly, the Crown Agent and Regional Procurators Fiscal meet regularly to discuss the performance of individual regions. Information on performance is published in the Department's Annual Report. New operational targets were introduced in 1 April 1997 designed to give a clearer picture of performance, and the Department will publish information on compliance with these new targets in future annual reports.

Avoiding delay

11.26 Strict statutory time limits govern the speed at which criminal cases must be processed in Scotland. In serious cases (ie those prosecuted on indictment before a jury) trials must begin within 110 days of committal, if the accused is in custody, and within 12 months of his first appearance, if he is not in custody. In summary cases trials must begin within 40 days, if the accused is in custody. A failure to meet any of these time limits will end the prosecution and bar any subsequent proceedings.

11.27 It is a major undertaking to meet these statutory time limits while conducting proper investigations and ensuring that offenders are dealt with in the most appropriate way having regard to the public interest. For each of its key objectives the Department sets detailed targets for the time taken to process cases in Fiscals' offices and in Crown Office. Police reporting times are also monitored.

Value for Money Initiatives

11.28 There is delegated control of resources and responsibility for budgetary management both within the Crown Office and at regional level and at the Lord Advocate's Department in London. Thus, control over resources is strengthened and accountability for performance simplified. In keeping with central government policy the Department is preparing to move to resource accounting and has received Stage 1 approval. A set of resource accounts has been produced for the financial years 1996-97 and 1997-98. Parallel systems have been in operation since 1 April 1997. These developments will ensure that future financial data reflect the cost of the Service at the point of delivery and will assist with better financial planning, management and control.

Efficiency

11.29 The Department's current plans include the restructuring of legal and support grades, the development of information systems, proposals to introduce improved procurement procedures, and progress over greater control over case related costs.

11.30 The programme of office automation commenced in February 1997, the computerised Standard Office System having been installed in all Procurator Fiscal offices. E-mail links have been established with all of the Scottish police forces. These developments and others which are being taken forward in co-operation with the Department's partners in the Criminal Justice System are designed to streamline the flow of information across criminal justice agencies and simplify some of the Department's work processes with a view to achieving greater efficiency.

11.31 The establishment of a procurement unit to take forward the findings of the procurement review carried out during 1996/97 is producing improved procurement practice and better management of resources placed with third parties.

Justice Charter Initiatives

11.32 The Department is committed to the principles of public service set out in the Citizen's Charter and the Justice Charter for Scotland. A number of initiatives have been taken forward in order to improve the delivery and quality of service, including the design of quality measures.

11.33 Efforts continue to improve the provision of information to the public. The Department is represented on a Steering Group overseeing the implementation and evaluation of pilot court-based witness support projects run by Victim Support Scotland.

11.34 The Department is also represented on the inter-agency Victims Steering Group along with other Criminal Justice Agencies and Victim Support Scotland. The Group has produced, in draft form, a general information leaflet for victims of crime. In addition, in association with the Scottish Court Service, the Department has been working towards achievement of the aims of the "considering others" initiative, designed to improve services to members of the public attending Court as witnesses or jurors. A cornerstone of this initiative is the Joint Statement on Crown Witnesses, published in January 1998. The Statement sets out the joint and individual responsibilities of Procurators Fiscal and Clerks of Court in relation to Crown witnesses. Local codes of practice setting out how the Statement principles will be applied in practice have been drawn up between Procurators Fiscal and Sheriff Clerks. Joint training on customer care is planned, to reinforce the underlying principles of the initiative. Work also continues in relation to an inter-agency initiative to assess best practice in the provision of support for child witnesses.

11.35 As a result of the Department's efforts to achieve benefits from the introduction in 1996 of additional mandatory court diets held before the trial in both solemn and summary proceedings, more cases were concluded at an early stage and many witnesses were spared the inconvenience of attending court. While this change resulted in savings to the Department in expenditure on witness expenses, and contributed to reducing delay in the courts in disposing of cases, it also placed considerable extra demands on the Department in preparing for and conducting these additional diets, thus increasing staffing needs. Independent research has been commissioned to evaluate the impact of these diets.

11.36 The Department's Strategic Plan 1997-2000 and its seventh Annual Report (for 1997-98) provide an insight into the aims and objectives of the Procurator Fiscal Service and includes information concerning the Service's workload and performance. The annual report is available to all members of the public through local libraries.

Green Issues

11.37 The Department uses recycled paper whenever possible. It also shreds disposable paper and dispatches it for recycling. Print/toner cartridges from computer printers and photocopiers are collected and dispatched for recycling. Heating boiler tests are undertaken to ensure systems operate efficiently and maintain acceptable resource consumption and emission levels. Equipment is switched off when not in use to reduce energy consumption. No toxic substances or solvents are used.

11.38 The Department occupies a number of historic buildings and recognises the contribution which can be made to the environment by caring for them. It follows the procedures set out in the Historic Buildings Conservation Guide prepared by Historic Scotland.

Bibliography

Crown Office and Procurator Fiscal Service - Strategic Plan 1997-2000
Crown Office and Procurator Fiscal Service - Annual Report 1997-98
Supply Estimates 1999-2000 Class XIII, Vote 11: Crown Office, Scotland

Enquiries

Further information can be obtained from Helen Rae, Crown Office, 25 Chambers Street, Edinburgh EH1 1LA Tel: 0131-226-2626.

12. SCOTTISH OFFICE ADMINISTRATION

(Vote 6)

PRIMARY AIM

To enable The Scottish Office and, following Devolution, the Scottish Executive to deliver its business as effectively and efficiently as possible.

Expenditure Summary

Pre Devolution

12.1 Scottish Office Administration (SOA) expenditure covering, until 1 July 1999, the salaries and expenses of Scottish Office Ministers and the staffing and other administrative costs of the 5 Scottish Office Departments and central services is summarised in **Table 12.1**. Expenditure associated with the establishment of the Scottish Parliament is included in the figures for 1998-99 and 1999-2000.

Post Devolution

12.2 Administration expenditure covering, after 1 July 1999, the salaries and expenses of Scottish Ministers and the staffing and other administrative costs of the 5 Scottish Office Departments and central services, or their successors within the Scottish Executive, is summarised in **Table 12.1**. The figures also include some expenditure on ongoing costs associated with the operation of the Scottish Parliament post devolution. However, most of the costs associated with the establishment and ongoing operation of the Scottish Parliament are shown in **Table 13.1**.

12.3 Figures for 1993-94 to 1997-98 are after deduction of estimated figures for Agencies prior to their creation dates, where appropriate, so as to give a consistent time series.

12.4 The Scotland Act 1998 created a new office, that of the Advocate General for Scotland, which will come into existence on 20 May 1999. The expenditure of the Advocate General for Scotland and, from 1 July 1999, that of the Secretary of State for Scotland will be covered by separate UK Supply Estimates, presented to Parliament by the Financial Secretary to the Treasury. Expenditure in respect of the Office of the Secretary of State and Advocate General for Scotland is detailed in the Cash Plans table at Appendix 1

Table 12.1: Scottish office Administration: Expenditure Summary .

Running costs

12.5 The increase in Departmental running costs in 1998-99 and the projected increase for 1999-2000 reflects the additional cost to the Department of preparing for devolution. Control of the Department's running costs will become a matter for the Scottish Parliament with effect from 1 July 1999.

12.6 The actual and planned provision for expenditure on running costs in 1998-99 and 1999-00 recognises the pressures associated with Devolution and other Government policy changes. The precise numbers of additional staff will depend on the decisions of the Scottish Executive in relation to running costs and therefore cannot be forecast accurately at this stage. However, the level of provision allows for an increase in staff numbers in the range 200-250 between 1 April 1998 and 31 March 2000. As at 1 January 1999, 149 of these additional staff were in post.

Objectives

12.7 Performance in respect of key objectives is summarised in Tables 12.2 and 12.3 below.

Table 12.2: Scottish Office Administration: Objectives and Performance

| Objectives | Performance |
|--|--|
| <p>To assist Ministers and Departments to match the public expenditure resources available to the objectives of Government policies in Scotland; to safeguard financial propriety and regularity in expenditure; to ensure adequate control of monies voted by Parliament and to account for them accurately and timeously; and to ensure Departments are provided with sound and practical financial advice.</p> <p>To ensure The Scottish Office has effective staff training and development systems.</p> | <p>All Appropriation Accounts for 1997-98 were certified by NAO</p> <p>In achieving IIP recognition in August 1997 we developed further our training and development strategy, and reviewed our systems and processes to fully support the overall objectives of The Scottish Office and its Associated Departments and Agencies. Accreditation covers The National Archives of Scotland, all of its Agencies (except the Scottish Prison Service), the General Register Office (Scotland) and the Scottish Record Office. We are currently undergoing Post-recognition Review and Development (mid-term review). Training and development opportunities are planned, organised and evaluated through Departmental Management Boards and our Training and Development Steering Group in line with corporate training and development priorities which are reviewed annually. Our target of 85% satisfaction rate for corporate training and development activity has been exceeded and will accordingly be increased. From 1997/98 we increased our target for training and development activity for every member of staff from 3 days per year to 5 days. The average figure for The Scottish Office was 5.2 days..</p> |
| <p>To avoid industrial action and minimise registered disagreement on grounds of lack of consultation.</p> <p>To promote more effective and efficient ways of working by improving performance management arrangements throughout The Scottish Office so that resources are well targeted and progress monitored.</p> | <p>No working days were lost through industrial action and there were no registered disagreements in 1998.</p> <p>Quarterly reporting on performance has been firmly established with in-year review meetings between the Permanent Secretary and Departmental Management Boards. Consideration is now being given to improving this process by linking performance management to reporting on the delivery of Ministerial commitments and possibly also to the management of cross-cutting issues. The most effective way of responding to the proposal, as set out in "Better Quality Services" that all functions and services should be reviewed once every five years, is also being considered.</p> |
| <p>To help Scottish Office businesses increase efficiency and improve services by ensuring the availability of cost effective information and telecommunications systems; developing and spreading best practice in the use of IT; and ensuring the provision of registry and library services.</p> | <p>The Scottish Office has carried out an evaluation of the pilot to introduce Action Officer working. The results of the evaluation support a roll-out to the rest of The Office although its implementation date will depend on decisions about the introduction of a new IT system.</p> <p>A full range of office information facilities is now available to all Scottish Office staff. This includes internal and external electronic mail, access to all Departmental reference information on an Intranet, connection to the Government Secure Intranet (GSI), and access to the Web. In 1998, a number of projects were undertaken to help maximise efficiency gains and service quality improvements through the use of IT, including an investigation of the scope for delivering more public services by electronic means. The</p> |

Scottish Office's mainframe computer was decommissioned in March 1998. The Department's IT network exceeded planned availability of 99.7%. External IT maintenance costs were reduced.

Objectives

To avoid disruption to public services through the Millennium date change

To obtain maximum value for money from The Scottish Office's expenditure on accommodation

To improve procurement to achieve maximum value for money, and to help spread best procurement practice throughout The Scottish Office.

To provide a vigorous exposition of Ministers' policies to the media, and of the reasons Ministers themselves use as justification for them; to provide strategic planning and co-ordination of policy presentation and announcements; to provide publicity services and advice for print, photographic, video requirements and event organisation; to organise visits to Scotland by the Prime Minister and members of the Royal Family, and escort official overseas visitors.

Performance

The Department's programme of work to ensure that its key systems are Year 2000 compliant, and that contingency plans are in place to minimise the impact of unforeseen or external failures, is moving to planned completion by March 1999. The Department has also been active, in co-operation with others, in stimulating action across the wider public sector in Scotland to ensure that the Year 2000 date change problem does not cause material disruption to services.

During 1998, a strategic review of Scottish Office accommodation was begun with the aim of maximising space utilisation to help absorb pressure on space resulting from devolution. Work began on the refurbishment of St Andrew's House, to ensure that the building is able to provide good quality office accommodation, safely and efficiently, into the future. The refurbishment is planned for completion by mid-2001. In support of ISO 14001 accreditation for Victoria Quay, a successful programme of energy and environmental initiatives was undertaken with annual energy cost savings of £30,000 achieved in the course of the year.

Procurement Policy and Instruction manuals have been updated and are now available on the Department's Intranet. A formal system of delegated purchasing authorities has been introduced, and a procurement health check programme, designed to assess the quality of procurement practice across the Office, is being applied. Continued focus on value for money is supported by the implementation of improved information and reporting systems, and is reflected in planned savings being achieved.

Media activity and coverage was intensive throughout the year. Significant Government announcements to the media were the Budget, the Comprehensive Spending Review, and major policy initiatives across the work of the Department, with particular focus on the education and health sectors in line with Government priorities.

The press office was responsible for all media briefing and communication throughout the passage of the Scotland Bill which received Royal Assent in November. There was a high level of interest in the architectural competition for the design of the new Parliament, and public exhibitions were displayed in major cities.

Three visits by the Prime Minister to Scotland were planned and organised. Public information advertising campaigns were launched including raising awareness about domestic violence, road safety, and opportunities in public bodies and for Children's panels. Over 80 new publications involving a number of major consultation reports were issued and more than 200 Royal and overseas visits were organised.

To support and enhance this activity, and provide fast and

To ensure that the Scottish Office and the many public organisations which it sponsors are aware of and apply the revised approach and principles of Service First (which re-launched the Citizen's Charter in June 1998) to the services they provide to the public

effective liaison with the Prime Minister's office and other Whitehall departments, a strategic planning and communications unit was developed during the year.

Full details of the Service First initiative and the range of supporting documentation have been circulated to all the public bodies sponsored by The Scottish Office, with encouragement to take appropriate action

Table 12.3: Scottish Office Administration: Performance Indicators

Table 12.4: Long Term Capital Project Table

Recruitment

12.8 Recruitment in The Scottish Office is carried out on the basis of fair and open competition and in accordance with the Civil Service Commissioners' Recruitment Code. The Department's recruitment processes are subject to internal checks and also to audit by the Civil Service Commissioners.

12.9 The Scottish Office recruits staff for its 6 core Departments plus the General Register Office for Scotland, the National Archives of Scotland, the Scottish Office Pensions Agency and the Students Awards Agency for Scotland. It also recruits administration staff for Historic Scotland, Scottish Fisheries Protection Agency and the Scottish Agricultural Science Agency. These 3 Agencies recruit direct their own professional, technical and scientific staff. The Scottish Prison Service conducts all its own recruitment. No figures are shown for the direct recruitment conducted by the Agencies.

12.10 From 1 April 1997 to 31 March 1998, the Department selected 344 staff for the following grades:

| Grade (including equivalents) | Number | | Percentages | |
|----------------------------------|----------|-------|-------------|-----------------|
| | Selected | Women | Disabled | Minority Ethnic |
| Senior Civil Service | 8 | 38 | - | - |
| Grade 6 | 7 | 57 | - | - |
| Grade 7 | 9 | 44 | - | - |
| Senior Executive Officers | 11 | 18 | - | - |
| Higher Executive Officers | 12 | 42 | - | - |
| Executive Officers | 51 | 49 | - | - |
| Administrative Officers | 27 | 52 | - | - |
| Administrative Assistants | 200 | 47 | 2 | - |
| Support Grades | 19 | 11 | 5 | - |

12.11 During the year, the Department exercised permitted exceptions to the Civil Service Commissioners' Recruitment Code to: extend the employment of 37 casual staff beyond 12 months and to employ 5 staff with specific skills on short-term contracts. In line with the Department's policy on the employment of people with disabilities, one member of staff was appointed under modified selection arrangements. Two former Civil Servants were re-employed.

Environmental Considerations

12.12 During 1998, further green policies, procedures and practices were introduced in line with The Scottish Office Energy Strategy. A 12% reduction in energy consumption was recorded, through introducing stricter temperature and time control regimes for heating, lighting and ventilation systems in 12 targeted buildings. In April 1998, the Department's building at Victoria Quay, Edinburgh, was awarded ISO 14001 accreditation. This was the first UK central Government building of comparable size to achieve this standard.

12.13 The Scottish Office's "Greening Government" policy statement was launched in November 1998. It provides environmental guidance on all aspects of Departmental operations including procurement, resource management, recycling, staff awareness, accommodation issues and the use of IT. Staff awareness has been raised through the use of a Roadshow about green housekeeping in the workplace. Wastepaper recycling facilities have been introduced in major buildings in Edinburgh,

Glasgow, Inverness and London. Cardboard, printer toner cartridges and drinks cans are also recycled. Obsolete IT equipment is re-used, repaired or recycled. During 1998, 6 dual-fuel (petrol/LPG) vehicles were purchased and are now in use.

Enquiries

Further information can be obtained from Karen Martin: Tel 0131-244 7346.

13. SCOTTISH PARLIAMENT

(Vote 12)

AIMS

To establish the Scottish Parliament and Executive, as provided for in the Scotland Act 1998.

Table 13.1: Scottish Parliament: Expenditure Summary

Introduction 13.1 On 24 July 1997, the Government published a White Paper "Scotland's Parliament" setting out proposals for the establishment of a Scottish Parliament and Executive. These proposals were endorsed in the referendum held in Scotland on 11 September 1997 and formed the basis of the Scotland Bill which was introduced in the House of Commons on 17 December 1997. After over 200 hours of parliamentary scrutiny, this became the Scotland Act 1998 on 19 December 1998.

13.2 This Chapter describes the composition and powers of the Parliament and Executive, the interrelationships with the UK Government and Parliament and the European Community, arrangements for staff and services for the Parliament and the interim and permanent Parliament buildings.

Parliament: Composition and Powers

13.3 The Parliament will have 129 Members, 73 from constituencies elected on the first past the post system and 56 additional members selected on a proportional basis from party lists drawn up for each of the current 8 European Parliament constituencies. Each elector will be able to cast two votes: one for a constituency MSP ("Member of the Scottish Parliament") and one for the party of their choice. The first elections will be held on 6 May 1999. The Parliament will be kept in order by a Presiding Officer who will be an MSP and will be elected by the Parliament.

13.4 The Scottish Parliament will be able to make primary legislation ("Acts of the Scottish Parliament"). Its legislative competence will be limited in a number of ways. It will not be able to legislate about reserved matters. At Schedule 5 the Act specifies all matters which are to be reserved. The Scottish Parliament will have competence over the areas listed below, which correspond closely to those dealt with in this Report.

- Health
- Education and training
- Local government, social work and housing
- Economic development
- Many aspects of transport
- The legal system and law and order
- The environment
- Agriculture, fisheries and forestry
- Sport and the arts

13.5 Acts of the Scottish Parliament must comply with rights under the European Convention on Human Rights and with European Community Law.

13.6 The Westminster Parliament will continue to be the sovereign parliament of the United Kingdom and it will retain the power to legislate about any matter, including devolved matters, in Scotland. It is expected that a convention will be established that, because the Scotland Act has given specific powers to the Scottish Parliament, the Westminster Parliament will not normally legislate with regard to devolved matters in Scotland without the consent of the Scottish Parliament.

Composition of the Executive

13.7 The Scottish Executive (whose members are collectively referred to as "the Scottish Ministers") will be the Government in Scotland for all devolved matters. The members of the Scottish executive will be:

- the First Minister
- the Lord Advocate and the Solicitor General for Scotland (also known as the Law Officers)
- other Ministers appointed by the First Minister

13.8 The First Minister will also be able to appoint junior Ministers (who will not be members of the Executive) to assist the Scottish Ministers.

13.9 It is expected that a Secretary of State for Scotland will continue to be appointed as a member of the UK Government after devolution, although that will be a matter for the Prime Minister. The Secretary of State will not be a member of the Scottish Executive.

Powers of the Executive

13.10 The Parliament and Executive will assume their full powers and duties on 1 July 1999. On this day, powers and duties and other functions exercised by existing UK Ministers in Scotland relating to devolved matters will transfer to the Scottish Ministers. UK Ministers will cease to exercise those functions in Scotland and they will instead be exercised by the Scottish Ministers. This includes functions of observing and implementing obligations under European Community law which relate to matters within devolved competence. Acts of the Scottish Parliament will be able to confer new functions (within devolved competence) on the Scottish Ministers or amend those ones which they inherit.

13.11 As well as being the senior Law Officer to the Scottish Executive, the Lord Advocate will continue to be the independent head of the systems of criminal prosecution and investigation of deaths in Scotland. These will be his "retained functions" and will not be exercisable by any other Scottish Minister.

13.12 Apart from such specific exceptions, other functions which are transferred to the Scottish Ministers will be capable of being exercised by any of them. The First Minister will be able to allocate particular functions to particular Ministers.

13.13 It will be possible for the Scottish Executive to be given responsibility for certain functions in areas in which the power to make primary legislation is reserved to Westminster by a process known as "executive devolution". These functions will be specified in an Order in Council which will be approved by both Parliaments.

Consultative Steering Group

13.14 Whilst it is ultimately for the Parliament to determine its own procedural rules, within the parameters set out by the Scotland Act, some rules will be required to govern its procedures from the date of the first meeting.

13.15 The all-party Consultative Steering Group (CSG) was set up in January 1998 under the chairmanship of Mr Henry McLeish, Minister for Devolution, to make recommendations to the Secretary of State on how the Parliament might operate. The Group reported in December 1998, and its Report will form the basis of the Standing Orders for the Parliament.

CSG's deliberations were guided by four key principles:

- the Scottish Parliament should embody and reflect the sharing of power between the people of Scotland, the legislators and the Scottish Executive;
- the Scottish Executive should be accountable to the Scottish Parliament and the Parliament and Executive should be accountable to the people of Scotland;
- the Scottish Parliament should be accessible, open, responsive and develop procedures which make possible a participative approach to the development, consideration and scrutiny of policy and legislation; and
- the Scottish Parliament in its operation and its appointments should recognise the need to promote equal opportunities for all.

13.16 In their Report, "Shaping Scotland's Parliament", CSG has set out a blueprint for the working methods of the Parliament. The Group's recommendations include:

- that there should be a very strong role for committees, which should combine the roles of select and standing committees, should be able to travel around Scotland and should have the power to initiate legislation;
- the Parliament's business should be programmed by a Business Committee, chaired by the Presiding Officer and including representatives from the political parties;
- there should be a strong pre-legislative process, with Bills on Introduction being accompanied by an explanatory memorandum which would outline the consultation process undertaken; the options considered; the reasons for the adopted approach and the potential impact of the proposals on equal opportunities; business costs; local government; sustainable development; island issues and so on. This memorandum would be open to Parliamentary scrutiny;
- the Parliament should make extensive use of information technology, including ensuring that the Parliament has an interactive website and that individual MSPs have public email addresses;
- the Parliament's working hours should be "family friendly", and the Parliament should observe Scottish school

holidays;

- the Parliament should at all times use plain English and MSPs should address each other by name;
- the Parliament should have a Public Petitions Committee which would ensure that petitions from the public are dealt with according to well-publicised guidelines.

13.17 The CSG Report is available from the Stationery Office or on the Scottish Devolution Website (www.scottish-devolution.org.uk)

Finance

13.18 The Parliament's assigned budget (sometimes referred to as the "block grant") will be determined, in much the same way as the Scottish Block is at present, using the so-called Barnett formula. In addition the Parliament will have the power to vary upwards or downwards the basic rate of income tax applicable in Scotland by up to 3 pence in the pound, with proceeds adding to, or reducing, the Parliament's spending power.

The Scottish Executive will be able to allocate the available budget (i.e. the assigned budget plus or minus the use of the tax-varying power) as it decides, subject to the approval of the Scottish Parliament. Shortly after taking up full legislative competence, the Parliament will legislate to put detailed procedures for the approval, accounting and auditing of expenditure in place.

Working with the UK Government and the other Devolved Administrations

13.19 The devolution of power to Scotland, Wales and Northern Ireland will fundamentally alter the nature of the United Kingdom. It will require officials in all the administrations to consider new ways of working together. Concordats (non-statutory agreements setting out the working relationships between Whitehall and the devolved administrations) will be a key part of this new "liaison machinery". The Scotland Act will also require or enable the administrations to work together in other ways - for example, in relation to cross-border public authorities (bodies that have functions that relate to both reserved and devolved matters) and through agency arrangements for the provision of services. A Joint Ministerial Committee consisting of representatives from the UK Government and the devolved administrations will be set up to allow the devolved administrations to be involved in the deliberations of the UK Government when it is considering reserved matters which impinge on devolved responsibilities.

The European Union

13.20 Relations with the European Union will remain a reserved matter. However, EU policies and legislation will have a considerable impact on many of the matters for which the Scottish Parliament will be responsible and the Parliament, if it chooses to do so, will be able to scrutinise EU proposals to ensure that Scotland's interests are properly reflected.

13.21 The United Kingdom, as the member state of the EC is under an obligation to observe and implement EC obligations. As part of that process, and where national legislation is required to implement the obligation, the Scottish Parliament and Executive will have the option of choosing whether to implement EC obligations which cover devolved matters in Scotland, or agreeing on GB or UK legislation (if the Parliament and Executive judge this appropriate).

13.22 The Scottish Executive will be involved as directly and fully as possible in decision-making on EU matters. This could lead, if appropriate, to Scottish Ministers and officials having a role to play in meetings within the EU and in other negotiations with EU partners. The role of Scottish Ministers and officials will be to support the single UK negotiating line which they will have played a part in developing. The emphasis in negotiations will be on working as a UK team. The UK lead Minister will retain overall responsibility and determine how best each member of the team can contribute, so that in appropriate cases Scottish Ministers could speak for the UK in Councils.

Parliament: Accommodation and Services

13.23 The costs of accommodation, staff and services for the Parliament are set out in Table 13.1.

Once the Parliament is established, responsibility for these matters will be transferred from the Secretary of State to the Scottish Parliamentary Corporate Body and it will be for the SPCB to determine the precise allocation of resources.

13.24 Work is now well under way on the adaptation of the Church of Scotland General Assembly Hall to host the main Debating Chamber for the Parliament and on the preparation of the City of Edinburgh Council buildings in the Lawnmarket and on George IV Bridge which the Parliament will use as committee and office accommodation from May 1999. These are on schedule to be ready by May 1999. Work is underway in parallel on the procurement of services for the Parliament. In some

cases this will involve making arrangements with external contractors; in others, staff will be recruited to develop and run services in-house.

13.25 Work is also underway on the permanent home for the Parliament at Holyrood. A design team has been appointed after an international competition. In July 1998 the Secretary of State announced the selection of Enric Miralles and Benedetta Tagliabue, and their Edinburgh partners RMJM (Scotland) Ltd as designers for the new Parliament building. The design team have translated the user brief for the building into an outline design. These designs were displayed at public exhibitions around Scotland from October last year to January 1999. Detailed designs will be available in the Spring of 1999. The Scottish Office has taken possession of the first part of the Scottish and Newcastle site at Holyrood and the entire site will be in its ownership by April 1999. Demolition work has begun and construction of the new building will start in the summer of 1999 and be completed and ready for occupation in the autumn of 2001. A budget of £50m excluding professional fees, site acquisition costs and VAT has been earmarked for constructing the new Parliament building.

13.26 It is envisaged that the First Minister will have his/her main Office in St Andrew's House; other Scottish Ministers will be based in either St Andrew's House or in the building where most of their departmental officials are situated. Precise arrangements within St Andrew's House will depend on progress with the refurbishment programme there and space planning considerations. In addition, all MSPs including the First Minister and other Scottish Ministers will be provided with office accommodation in the building on George IV Bridge which has been taken over from City of Edinburgh Council.



14. THE FORESTRY COMMISSION

(Vote 10)

AIMS

The sustainable management of our existing woods and forests, and a steady expansion of tree cover to increase the many, diverse benefits that forests provide to meet the needs of present and future generations.

Functions

14.1 The Forestry Commission is the Government Department with responsibility for forestry throughout Great Britain. It currently reports to Forestry Ministers, namely the Secretary of State for Scotland (who takes the lead role), the Minister of Agriculture, Fisheries and Food and the Secretary of State for Wales who act jointly throughout Great Britain. The Commission is responsible for advising Ministers on forestry policy and for the implementation of that policy. The Commission represents the United Kingdom forestry interests within the European Union. It has a Chairman and Board of Commissioners with duties and powers prescribed by statute. The Commission produces an Annual Report for presentation to Parliament which includes the Financial Statements and Accounts for the year of account.

Statutory Duties

14.2 Under the Forestry Act 1967, the Forestry Commission is charged with the general duties of:

- promoting the interests of forestry;
- the development of afforestation including the establishment and maintenance of adequate reserves of growing trees;
- the production and supply of timber and other forest products; and
- endeavouring to achieve a reasonable balance between the needs of productive forestry and those of the environment.

Devolution

14.3 During 1999, joint Ministerial administration will end as forestry is devolved to the Scottish Parliament and the Secretary of State's powers to direct the Commission in Wales are transferred to the Welsh Assembly. Funding for forestry in Scotland and Wales will be based on the block vote and Barnett formula rules. Concordats will be developed to set out the distribution of net timber receipts and income from asset sales between the administrations. The Commission, whilst remaining a single Government Department, will be a cross-border public body, exercising its duties separately in England, Scotland and Wales and it will report and account separately to Westminster, Edinburgh and Cardiff respectively.

.Departmental Organisation (*See paragraph 14.1*)

Organisation of the Forestry Commission

14.4 The Commission faces new challenges in meeting the needs of the administrations to which forestry has been devolved. The organisation has been adapted to meet these needs as follows:

Headquarters, responsible for:

- international policy co-ordination and development;
- specialist support for national offices;
- central administrative support and personnel, finance, audit and IT services.

National offices in Scotland, England and Wales responsible in each country for:

- support and advice to the Minister or Secretary responsible for forestry;
- delivering forestry policy through regulation and incentives administered through a network of local **Conservancy offices**.

14.5 The management of the Commission's forests is undertaken by the Forest Enterprise Agency and this will continue for each country after devolution.

14.6 Research, Technical Development and Surveys is undertaken by the Forestry Commission Research Agency (Forest Research) and this will also continue.

Objectives

14.7 The Commission's broad objectives in carrying out its duties are as follows:

1. Protect Britain's forests and woodlands;
2. Expand Britain's forest area;
3. Enhance the economic value of our forest resources;
4. Conserve and improve the biodiversity, landscape and cultural heritage of our forests and woodlands;
5. Develop opportunities for woodland recreation;
6. Increase public understanding and community participation in forestry.

In pursuing these objectives, the Commission aims to ensure that it deploys its resources as efficiently as possible, continually looking to see where improvements can be made. It makes use of a variety of mechanisms, such as grants, regulation, advice, management of the public estate, research and standard-setting. It plays its part in ensuring that these objectives are met internationally, both by sharing its experience and by active involvement in international fora.

Performance Targets

14.8 The Commission has entered into a Public Service Agreement (PSA) which, subject to any amendment by the Scottish Parliament or the Welsh Assembly, specifies the key targets to be delivered by 31 March 2002 based on the resources provided in the Comprehensive Spending Review settlement. The targets are:

- i. ensure that 1.1 million hectares of woodlands have sustainable management plans and that 50,000 hectares of felled woodlands are restocked; (Objectives 1 and 4)
- ii. guard against possible future landslips in its forests in the Welsh valleys by establishing priorities with £2.5 million of remedial work being completed each year in 1999-2000, 2000-2001 and 2001-2002 respectively; (Objective 1)
- iii. provide incentives to have 57,000 hectares of new woodlands planted and increase the use of challenge funds and tenders to buy better value public benefits without increasing generally available tariff grants. For new planting, this will be 12 per cent by area and 35 per cent by monetary value; (Objectives 2 and 4)
- iv. develop methods to benchmark the return from commercial forestry on the FC estate against equivalent private sector forests and set an increased rate of return thereafter; (Objective 3)
- v. conduct a trial sale of future timber cutting rights (to bring forward income whilst protecting public access) with the public tender process to be completed by 31 March 2000 and any sale completed by 31 March 2001; (Objective 3)
- vi. submit proposals to Ministers by 31 March 2001 for a more transparent system to improve accountability for public policy decisions on environmental outputs; (Objective 4)
- vii. improve the facilities provided by Forest Holidays through a public/private partnership to refurbish the 4 existing cabin sites by 31 March 2000 and build 2 new sites by 31 March 2002; (Objective 5).

Programme Expenditure Summary

14.9 **Table 14.1** shows the cash plans and outturn from 1993-94 to 1997-98 together with the estimated outturn for 1998-99 and

plans for 1999-2000 to 2001-02. Figures up to 1994-95 do not include receipts from the disposal of forestry land and surplus property which were not retained in the Forestry Fund but surrendered to the Consolidated Fund. From 1995-96 onwards, such disposals receipts were retained in the Forestry Fund and this is reflected in a reduction in Grant in Aid figures. These figures change again from 1999-2000 following termination of large scale forest sales.

Table 14.1 : Cash Plans - Voted in Estimates: Forestry

Overall Review of Outturns and Cash Plans

14.10 The outturn for 1997-98 resulted in a net underspend of £3 million to be surrendered to the Consolidated Fund. Payments of grants on private sector planting were £7 million below plan; both conifer and broadleaf new planting were lower than planned while the total area of replanting was also below target. Disposals receipts were £1 million above target, timber sales were down just over £4 million and other receipts were up £1 million. However, the decline in timber prices, which began in 1995-96, continued through into 1997-98 and the volume of timber harvested was increased by 5 per cent to compensate. Increased operating costs were balanced to a certain extent by the fact that salary savings were greater and pension payments lower than planned.

14.11 Receipts for reimbursement of European Union co-financing of grants paid to private woodland owners for planting on former agricultural land in 1997-98 totalled £8.9 million. This was £1.6 million less than expected due to new planting levels falling below plan.

14.12 Timber prices continued to decline during 1998-99 and in real terms reached the lowest levels ever recorded. Reduction in gross timber income was partly contained but at the cost of cutting increased volumes; there was also some loss of receipts from sale of forest land (see paragraph 14.14). The Commission compensated for these factors as far as it could by reductions in staff and superannuation costs, deferred capital spending, increased receipts from other trading activities and the income from surrender of the lease on a small piece of land approved for development. However, the £58 million Grant in Aid voted in Estimate had to be augmented by a Supplementary Estimate of £3.9 million to cover all commitments.

14.13 The estimated outturn for 1998-99 excludes the receipt of £10.5 million for EU co-financing of private woodlands grants.

Keeping the Manifesto Commitment

14.14 Consistent with its Manifesto, the Government has ended large scale forest sales and increased the Grant in Aid provision for 1999-2000 to £90 million. From this will be deducted £10.5 million for reimbursement of EU co-financing of private woodlands grants. The Commission will sell surplus assets which do not contribute to policy objectives to raise £5 million. Superannuation payments will rise slightly as the annual inflation increase is applied. Woodland Grant Scheme payments will also increase as second instalments fall due from earlier planting in the Scheme. These plans assume a modest recovery in timber prices during 1999-2000 and will need to be modified in year if this does not materialise.

14.15 Plans for 2000-01 and 2001-02 follow the same pattern except for £10 million income assumed from the cutting rights trial in the first of those years and the end of surplus asset sales of any significance.

Departmental Investment Strategy

14.16 The Commission invests in new and existing woodlands to generate multiple benefits and meet its objectives. This investment is made in both the public estate managed by Forest Enterprise and also in private woodlands. Investment supports the Government manifesto commitment to maintain public ownership of the Commission estate to provide access and ensure recreation for all.

14.17 The Commission reaps the benefits of earlier public investment in forestry. Income from the estate, which is deemed to be capital, exceeds capital expenditure. The capital income is mainly from sale of timber but also includes sale of other assets and is re-invested in planting more woodlands both on the Commission estate and in private ownership. Since, in the latter case, there is a presumption that the land remains in forestry, this is deemed to be a public investment for future generations in recreational, environmental and landscape benefits. The income is also re-invested in capital assets to support the delivery of the Commission's objectives. When it is not required for re-investment, it may be appropriated for running costs as directed by Treasury or surrendered to the Consolidated Fund.

14.18 The investment strategy, which has been scrutinised closely by both HM Treasury and National Audit Office for many years, is not a new strategy developed under the current initiative. It reflects years of practical application and evolution influenced by the policy decisions and priorities of the Commissioners who are supported by staff from many professional disciplines. Since the strategy is well grounded, it is underpinned by mature systems for all the activities required eg appraisal,

forecasting, control etc.

Capital Assets

14.19 **Table 14.2** sets out the Capital Assets of the Forestry Commission. A revaluation of the forest estate, based on the open market value as at 31 March 1998, was carried out by panels of external professional valuers. The Commission revalues on the same basis at intervals of 5 years with a desk review of the valuation at the intervening 3 year point. The valuation of the forest estate is adjusted annually to reflect acquisitions and disposals. Other tangible fixed assets are revalued by professionally qualified staff every 3 years and adjusted annually using a general price index. The next full revaluation of these other assets will be carried out at 31 March 1999.

Table 14.2 : Forestry Commission: Fixed Assets

Manpower

14.20 Manpower plans for the Commission are set out in **Table 14.3**. The downward trend in total manpower requirements reflects improvements being made in operating costs by increased mechanisation, improved working methods and contracting out. Merchants who purchase trees standing, together with private contractors working directly to the Commission, now carry out 78 per cent of Forest Enterprise's increasing programme of harvesting operations and will carry out 83 per cent by 2000-01. A review of Forest Enterprise led to a further reduction in both the number and staffing of management units during 1998-99.

Table 14.3: Forestry Commission Manpower and Paybill

Plans and Achievements

14.21 Plans and achievements can address multiple benefits but are set out below against those Commission objectives to which they mainly apply.

Protect Britain's Forests and Woodlands

Sustainable Forestry

14.22 The Commission, the Department of Agriculture for Northern Ireland and the Department for International Development undertook a consultation on the sustainable management of forests in September 1998 as part of the Government's broader consultation on sustainable development. A summary of responses was published in December 1998 and this will inform the Government's promotion of sustainable forestry in a revised Strategy for Sustainable Development to be published in 1999.

The Commission has a Public Service Agreement target to have 1.1 million hectares of woodlands with sustainable management plans by March 2002.

International Fora

14.23 The Commission along with the DFID, DETR and FCO continue to promote sustainable forest management at the international level. The Government actively participates in the UN Intergovernmental Forum on Forests, which will make recommendations on the sustainable management of the world's forests to the UN Commission on Sustainable Development in the year 2000. At the G8 Summit in Birmingham in June 1998, G8 leaders endorsed an Action Programme on Forests, which addresses key areas and will be reviewed at the G8 Summit in 2000.

UK Forestry Standard

14.24 The UK Forestry Standard (published in January 1998) has been introduced rapidly as a defining reference for British Forestry. The Commission has undertaken a review of existing Forestry Commission research to identify data important for monitoring various aspects of sustainability reflected in the Standard. Monitoring will commence in 1999-2000.

Sustaining Britain's woodland

14.25 The Commission restocks its own woodland after felling; and requires and assists the private sector to restock. The areas of public and grant-aided private woodland replanting in 1997-98 were 7,847 hectares and 5,525 hectares respectively and are expected to be 8,424 hectares and 5,600 hectares respectively in 1998-99. Provision has been made for some 17,200 hectares to be replanted in 1999-2000, comprising 9,000 hectares in Commission woodlands and 7,200 hectares in private woodlands. **The Commission's Public Service Agreement target is to ensure that a total of 50,000 hectares are restocked between April 1999 and March 2002.**

Statutory Controls: Tree Felling

14.26 The Commission administers felling legislation and investigates cases of illegal felling of trees. These controls were further tightened from 1 April 1998. A Felling Licence is now required for any felling approved under the Woodland Grant Scheme, giving the Commission power to enforce replanting conditions on a new owner where the land has been sold after clear felling. Over 2,100 licences to fell trees were issued in 1997-98 while the number of alleged illegal fellings reported was 326. Some 96 reports warranted further investigation leading to 25 prosecutions with 9 other cases where investigation or proceedings are still in progress. In 9 less serious cases, warning notices were issued.

Statutory Controls: Plant Health

14.27 The 1967 Plant Health Act and EU Regulations require the Commissioners to guard against pests and diseases. The Commission maintains controls over timber imports and exports to and from non-EU countries and the movement of intra-community forestry material in Great Britain, charging fees to cover the cost of import inspections and export certification.

14.28 The Commission aims to ensure that imports subject to quarantine control are inspected quickly to either identify threats or clear the goods without delay and at minimum cost. It carried out 6,400 timber import inspections in 1997-98 together with a high number of random checks on other consignments to contain the risk from wooden packing material. Powers are available to the Commission's inspectors to order remedial treatment where the landing requirements have not been met and these powers were enforced on 15 occasions. In the severest cases, landing permission can be refused and the goods ordered out of the EU but this did not prove necessary during the year under report.

14.29 The Commission is also responsible for the inspection and certification of British timber exports where this is required by importing countries. In 1997-98, the Commission issued over 430 phytosanitary certificates.

Recovery of Under-managed Woodlands

14.30 The Deer Initiative and the Squirrel Forum bring together a wide range of land-owning and management interests. Work in the Deer Initiative has led to an increased recognition of the need to focus on the establishment of an effective network of deer management groups and a co-ordinator has been appointed. The Squirrel Forum has continued to evolve during the year and is represented on the UK Red Squirrel Biodiversity Group.

Welsh Landslip

14.31 Due to previous land use, some of the timber crop in our forests in the Welsh Valleys may be vulnerable to land slip. **The Commission is spending £2.5 million per annum in the 3 years from 1999-2000 to stabilise the sites in question and has engaged consulting engineers during 1998-99 to carry out the preliminary specification of work to meet this Public Service Agreement target.**

Expand Britain's Forest Area

14.32 The Commission provides grants to encourage landowners to plant new woodlands and grant aided the creation of 15,912 hectares during 1997-98, comprising 6,531 hectares of conifers and 9,381 hectares of broadleaves. Provision for new private sector planting in 1998-99 is 19,200 hectares and the programme for 1999-2000 onwards is a further 19,200 hectares per annum. In addition, the Commission planted 131 hectares of its own new woodlands during 1997-98 and plans to plant 150 hectares and 54 hectares during 1998-99 and 1999-2000 respectively. **These annual targets will meet the overall target set within the Public Service Agreement of 57,000 hectares of new planting by March 2002.**

14.33 During 1997-98, a total of 4,462 hectares (28 per cent of new private sector planting) was grant aided with better land supplement. This is 400 hectares less than the previous year. Applications for a further 4,800 hectares were approved of which 49 per cent was for broadleaves in England, a significant reduction on the previous year when the proportion was 71 per cent.

14.34 The Commission called for a total of 22 environmental assessments on new tree planting schemes during 1997-98 covering a total area of 14,427 hectares.

Creating new native woodland

14.35 Included in the total for 1997-98 was grant aid for some 4,100 hectares of new native woodlands. A further 594 hectares were approved for creation by natural regeneration, mainly by fencing to protect naturally occurring seedlings from grazing animals. (See also Challenge Funds for forestry expansion below).

Encouraging farm woodlands

14.36 In addition to grants under the Woodland Grant Scheme, farmers establishing new woodlands may be eligible for annual payments from the Agricultural Departments' Farm Woodland Premium Scheme. However, while there was an increase in the overall area approved for new planting in 1997-98, the area qualifying for the premium was down to 46 per cent of the total from 49 per cent the previous year.

Challenge funds for forestry expansion

14.37 The Native Woods in National Parks Challenge in England and Wales attracted considerable interest with a total of 28 bids covering 678 hectares being accepted. In Scotland, the Grampian and Deeside Forest and the Forest of Spey Challenges generated bids covering over 900 hectares of planting. The Caledonian Partnership LIFE/Millennium semi-natural woodland inventory was extended during the year to cover the whole of Scotland.

14.38 The second round of Bracken Challenge bids closed in March 1998 with applications for the establishment of 420 hectares of new woodlands on bracken-infested land in Wales.

14.39 The Commission is committed to the use of challenge funds as a better way of buying public benefits through competition and has a Public Service Agreement target to deliver 12 per cent of the area and 35 per cent of the monetary value of incentives for new planting in this way by 31 March 2002.

Enhance Economic Value

Timber Market Development

14.40 Poor conditions for the timber industry in 1997-98 worsened in 1998-99. Prices fell to the lowest level ever recorded in real terms due to imports made cheaper both by the strength of Sterling and by the availability of supply from the world market. Some developments have had an effect which may be more permanent. These include the diversion of wood away from the crisis hit markets in the Far East, the increased availability of supplies from the developing export markets of the Baltic States, and the incentives for recycling provided by landfill tax. The British construction market was also a disappointment for the sawmilling industry being much weaker than expected. Despite these setbacks and closures of sawmills, there has been some good news in the panel board industries. A new chipboard factory using roundwood opened in Scotland and medium density fibre board facilities are under construction in England and Scotland.

Softwood Study

14.41 A Softwood Study, commissioned jointly with Scottish Enterprise and Highlands and Islands Enterprise reported in 1998 on the implications of the 75 per cent increase in supply over the next 15 to 20 years. This provided a catalyst for discussion of market development imperatives between all sectors of the industry. The majority of the increased volume is from private sector woodlands where major improvement in the co-ordination of marketing will be required to provide investors in wood processing with confidence that there will be a regular supply of raw material. This and other issues such as transport, cost reduction and the optimisation of wood processing are now being taken forward by cross-sectoral task groups. The Commission and the Forestry Industry Council have been asked to co-ordinate these groups.

Hardwood Study

14.42 A South of England hardwoods study concluded that there was no probability of attracting a single large processing factory to create a new market for the low quality timber which is widely available from southern woodlands. The report highlighted several issues in common with the softwood study including the need for better generic promotion of timber. The Commission is working with associations representing the growing and harvesting sectors to ensure that existing markets and opportunities for new ones are supported in the most effective way for sustainable long term growth.

European Structural Funds

14.43 Measures which will help improve the management of woodlands and the marketing of forest products are included in a number of Structural Fund Programmes under Objectives 1, 2 and 5b. The Commission works closely with other Government departments to ensure that best use is made of available funds.

Pilot Schemes

14.44 Livestock Exclusion Annual Premium has reached the end of its pilot phase and will be reviewed in 1999. Woodland

Improvement Grant and Locational Supplement have been extended beyond their pilot phase. Locational Supplement for the Central Scotland Forest area expired on 31 March 1998 and is being replaced by a Challenge Fund for well-designed, productive forests.

Conserve and Improve Biodiversity, Landscape and Cultural Heritage

Improving woodland management

14.45 An Annual Management Grant of £35 per hectare is payable under the Woodland Grant Scheme for approved work in woods of special conservation and landscape value or where the public are welcome. It can also be paid to bring woods up to current environmental standards. The area receiving such management grants peaked at 275,000 hectares during 1997-98.

14.46 The Commission allocated £1.63 million of grants to a Forestry Partnership programme during 1998-99. The aim is to encourage partnerships and collaborative ventures by groups of woodland owners to deliver the Commission's objectives through a range of multi-benefit objectives. The uptake of these funds has been slower than expected and it is unlikely that all the sum allocated will be used.

Damaged and Derelict Land

14.47 It is estimated that over 100,000 hectares of damaged land in Great Britain, a legacy from our industrial past, could be redeveloped by forestry. The Commission established a Land Regeneration Unit in March 1998 to identify such land and assist in developing partnerships for funding in England. In Wales, following the Aman Gwendraeth Initiative which was supported by a locational supplement, a study has been contracted to produce a publication on best practice for woodland planting on damaged land.

Biodiversity

14.48 The Commission has developed programmes to assist the UK Biodiversity Action Plan and is leading the implementation of native woodland Habitat Action Plans. It has established a steering group with partner bodies to co-ordinate programmes for all types of native woodland. This group has now developed a network of contacts and partners including the lead partners for Species Action Plans relevant to woodlands and is helping to compile work programmes for each country and at UK level.

14.49 Research into improving the biodiversity of planted forests has made valuable progress with the completion of surveys of biodiversity in different ages and species of plantation.

Develop Opportunities For Woodland Recreation

Encouraging Access and Recreation

14.50 The Commission approved management grants with 'Walkers Welcome' public access provision for more than 15,800 hectares of private woodland during 1997-98. This initiative is aimed at encouraging owners to provide access and requires them to erect signs and actively promote a welcome for people walking in their woods. More than 51,500 hectares of private woodland has been brought into the scheme since it was introduced in 1992.

Community forests

14.51 Contributions to the Community Forests programme have been made more transparent and guidance has been issued to provide a framework for describing needs and outcomes. A sum of £2 million was made available to Forest Enterprise in 1997-98 for the purchase of land to plant woodlands for public benefit where the private sector did not respond to the incentives offered. A review of the Community Woodland supplement in Scotland confirmed that it was giving value for money.

Encouraging Community forests

14.52 The Commission continues to promote tree planting on the edges of towns and cities. Community Woodland Supplement was paid on 949 hectares (6 per cent of new planting) in 1997-98 and the estimate for 1998-99 is 1,000 hectares. Provision has been made for similar areas in the 3 years from 1999-2000.

Increase Public Understanding and Community Participation

14.53 Throughout the country, there are 12 active Forest Education Initiative (FEI) cluster groups and another 10 at various stages of development. FEI received help to produce a book for schools 'Only Made of Wood' aimed at 5 to 7 year olds. The Tree Trunk initiative, a pilot scheme offering a range of teaching resource material to schools, has also been successful and

there are plans to extend it. The Commission was represented on the Scottish National Rural Partnership working group which advised on the disbursement of the Scottish Rural Partnership fund. Publicity events have included a number of publications, an active presence at major shows and media coverage.

Efficiency

14.54 As well as a partnership being developed for the Forest Holiday business (see paragraph 14.94), other initiatives have been undertaken. A pay and grading exercise is coming to an end which will provide better control over the paybill in the coming years. In addition, the amalgamation of non-industrial and industrial staff groups is being considered to remove artificial barriers to resource utilisation and staff progression whilst reducing personnel management costs.

14.55 The use of private partnerships continues. In harvesting, private sector involvement through standing sales will increase to a maximum of 60 per cent by 2000. The limit is imposed to ensure competition exists in all areas. In woodland expansion, the use of the private sector to provide increased woodland cover has continued but there has been targeting of Forest Enterprise new planting in key areas where the private sector does not offer to expand at an economic rate. In addition, the Commission is in partnership with public and private sector organisations in reclaiming land ravaged by mineral working. The awarding of pensions has been contracted out to Paymaster who already makes payment to beneficiaries of the Forestry Commission Pension Scheme.

14.56 In the future, other initiatives include:

- the development of a GIS based option appraisal and production forecasting system will facilitate preparation of fully costed forest design plans;
- the utilisation of improved plants for 60 per cent of planting and restocking to reduce the cost of replacing failed trees and to provide healthier and more productive trees in the future;
- a trial sale of future timber cutting rights from the Commission's estate to establish if this option to provide a modern public service provides value for money to the taxpayer. **This Public Service Agreement target will be completed by 31 March 2001;**
- develop methods to benchmark the return from commercial forestry on the Commission's estate against equivalent private sector forests and use this exercise to set the future rate produced by the Commission's estate. **This Public Service Agreement target will be achieved by 31 March 2002;**
- submit proposals to Ministers on making the public policy decisions on the environmental outputs from forestry more transparent. **This will aid public accountability and the Public Service Agreement target requires completion by 31 March 2001.**

Grant Aid to Private Woodlands

14.57 **Table 14.4** gives details of the areas and financing of new planting, replanting and management grants in the private sector from 1993-94 to 1997-98, the estimated outturn for 1998-99, and the programmes for 1999-2000 to 2001-02. Total private sector new planting and replanting after felling are expected to amount to 57,600 and 21,600 hectares respectively in the next 3 years.

Table 14.4 : Grant aided planting: Private Woodlands 1993-94

14.58 The table shows that, after reaching a peak of £1,364 per hectare in 1993-94, the average grant paid for new planting has been broadly in the range of £1,200 to £1,300 per hectare. Fluctuation is the result of various factors including supplements for additional public benefits at different times under different initiatives and the relative levels of conifer and broadleaf planting.

14.59 The average grant paid for replanting rose to £948 per hectare in 1995-96, reflecting the inclusion of storm damage supplements and a rise in the use of broadleaves. However, the rate of replanting grant was reduced in 1996-97 and the average rate per hectare continues to decline as commitments at the lower level become a larger percentage of overall claims.

14.60 Interest in the Woodland Improvement Grant and payments under the Forestry Partnership Scheme continues to grow and the total payment of management grants of all types is increasing year on year.

14.61 Forestry will be devolved in the summer of 1999-2000. The table shows the actual grant spent in Great Britain in 1997-98 and a forecast of the total grant spend in 1998-99. It also gives an indication of the total level of resources allocated to the 3 years 1999-2000 to 2001-02 before there is any impact from devolution.

Research

14.62 The Commission currently spends some £11 million per annum on research, technical development and surveys aimed at maintaining the health of the nation's trees and forests, increasing the yield and value of timber and environmental benefits, and reducing both environmental impact and the cost of forestry operations. Most of the spend is with the Forestry Commission Research Agency but contracts worth in total up to £1 million are placed with other organisations including universities, the Building Research Establishment and TRADA.

14.63 As an island, Britain is free of many insect pests which could cause devastation if they became established. Removal of trade barriers and greater international trade is increasing the risk of introduction of insect pests such as *Ips typographus* and Asian long horn beetle. Research is conducted to support risk assessments, the development of strategies to prevent pests becoming established in Britain and the development of control methods, including biological control, for established and potential pests.

14.64 The long term impact on tree growth of raised levels of carbon dioxide in the atmosphere, increased nitrogen deposition and climate change could be significant. Research is being conducted to model the effects of these changes on tree growth and health.

14.65 Following development of the UK Forestry Standard, which drew extensively on past research, monitoring is required on a UK scale to confirm that the Standard achieves the desired outcome at an acceptable cost.

14.66 There is an increasing yield of larger dimension timber from British forests and the construction industry is seen as an important customer for this growth in production. However, the specification for this market is more demanding than for pulp or panels and research is being conducted into ways of assessing and improving timber quality to ensure that UK timber can compete successfully with imported material.

14.67 Major effort is being put into completing a survey of Britain's forests and woodlands. Results for Scotland will be published in 1999 while survey work is continuing in England and Wales.

Training and Safety

14.68 The Commission contributes to the development of professional, technical and craft skills in the forestry industry. It provides training for its own staff and for the private sector on a repayment basis.

14.69 The Commission provides the Secretariat for the Forestry and Arboriculture Safety and Training Council (FASTCo) which is recognised by the Department for Education and Employment as the Lead Body and Training Organisation for the industry. During 1998-99 FASTCo produced new Level 1 N/SVQ Standards which after piloting will be submitted for accreditation in early 1999. FASTCo has initiated work to thoroughly revise its training guidance so that training provision fully equips trainees to achieve National or Scottish Vocational Qualifications (N/SVQs) or equivalent nationally recognised awards.

14.70 FASTCo is working with industry and Awarding Body partners to develop a Machine Operator Certification Scheme similar to the scheme for Chain Saws. A new series of Safety Guides covering Machine Operation in support of this certification was launched at the Association of Professional Foresters International Machinery Exhibition in September 1998.

14.71 In partnership with the United Kingdom Forest Products Association, the Timber Trades Training Association and the Builders Merchants Federation, FASTCo has submitted a bid for recognition as the National Training Organisation (NTO) for the production, processing and distribution sectors of the timber industry.

Service First - New Charter Programme

Citizen's Charters

14.72 The Commission has a Charter for processing applications for grants and felling licences and over 80 per cent of the applications processed during 1997-98 were within the 10 weeks specified in the Charter statement. In response to a request from the Customer Representative Group, a new target will be set in a revised Charter for 1999. As part of the public consultation process, the Commission updates a public register of planting and felling applications each week and faxes this to over 700 interested parties for comment. An e-mail facility is also available on request and it is hoped that this will become the preferred method of communication for consultation.

14.73 The Charter Standard for plant health, to inspect imported timber no later than the next working day after notification, was met in 97 per cent of cases during 1997-98 and no complaints were recorded under the complaints procedure in the Charter.

14.74 The latest version of the Forest Enterprise Customer Charter Standards Statement, which sets out the general standards that apply throughout the Agency, appears in the Agency Annual Reports. This has been revised from time to time to keep abreast of Cabinet Office promotions.

14.75 The Agency has also introduced individual customer charters, which include standards of service, an appropriate complaints procedure, and details of consultation and service-users involvement, for each of the following services provided to the public:

- sale of standing trees and felled roundwood for timber;
- provision of recreation facilities for day visitors to the forest;
- sale of Christmas trees;
- Forest Holidays - provision of facilities for self-catering accommodation in forest cabins or at touring caravan and camping sites.

14.76 The Agency assesses its public service performance by measuring the *percentage compliance with the Customer Charter Standards Statement*. This is done for each of the 4 public services using a weighted index of service efficiency. Performance in paying all suppliers in accordance with the relevant terms of trading is also included. Compliance with the Customer Charter Standards Statement in 1997-98 was assessed at 96 per cent.

14.77 The Agency's strategy for the 3 forward years from 1999-2002 will focus on:

- Implementation of the Government's nine principles of public service as appropriate and its six general standards of service.
- Full compliance with the CBI Prompt Payment Code.
- Application for Charter Mark in respect of the provision of recreation facilities for day visitors to the Commission's forests.

The Six Service Standards for Central Government

14.78 The Commission has included the appropriate elements of the six general standards in each individual Charter. The standard for responding to correspondence is a maximum of 15 working days from receipt. Correspondence from MPs is sent to Ministers' Offices or directly to Agency Chief Executives. Agency Chief Executives have responded within the required time limit. Members of the public are met promptly whether or not they have appointments. Telephone enquiries are handled by a network of enquiry points for which the telephone numbers are widely advertised.

14.79 Consultation takes place on a broad front through statutory committees, specific consultation exercises and general liaison with industry, environmental and other interested parties. The results of consultation are promulgated in different ways depending on the form of consultation. Surveys are also carried out to determine the views of those who use the Commission's services.

14.80 Each Charter in place has a complaints procedure which is published and is available on request.

14.81 Services are widely advertised through publications and the world wide web. Special provision has been made for access by people with special needs to services in the forests. This has been publicised in our *Easy Access Gazetteer* which is also produced in Braille.

Compensation for maladministration

14.82 The Commission made no payments in 1997-98 by way of compensation for maladministration.



Aim

14.83 Forest Enterprise was established as an Executive Agency in April 1996 to produce, through effective and efficient management of the forest estate, the financial, environmental, social and other outputs sought by Ministers and the Forestry Commissioners in a way which meets the Government's objectives and international commitments and sustains both the

productive potential and the environmental quality of the forest estate.

Objectives

14.84 The aims are addressed through the following objectives:

- to maximise financial returns on the assets of the estate through wood production and the exploitation of commercial opportunities, using private capital wherever appropriate;
- to develop the recreational and educational potential of the estate;
- to take the action needed to facilitate access by the public on foot, extending it as widely as is consistent with the safety of users and with the Commissioners' legal obligations;
- to enhance the environmental, conservation and amenity value of the estate including biodiversity and landscape, and to seek and realise opportunities to further the Government's environmental policies;
- to conserve and manage sympathetically areas of special natural and heritage interest;
- to be efficient, cost effective and businesslike in all operations undertaken;
- to set and achieve the standards of service set out in the Agency's Citizen's Charter Standards Statement.

Key Performance Targets

14.85 The Agency has been given 13 annual performance measures which cover the full spectrum of its multiple-benefit objectives and outputs. The Agency's key performance targets and achievements are shown at **Table 14.5**.

Table 14.5 : Forest Enterprise Key Performance Targets

Income and Expenditure

14.86 The Agency's overall trading plans are set out at **Table 14.6**. Whilst timber production is the primary source of trading revenue, additional sources of revenue are provided by other forest-related activities such as forest holidays, sales of venison, property rentals and commercial development of the estate. Further details of the individual activities involved can be found in the Agency's Corporate Plans.

Table 14.6 : Forest Enterprise Income and Expenditure Account



Purpose

14.87 The Forestry Commission Research Agency was established as an Agency on 1 April 1997. Its purpose is to provide research, development, surveys and technical services to the forest industry and to provide authoritative advice in support of the development and implementation of the Government's forestry policies.

Objectives

14.88 The Agency has the following objectives:

- to meet customers' needs for forestry and tree related research, development and surveys and for authoritative advice;
- to satisfy current standards for the quality of scientific research;
- to carry out its functions efficiently and cost effectively;
- to achieve full cost recovery from clients.

14.89 The Agency's key performance targets are based on performance measures which reflect these objectives and are shown in **Table 14.7**. More detailed information is given in the Agency Corporate Plan.

Table 14.7 : Forest Research Key Targets 1998-99

Table 14.8 : Forest Research Income and Expenditure Account

14.90 The Agency's actual, forecast and planned income and expenditure for 1997-98, 1998-99 and 1999-2000 are shown in **Table 14.8**. The Forestry Commission is the main source of funds. Other clients include the European Union, MAFF, DETR, DTI, commercial organisations and private individuals.

The Environment

14.91 The Commission's main contribution to the environment is its policy of sustainable management of forests and woodlands. This year saw the publication of the UK Forestry Standard which shows how the principle of sustainable forestry can be delivered in practice, safeguarding forests for future generations.

14.92 Commissioners have also developed a Green Housekeeping Strategy in response to the White Paper "This Common Inheritance", the main objective of which was to reduce energy consumption by 15 per cent over the 5 years to 1997. This strategy led to more efficient systems for heating and lighting being introduced, reducing energy costs by 25 per cent in real terms. The Chairman of the Board of Commissioners acts in place of a 'Green Minister' as the Commission reports through three separate Ministers in England, Scotland and Wales. The 'Green' contact within the Forestry Commission is Allan Dungavel - Tel No: 0131-314-6468.

14.93 Other measures that have been introduced include flow controls to reduce water consumption, use of recycled paper wherever possible, reduction in use of ozone depleting substances, conversion of all vehicles to diesel and minimising the (already low) use of pesticides in public forests.

Wider Markets

14.94 Forest Enterprise operates a holiday business, *Forest Holidays*, which also supports the Commission's objectives to provide recreational opportunities in woodlands and improve public understanding of forestry. Holidays are offered both on campsites and cabin sites. The cabins on these sites have been starved of investment and now need to be upgraded if they are to continue to attract the public. With the support of HM Treasury, Forest Enterprise is seeking a private partner who will develop the business by refurbishing existing sites and developing new ones.

14.95 Timber is the primary market output from the one million hectares of estate managed by Forest Enterprise. The Commission has exploited mineral assets on the estate where there is no conflict with objectives to generate in excess of £1 million per annum. The Commission also derives income by charging for a wide range of use of its assets such as renting buildings which cannot be sold; charging for fishing, stalking, riding, car rallies, orienteering etc and collecting wayleaves for siting pylons and radio masts. The scenic value which the estate offers to film makers is also being examined as a potential source of income.

Better Regulation

14.96 The Commission is committed to the principles of good regulation espoused by the Better Regulation Unit. Regulatory functions are performed in the areas of felling, planting and plant health. Felling is regulated to prevent loss of tree cover, planting is regulated to ensure that new planting schemes are environmentally sound and plant health is regulated to prevent the introduction and transmission of pathogens.

14.97 The approach used by the Commission relies not only upon regulation but also on incentives and the promotion of best practice which alleviate the need for regulatory enforcement. The main tool for achieving best practice is the UK Forestry Standard which the Commission along with the Department of Agriculture for Northern Ireland (DANI) introduced after wide consultation.

14.98 When felling is required, felling licences are issued which require re-planting to be carried out. Steps are taken to encourage re-stocking to the UK Forestry Standard - which is not legally enforceable - and incentives are offered to do so. Targeting of incentives through challenge funds is another way in which the Commission achieves a desirable outcome without regulation.

14.99 Where the Commission has concerns about particular new planting schemes, it has the discretion to request an Environmental Impact Assessment (EIA). This power was invoked on 22 occasions in 1997-98 which is less than 0.4 per cent of applications. By April 1999, more definitive guidance will be provided to applicants on the circumstances under which an EIA will be requested. The criteria will be aligned with those applied by other Departments to provide a more consistent approach across Government.

14.100 Plant Health requires more direct application of regulations as there are few incentives which can be offered. During the year, two Statutory Instruments came into force. The first, which came into force on 1 October 1998, was required to harmonise port inspections across the European Union and all GB Port Authorities were consulted. The second came fully into force on 1 February 1999 to prevent the introduction of the Asian longhorn beetle from China, which has been the source of infested timber.

Information Technology

14.101 The Commission takes grant applications electronically and uses its web site to provide technical information, sell publications and carry out public consultation on grant applications. By March 2002, the Commission will be able to conduct its major business of timber sales on the world wide web, electronically advertising timber lots, invoicing and accepting payment. However, the Commission cannot enforce the use of electronic services without the danger of excluding those without access to technology. Since uptake is customer driven, it is not possible to set definitive targets but the Commission will do its utmost to contribute to the Government's overall commitment to increase the proportion of business undertaken electronically to at least 25 per cent by 2002.

14.102 The use of the Government Secure Intranet has been examined. At present the level of interchange with other Departments does not justify connection but this will be reviewed in the light of devolution.

14.103 A project is running to address the Millennium threat. Suppliers are providing Millennium compliant products, in-house software is being amended and tested and plans have been made to reduce the impact of failure and ensure business continuity.

Payment Performance

14.104 The Commission complies with the British Standard for *Achieving Good Payment*

Performance in Commercial Transactions (BS7890). The payment policy is to pay bills in accordance with agreed contractual conditions or, where no such conditions exist, within 30 days of receipt of goods or services or the presentation of a valid invoice whichever is the later. Analysis for 1997-98 shows 95.3 per cent of bills were paid on time.

Human Resources; Equal Opportunities; Recruitment

14.105 A new Performance Management System has been introduced as part of a review of Pay and Grading which has personal development as a key element. A Training and Development Policy statement has been prepared which sets standards for the future and work continues on developing performance measures. The Commission is committed to achieving Investors in People status and is aiming for formal assessment in the autumn of 1999.

14.106 In an effort to raise awareness, members of the Senior Staff Group attended a workshop on Equal Opportunities which addressed ethnicity, disability and gender. The number of staff from under-represented groups at a senior level is to a large extent determined by the representation at junior manager entry level. For all three under-represented groups there may be cultural reasons why forestry is not perceived as an attractive career option making this difficult to influence. Some progress has been made, however, towards improving the number of women at a senior level.

14.107 Recruitment to the Commission and its Agencies, Forest Enterprise and Forest Research, is conducted in accordance with the principles laid down in the Civil Service Commissioners' Recruitment Code. Systems are in place to ensure compliance with the Code. In the past year, three appointments were made under the permitted exceptions procedure.

Public Appointments

14.108 John James was appointed as a non-executive Forestry Commissioner.

Senior Civil Service Salaries

14.109 The number of Senior Civil Service staff employed by the Forestry Commission in 1998-99 is shown by pay band at 1 December 1998 in **Table 14.9**.

Table 14.9 : Senior Civil Service Salaries

Bibliography

14.110 Forestry Commission, 78th Annual Report and Accounts 1997-98 (The Stationery Office). This report includes details of the activities and accounts of the Forestry Commission for the year under review.

14.111 Forest Enterprise: Annual Report and Accounts 1997-98 (The Stationery Office). This report includes the performance and accounts of the Agency for the year under review.

14.112 Forest Enterprise: Corporate Plan 1999-2002 (Forest Enterprise) will be published in April 1999. This will set out the business direction and objectives of the Agency for the next 3 years together with the specific tasks and priorities for 1999-2000.

14.113 Report on Forest Research 1997-98 (Forestry Commission). This report gives an account of the progress of research and the results of current projects, including work done on behalf of the Commission by outside bodies.

14.114 Forestry Commission Research Agency: Corporate Plan 1999-2002 (Forest Research) will be published in April 1999. This will set the tasks, priorities and targets in detail for 1999-00 and in outline for the following 2 years.

14.115 Sustainable Forestry Development: The United Kingdom's Programme (HMSO) was published in January 1994 as part of the UK's response to the "Statement of Forest Principles" adopted at the United Nations' Conference on Environment and Development. This sets out the policies and programmes which the Government is pursuing towards the management, conservation and sustainable development of forests.

14.116 The UK Forestry Standard: The Government's Approach to Sustainable Forestry (Forestry Commission) which was published in 1998 sets out the criteria and standards for the sustainable management of all forests and woodlands in the UK.

14.117 Forestry Commission Departmental Investment Strategy (Forestry Commission) is published in parallel with this report. It is available from the Forestry Commission web site - <http://www.forestry.gov.uk>.

Further Reading

14.118 A series of free booklets and leaflets for applicants to the Woodland Grant Scheme describes forestry and environmental standards required, and procedures involved.

14.119 Forestry Commission booklets and leaflets are available from Services Branch, Secretariat Division, Forestry Commission, 231 Corstorphine Road, Edinburgh EH12 7AT. Details of priced publications are held on the web site - <http://www.forestry.gov.uk>

Enquiries

14.120 Further information can be obtained from Anne Russell - Tel No: 0131-314-6336.

APPENDIX 1: SCOTLAND

Cash Plans

| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 estimated outturn | 1999- 00 plans | 2000- 01 plans | 2001-02 plans |
|--|-------------|-------------|-------------|-------------|-------------|---------------------------------|----------------------|----------------------|------------------|
| | outturn | outturn | outturn | outturn | outturn | outturn | plans | plans | plans |

£
million

Total Budget

Departmental expenditure in Departmental Expenditure Limits

| | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| The Scottish Office Development Department | 5,384 | 5,633 | 5,530 | 5,057 | 4,879 | 5,001 | 4,975 | 5,209 | 5,354 |
| The Scottish Office Department of Health | 3,777 | 3,948 | 4,092 | 4,237 | 4,354 | 4,642 | 4,934 | 5,225 | 5,550 |
| The Scottish Office Education and Industry Department | 1,686 | 1,847 | 1,869 | 1,954 | 2,037 | 2,049 | 2,194 | 2,287 | 2,437 |
| The Scottish Office Home Department | 659 | 692 | 711 | 767 | 803 | 836 | 875 | 893 | 925 |
| The Scottish Office Agriculture, Environment and Fisheries Department | 278 | 222 | 237 | 549 | 485 | 475 | 465 | 467 | 473 |
| Scottish Office Administration | 151 | 154 | 161 | 163 | 142 | 160 | 174 | 211 | 210 |
| The Scottish Parliament | - | - | - | - | - | - | 55 | 80 | 46 |
| Scottish Courts Administration | 91 | 71 | 71 | 70 | 63 | 57 | 61 | 63 | 66 |
| The Crown Office | 45 | 43 | 46 | 47 | 47 | 51 | 50 | 50 | 50 |
| Forestry | - | - | - | - | - | - | 14 | 23 | 28 |
| The General Register Office for Scotland | 6 | 5 | 5 | 5 | 6 | 5 | 6 | 10 | 15 |
| National Archives of Scotland | 9 | 8 | 5 | 6 | 5 | 4 | 4 | 4 | 4 |
| Registers of Scotland | -6 | -2 | -2 | 0 | 0 | 0 | - | - | - |
| Total Departmental expenditure in | | | | | | | | | |
| Departmental Expenditure Limits | 12,080 | 12,621 | 12,727 | 12,855 | 12,821 | 13,282 | 13,807 | 14,521 | 15,158 |

**Welfare to Work expenditure in
Departmental Expenditure Limits**

| | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| The Scottish Office Education and Industry Department | - | - | - | - | 10 | 27 | 27 | 27 | 27 |
| The Scottish Office Home Department | - | - | - | - | - | 0 | 1 | 1 | - |
| Total Welfare to Work expenditure in Departmental Expenditure Limits | - | - | - | - | 10 | 27 | 27 | 27 | 27 |
| Main Departmental programmes in Annually Managed Expenditure | | | | | | | | | |
| The Scottish Office Development Department | 36 | 24 | 22 | 19 | 16 | 13 | 13 | 13 | 13 |
| The Scottish Office Education and Industry Department | 167 | 190 | 264 | 224 | 279 | 348 | 290 | 290 | 326 |
| The Scottish Office Agriculture, and Fisheries Department | 243 | 285 | 347 | 419 | 323 | 345 | 318 | 367 | 395 |
| Total Main Departmental Programmes in Annually Managed Expenditure | 446 | 500 | 634 | 663 | 618 | 705 | 620 | 670 | 733 |
| Other Expenditure not included in Departmental Expenditure Limits | | | | | | | | | |
| The Scottish Office Development Department | 1,186 | 1,109 | 1,193 | 1,313 | 1,326 | 1,395 | 1,441 | 1,473 | 1,510 |
| Total Other expenditure not included in Departmental Expenditure Limits | 1,186 | 1,109 | 1,193 | 1,313 | 1,326 | 1,395 | 1,441 | 1,473 | 1,510 |
| Total Budget | 13,712 | 14,229 | 14,554 | 14,831 | 14,774 | 15,410 | 15,895 | 16,691 | 17,428 |
| Departmental expenditure in Departmental Expenditure Limits | | | | | | | | | |
| Office of the Secretary of State and Advocate General for Scotland | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 3 | 3 |
| Total Departmental expenditure in Departmental Expenditure Limits | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 3 | 3 |

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APPENDIX 2: SCOTLAND

Local authority expenditure¹**£ million**

| | 1993- 94 outturn | 1994- 95 outturn | 1995- 96 outturn | 1996- 97 outturn | 1997- 98 outturn | 1998-99 estimated outturn |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|---------------------------------|
| Current spending | | | | | | |
| Industry, Enterprise and Training | 8 | 8 | 9 | 9 | 9 | 8 |
| Roads and transport | 393 | 500 | 389 | 464 | 342 | 340 |
| Housing | 4 | 4 | 6 | 4 | 4 | 3 |
| Other environmental services | 591 | 665 | 677 | 691 | 756 | 739 |
| Law, order and protective services | 704 | 724 | 767 | 799 | 852 | 871 |
| Education | 2,552 | 2,584 | 2,701 | 2,631 | 2,648 | 2,703 |
| Arts and libraries | 103 | 107 | 101 | 112 | 110 | 111 |
| Social work services | 780 | 903 | 1,036 | 1,046 | 1,075 | 1,108 |
| Current spending on services within the Secretary of State for | | | | | | |
| Scotland's responsibility | 5,134 | 5,495 | 5,687 | 5,756 | 5,795 | 5,883 |
| Housing benefit ¹ | 765 | 822 | 875 | 951 | 1,019 | 1,008 |
| Other services ¹ | 25 | 28 | 24 | 26 | 28 | 27 |
| Total current spending | 5,925 | 6,344 | 6,586 | 6,733 | 6,842 | 6,918 |
| Capital spending | | | | | | |
| Agriculture, fisheries and food ⁴ | 270 | 266 | 248 | 1 | - | - |
| Industry, Enterprise and Training | 3 | 1 | 3 | -2 | - | - |
| Roads and transport | 224 | 211 | 225 | 136 | 137 | 146 |
| Housing | 285 | 303 | 405 | 272 | 230 | 224 |
| Other environmental services | 88 | 82 | 54 | -70 | 104 | 105 |
| Law, order and protective services | 51 | 45 | 53 | 54 | 56 | 60 |
| Education | 167 | 143 | 184 | 108 | 108 | 117 |
| Arts and libraries | 14 | 14 | 23 | 14 | - | - |
| Social work services | | | | | | |
| Welfare to Work | - | - | - | - | 9 | 27 |
| Capital Receipts Initiative | - | - | - | - | 12 | 29 |
| Capital spending on services within the Secretary of State for | | | | | | |
| Scotland's responsibility | 1,101 | 1,066 | 1,194 | 514 | 656 | 709 |
| Other services ¹ | 3 | - | - | - | - | - |

| | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Total net capital spending | 1,105 | 1,066 | 1,194 | 514 | 656 | 709 |
| Of which: | | | | | | |
| <i>Gross spending</i> | <i>1,550</i> | <i>1,582</i> | <i>1,706</i> | <i>999</i> | <i>870</i> | <i>930</i> |
| <i>Capital receipts</i> | <i>-449</i> | <i>-516</i> | <i>-512</i> | <i>-485</i> | <i>-236</i> | <i>-277</i> |
| Total local authority expenditure² | 7,030 | 7,410 | 7,780 | 7,246 | 7,498 | 7,627 |
| Of which: | | | | | | |
| <i>Spending on services within the Secretary of State for Scotland's responsibility</i> | <i>6,236</i> | <i>6,560</i> | <i>6,881</i> | <i>6,270</i> | <i>6,451</i> | <i>6,592</i> |
| Total local authority expenditure | 7,030 | 7,410 | 7,780 | 7,246 | 7,498 | 7,627 |

1 Supported by grants or capital allocations

2 Current spending plus net capital spending.

APPENDIX 3: SCOTLAND

Gross Running costs

| | 1993-94 outturn | 1994-95 outturn | 1995-96 outturn | 1996-97 outturn | 1997-98 outturn | 1998-99 estimated outturn |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------------------|
| Scottish Office Core | 145.1 | 142.4 | 142.8 | 150.3 | 134.3 | 142.2 |
| Historic Scotland | 12.6 | 13.3 | 15.6 | 14.6 | 16.0 | 17.7 |
| Total: Net running costs expenditure | | | | | | 2.7 |
| Scottish Fisheries Protection Agency | 12.1 | 11.6 | 11.7 | 12.3 | 11.3 | 12.1 |
| Scottish Agricultural Science Agency | 5.1 | 5.2 | 5.1 | 4.9 | 4.9 | 5.5 |
| Scottish Office Pensions Agency | 4.5 | 4.8 | 5.1 | 4.9 | 4.7 | 5.4 |
| Student Awards Agency for Scotland | 2.6 | 2.9 | 2.8 | 3.0 | 3.4 | 3.7 |
| Fisheries Research Services | 12.4 | 12.4 | 13.3 | 14.4 | 13.2 | 13.9 |
| Scottish Prison Service | 135.3 | 140.0 | 135.9 | 143.1 | 137.9 | 151.7 |
| Scottish Courts Administration | 40.1 | 42.8 | 41.2 | 41.7 | 41.4 | 65.4 |
| National Archives of Scotland | 4.0 | 4.5 | 5.2 | 5.0 | 4.4 | 4.4 |
| General Register Office for Scotland | 7.8 | 7.2 | 7.5 | 6.7 | 7.5 | 7.6 |
| Registers of Scotland | 27.6 | 27.0 | 26.5 | - | - | - - |
| Crown Office | 39.9 | 40.4 | 42.8 | 43.6 | 44.5 | 49.0 |
| Scottish Parliament | - | - | - | - | - | - |
| Office of the Secretary of State and Advocate General for Scotland | 2.5 | 2.6 | 2.6 | 2.7 | 2.8 | 2.9 |
| Total | 451.6 | 457.0 | 458.1 | 447.1 | 426.3 | 481.3 |

Senior Civil Service Salary Distribution in £5,000 Bands

| | Below £45,000 | £45,000 £49,999 | £50,000 £54,999 | £55,000 £59,999 | £60,000 £64,999 | £65,000 £69,999 | £70,000 £74,999 | £75,000 £79,999 | £80,000 £84,999 | £85,000 £89,999 | £90,000 £94,999 | £95,000 £99,999 |
|-------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Salary Band | - | - | - | - | - | - | - | - | - | - | - | - |
| No of Staff | 5 | 26 | 51 | 31 | 16 | 15 | 8 | 3 | 2 | 4 | 1 | 1 |

Footnotes: 1. Part-time posts are included as Full-Time Equivalents.

2. Numbers shown are Senior Civil Service staff in The Scottish Office Core and Agencies as at 1 April 1998.

APPENDIX 4: SCOTLAND

Staff Numbers

| | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 |
|---|---------|---------|---------|---------|---------|----------------------|
| | outturn | outturn | outturn | outturn | outturn | estimated outturn |
| Scottish Office Core | | | | | | |
| Civil Service Full Time Equivalents | 5034 | 4517 | 4066 | 3512 | 3370 | 3644 |
| Overtime | 130 | 104 | 110 | 100 | 100 | 70 |
| Casuals | 166 | 135 | 180 | 185 | 180 | 130 |
| TOTAL | 5330 | 4756 | 4356 | 3797 | 3650 | 3844 |
| Historic Scotland (2) | | | | | | |
| Civil Service Full Time Equivalents | 655 | 639 | 593 | 587 | 610 | 641 |
| Overtime | 25 | 20 | 40 | 36 | 41 | 61 |
| Casuals | 60 | 60 | 102 | 130 | 130 | 84 |
| TOTAL | 740 | 719 | 735 | 753 | 781 | 786 |
| Scottish Fisheries Protection Agency (2) | | | | | | |
| Civil Service Full Time Equivalents | 231 | 244 | 236 | 248 | 259 | 268 |
| Overtime | 28 | 29 | 26 | 28 | 28 | 27 |
| Casuals | 17 | 20 | 29 | 15 | 18 | 15 |
| TOTAL | 276 | 293 | 291 | 297 | 305 | 310 |
| Scottish Agricultural Science Agency (2) | | | | | | |
| Civil Service Full Time Equivalents | 143 | 140 | 141 | 123 | 122 | 126 |
| Overtime | 7 | 4 | 2 | 3 | 3 | 1 |
| Casuals | 17 | 14 | 11 | 6 | 5 | 8 |
| TOTAL | 167 | 158 | 154 | 128 | 127 | 135 |
| Scottish Office Pensions Agency (2) | | | | | | |
| Civil Service Full Time Equivalents | 176 | 168 | 172 | 153 | 149 | 150 |
| Overtime | 6 | 6 | 5 | 4 | 9 | 12 |
| Casuals | 8 | 19 | 19 | 14 | 15 | 20 |
| TOTAL | 190 | 193 | 196 | 171 | 173 | 182 |
| Student Awards Agency for Scotland (2) | | | | | | |
| Civil Service Full Time Equivalents | | 142 | 135 | 120 | 135 | 133 |
| Overtime | | | | 3 | 11 | 2 |
| Casuals | | 8 | 13 | 8 | 0 | 21 |
| TOTAL | | 150 | 148 | 131 | 146 | 156 |
| Fisheries Research Services (2) | | | | | | |

| | | | | | | |
|-------------------------------------|--|--|--|--|-----|-----|
| Civil Service Full Time Equivalents | | | | | 235 | 235 |
| Overtime | | | | | 10 | 21 |
| Casuals | | | | | 8 | 6 |
| TOTAL | | | | | 253 | 262 |

Scottish Prison Service (1)

| | | | | | | |
|-------------------------------------|------|------|------|------|------|------|
| Civil Service Full Time Equivalents | 4604 | 4381 | 4324 | 4510 | 4730 | 4755 |
| Overtime | | 12 | 31 | 4 | 4 | 30 |
| Casuals | 17 | 32 | 53 | 48 | 50 | 58 |
| TOTAL | 4621 | 4425 | 4408 | 4562 | 4784 | 4843 |

Scottish Courts Administration (4)

| | | | | | | |
|-------------------------------------|------|------|------|------|-----|-----|
| Civil Service Full Time Equivalents | 983 | 971 | 965 | 942 | 137 | 144 |
| Overtime | 24 | 21 | 21 | 21 | 2 | 2 |
| Casuals | 42 | 48 | 64 | 48 | 6 | 4 |
| TOTAL | 1049 | 1040 | 1050 | 1011 | 145 | 150 |

| | | | | | |
|---------|---------|---------|---------|---------|----------------------|
| 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 |
| outturn | outturn | outturn | outturn | outturn | estimated outturn |

Scottish Courts Service (4)

| | | | | | | |
|-------------------------------------|--|--|--|--|-----|-----|
| Civil Service Full Time Equivalents | | | | | 817 | 820 |
| Overtime | | | | | 11 | 11 |
| Casuals | | | | | 30 | 23 |
| TOTAL | | | | | 858 | 857 |

National Archive of Scotland (5)

| | | | | | | |
|-------------------------------------|-----|-----|-----|-----|-----|-----|
| Civil Service Full Time Equivalents | 115 | 125 | 121 | 121 | 120 | 111 |
| Overtime | 3 | 2 | 3 | 3 | 3 | 2 |
| Casuals | 17 | 22 | 25 | 17 | 8 | 7 |
| TOTAL | 135 | 149 | 150 | 141 | 131 | 120 |

General Register Office for Scotland

| | | | | | | |
|-------------------------------------|-----|-----|-----|-----|-----|-----|
| Civil Service Full Time Equivalents | 265 | 241 | 224 | 210 | 206 | 213 |
| Overtime | 4 | 4 | 2 | 4 | 5 | 5 |
| Casuals | 13 | 9 | 10 | 7 | 8 | 10 |
| TOTAL | 282 | 254 | 235 | 221 | 219 | 228 |

Crown Office (6)

| | | | | | | |
|-------------------------------------|------|------|------|------|------|------|
| Civil Service Full Time Equivalents | 1069 | 1071 | 1060 | 1057 | 1064 | 1070 |
| Overtime | 4 | 5 | 5 | 4 | 4 | 4 |
| Casuals | 17 | 16 | 24 | 27 | 38 | 24 |
| TOTAL | 1090 | 1092 | 1089 | 1088 | 1106 | 1098 |

Registers of Scotland (3)

| | | | | | | |
|-------------------------------------|------|------|------|------|------|------|
| Civil Service Full Time Equivalents | 1224 | 1120 | 1073 | 1076 | 1053 | 1150 |
|-------------------------------------|------|------|------|------|------|------|

(1) The Scottish Prison Service became an Agency on 1 April 1993. Until that date, staff in Prisons HQ (179 at 1 April 1993) were counted in The Scottish Office core figures. From 1 April 1993 such staff are included in the Scottish Prison Service figures.

(2) Agencies are shown from the date on which they came into existence, which are:

| | |
|--------------------------------------|------------|
| Historic Scotland | April 1991 |
| Scottish Fisheries Protection Agency | April 1991 |
| Scottish Agricultural Science Agency | April 1992 |
| Scottish Office Pension Agency | April 1993 |
| Student Awards Agency for Scotland | April 1994 |
| Fisheries Research Services | April 1997 |

(3) Registers of Scotland became a trading fund on 1 April 1996.

(4) The Scottish Court Service became an Agency on 3 April 1995. For the years up to and including 1996-97 staff in the Agency were counted in the Scottish Courts Administration figures. From 1 April 1997 such staff are shown separately.

(5) Scottish Record Office became National Archives of Scotland on 7 January 1999.

(6) The Crown Office figures have been included in the table this year reflecting its inclusion in The Scottish Office from 1 April 1999.

APPENDIX 5: SCOTLAND

Reconciliation between Scottish expenditure and grant payments into Scottish Consolidated Fund, 1999-00 **£ million**

1999-
00
Plans

Class XIII, Vote 1, Section B: Grant to support Departmental Expenditure in Departmental Expenditure Limits (DEL)

| | |
|--|--------|
| DEL as in cash plans table | 13,807 |
| Repayments of principal of existing debt to the National Loans Fund | 48 |
| Scottish Renewables Obligation | -13 |
| Subsidy implied in student loans | -92 |
| Net capital allocations to local authorities | -549 |
| Public corporations market and overseas borrowing | 3 |
| Expenditure financed by receipts from the European Communities | -151 |
| Payments from the National Insurance Fund towards the cost of the Scottish NHS | -574 |
| Forestry expenditure financed by receipts from IBEA | -3 |
| Grant | 12,476 |

Class XIII, Vote 1, Section C: Grant to support Welfare to Work expenditure in DEL

| | |
|---|----|
| Scotland Welfare to Work expenditure as in cash plans table | 27 |
| Grant | 27 |

Class XIII, Vote 1, Section D: Grant to support Main Departmental Programmes in Annually Managed Expenditure (AME)

| | |
|---|------|
| Scottish Main departmental programmes in AME as in cash plans table | 620 |
| Receipts from IBEA | -318 |
| Grant | 303 |

APPENDIX 6: SCOTLAND

Appropriations in Aid

Vote 1: Agriculture, fisheries and environmental services, Scotland

| 1997-98 | 1998-99 | 1999-00 |
|---|--------------------------------|---------------|
| Outturn | Total provision | Provision |
| £'000 | £'000 | £'000 |
| Section A Structural and Agri-environmental services | | |
| 5,578 | 12,452 FEOGA | 11,822 |
| 1,281 | 844 Loan repayments | 1,000 |
| 56 | 37 Others | 37 |
| 6,915 | 13,333 | 12,859 |
| Section B Agricultural Services | | |
| 32 | 22 EC other receipts | 22 |
| 553 | 500 Disposal sales | 203 |
| 2,167 | 1,991 Charges | 421 |
| 1,605 | 1,526 SAC/SABRI pensions | 2,200 |
| 427 | 450 Others | 450 |
| 4,784 | 4,489 | 3,296 |
| Section C Fisheries | | |
| 0 | 5 FIFG | 5 |
| 22 | 24 Loan repayments | 24 |
| 130 | 170 Charges | 131 |
| 152 | 199 | 160 |
| Section D Agencies | | |
| 203 | 180 EC R&D | 282 |
| 1,091 | 1,145 Charges | 2,661 |
| 20 | 1,022 Disposal-Sales | 2 |
| 1,727 | 1,281 Others | 1,609 |
| 3,041 | 3,628 | 4,554 |
| 14,892 | 21,649 Total for Vote 1 | 20,869 |

Vote 2: Local Government, Housing, Transport, Other Environmental Services and European Funds, Scotland

| 1997-98 | 1998-99 | 1999-00 |
|---------|-----------------|-----------|
| Outturn | Total Provision | Provision |

| £'000 | £'000 | £'000 |
|---|---|---------------|
| Section B Other Environmental Services | | |
| 1 | 2 Receipts in respect of research results. | 60 |
| 3 | 9 Receipts in respect of fees for "deemed" planning applications. | 9 |
| 143 | 688 Royal Commission on the Ancient and Historical Monuments of Scotland. | 966 |
| 1 | - Royal Fine Arts Commission for Scotland | - |
| - | Receipts in respect of legal costs recovered by the | |
| | 15 Local Government Boundary Commission and the | - |
| 15 | 17 Local Government Property Commission. | - |
| 163 | 731 | 996 |
| Section C: Roads and Transport | | |
| 307 | 2,000 Sales of land etc, disposal of surplus plant and machinery. | 500 |
| 4,374 | 4,000 Erskine Bridge toll receipts. | 4,000 |
| 19,423 | 15,164 Recovery of VAT. | 18,500 |
| - | - Hire of bridge inspection vehicles. | - |
| 470 | - ERDF funding | - |
| 300 | - Kingston Bridge receipts | - |
| 24,874 | 21,164 | 23,000 |
| Section E: Historic Scotland | | |
| 12,289 | 13,977 Admissions income, sales and other receipts | 15,482 |
| 1,328 | 3,430 Recovery of VAT | 2,000 |
| 7 | 16 Sale of land and buildings | - |
| 1,309 | 1,417 Receipts from ERDF and Lottery | - |
| 14,933 | 18,840 | 17,482 |
| Section O: Caledonian MacBrayne | | |
| 222 | 335 Repayment of Voted Loans | 2,200 |
| 222 | 335 | 2,200 |
| 40,192 | 40,070 Total for Vote 2 | 43,648 |

Vote 3: Education, industry, arts and libraries, Scotland

| 1997-98 | 1998-99 | 1999-00 |
|----------------------------|--|-----------|
| Outturn | Total provision | Provision |
| £'000 | £'000 | £'000 |
| Section A Education | | |
| 643 | 775 Recoupment of self-governing school costs from local authorities | - |
| 434 | - Recoupment from Local Authorities in respect of pre 5 education | - |

| | | |
|--|---|----------------|
| - | 3,630 Reclamation of VAT in respect of the careers service | 3,630 |
| 1,077 | 4,405 | 3,630 |
| Section B Education | | |
| 752 | 750 Student Awards | 750 |
| Section E Industry, enterprise and training | | |
| 1,894 | 1,900 Receipts from the European Regional Development Fund (Classified to programme covering net payments to the European Community Institutions) | 1,900 |
| 318 | 130 Departmental charges for exchange rate cover on European Coal and Steel Community loans | 130 |
| 987 | 4,000 Refunds of grants under section 7 of the Industrial Development Act 1982 | 1,000 |
| 17 | 50 Refunds of regional development grant | 50 |
| 15 | - Refunds of regional enterprise grants: innovation | - |
| 8,988 | 4,563 Repayment of Voted loans (capital) by Scottish Enterprise | 4,563 |
| 15 | - Repayment of tourist project loans | - |
| - | 450 Sector Challenge: tourism | 450 |
| 12,225 | 11,093 | 8,093 |
| Section F Scottish office Pensions Agency | | |
| - | 120 Reclamation of VAT in respect of the Scottish Office Pensions Agency | 120 |
| - | - Administration of misselling of pensions | 300 |
| - | 120 | 420 |
| Section J Teachers Superannuation | | |
| 199,291 | 199,232 | 210,945 |
| Section K NHS Superannuation | | |
| 194,081 | 194,924 | 224,882 |
| Section L Education | | |
| 14,019 | 15,000 Student Loans | 542 |
| 110,187 | 110,300 Sale of Loan Debt | 120,800 |
| 124,206 | 125,300 | 121,342 |
| 531,632 | 535,824 Total for Vote 3 | 570,062 |

Vote 4: Hospital, community health, family health, other health services and welfare food, Scotland

| | | |
|---------|--------------------|-----------|
| 1997-98 | 1998-99 | 1999-00 |
| Outturn | Total provision | Provision |
| £'000 | £'000 | £'000 |

Section A Hospital and community health services

| | | | |
|---------|---------|--|---------|
| 214,054 | 217,738 | Income from charges for accommodation, goods and services and other income generation schemes etc and the repayment of Project 2000 bursaries. | 212,710 |
| 10,738 | 5,300 | Receipts from the sale of land, buildings, cars and equipment. | 4,100 |
| 224,792 | 223,038 | | 216,810 |

Section B Family health services

| | | | |
|--------|--------|--|--------|
| 53,972 | 45,399 | Receipts from the sale of pre-payment certificates for prescription charges; prescription charges paid by patients and surrendered by dispensing doctors; pharmaceutical, dental and optical charges recovered from patients by health boards; dental charges collected by dental practitioners; prescribing charges collected by pharmacies and appliance suppliers etc; rebates from manufacturers under the pharmaceutical price regulation scheme and rents from doctor's houses. | 47,510 |
| 53,972 | 45,399 | | 47,510 |

Section C Other health services

| | | | |
|-----|-----|---|-----|
| 651 | 873 | Royalties from research projects developed with Scottish Office assistance | 701 |
| - | - | Health Education Board for Scotland receipts | - |
| - | - | Income from fees for courses held at the National Centre for Training and Education in Prosthetics and Orthotics | - |
| - | - | Income from fees for administering examinations and indexing students on entry to approved courses of nurse training. | - |
| - | - | Sums withheld from family practitioners found to be in breach of their terms of service. | - |
| - | - | VAT refunds. | - |
| 651 | 873 | | 701 |

Section D Welfare foods

| | | | |
|----|----|---|----|
| 14 | 19 | Receipts from sales of vitamin drops and tablets at NHS clinics | 19 |
| 14 | 19 | | 19 |

Section E NHS Trusts

| | | | |
|--------|--------|--|--------|
| 74,344 | 75,681 | Receipts from capital repayments by NHS Trusts | 77,098 |
| 74,344 | 75,681 | | 77,098 |

Section F National insurance contributions

| | | | |
|---------|---------|---|---------|
| 504,473 | 559,824 | Contributions from employers and employees towards the cost of the NHS. | 574,499 |
|---------|---------|---|---------|

| | | |
|----------------|----------------|----------------|
| -04,473 | 559,824 | 574,499 |
| 858,246 | 904,834 | 916,637 |

Total for Vote 4

Vote 5: Law, order and protective services, police grant and social work services, Scotland

| 1997-98 Outturn £'000 | 1998-99 Total provision £'000 | 1999-00 Provision £'000 |
|---|---|-------------------------------|
| Section A Scottish Legal Aid Fund (Administration) | | |
| | Superannuation contributions collected by the Scottish | |
| 180 | 180 | 180 |
| 180 | 180 | 180 |
| Section F Scottish Prison Service | | |
| | Sale of goods and services and other prison industries | |
| | receipts, sale of prison land, buildings and staff quarters, | |
| | sale of surplus vehicles, equipment and other property. | |
| | General receipts, including those from the hire of prison | |
| | labour; staff meals, prisoner's canteen etc; rent from leased | |
| 3,333 | 8,160 | 5,100 |
| 3,333 | 8,160 | 5,100 |
| Section G Police Services | | |
| | Charges for students from outwith Scottish Forces, charges for use of | |
| | the college | |
| | at weekends by outside organisations. | |
| | Receipts from non Scottish Police Forces in respect of officers sitting | |
| | The Police | |
| | (Scotland) Promotion Examination. | |
| | Receipts from payphones, insurance, garden produce, rents from | |
| | college houses, | |
| | refunds of VAT on SPC salaries, superannuation and general expenses. | |
| 487 | 1,635 | 1,635 |
| | Receipts from sale of vehicle and property, refunds of VAT on SPC | |
| | capital expenditure. | |
| | Contributions made by the Scottish Police Federation to the cost of the | |
| | salaries, | |
| | etc. of their Secretary and Chairman. Refunds of VAT on non SPC | |
| | Common Police | |

| | | | |
|---|---------------|---|---------------|
| 3,881 | 2,857 | Service expenditure. Receipts from sale of Scottish Crime Squad Vehicles. | 2,857 |
| 4,368 | 4,492 | | 4,492 |
| Section H Police superannuation | | | |
| | | Superannuation contributions for police officers on | |
| 39 | 30 | secondment to SPC | 30 |
| 39 | 30 | | 30 |
| Section I Scottish Fire Service | | | |
| | | General receipts of the Scottish Fire Service Training School, including those from | |
| | | fire related and other organisations which use the school's teaching and conference | |
| 73 | 106 | facilities on a repayment basis. | 37 |
| - | 34 | Recovery of Value Added Tax | 34 |
| 73 | 140 | | 71 |
| Section K Civil defence central support services | | | |
| | | Sales of surplus or obsolete civil defence equipment | |
| | | and rents from other bodies using radio masts or stations | |
| | | owned by the Scottish Office. Recovery of VAT on severe | |
| 367 | 594 | weather warning systems. | 250 |
| 367 | 594 | | 250 |
| Section L Miscellaneous service | | | |
| | | Receipts from cinematography exemption certificates fees | |
| - | 11 | and criminal statistics | 1 |
| - | 11 | | 1 |
| 8,360 | 13,607 | Total for Vote 5 | 10,124 |

Vote 6: Scottish Office Administration

| 1997-98 Outturn £'000 | 1998-99 Total provision £'000 | | 1999-00 Provision £'000 |
|---------------------------------|--|--|-------------------------------|
| Section A Administration | | | |
| 1,854 | 4,033 | Charges and receipts from services | 2,214 |
| 6,829 | 7,680 | Recoveries of salaries from outward seconded staff and staff assigned to the CICA. | 7,680 |
| 62 | 63 | Capital receipts | 63 |
| 8,745 | 11,776 | Total for Vote 6 | 9,957 |

APPENDIX 7: SCOTLAND

Executive Non-Departmental Public Bodies: Contribution to the Total Budget within the Secretary of State's responsibility & million

| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 Estimated Outturn | 1999- 00 Plans |
|---|-------------|-------------|-------------|-------------|-------------|---------------------------------|----------------------|
| | Outturn | Outturn | Outturn | Outturn | Outturn | | |
| NDPBs | | | | | | | |
| 5 New Town development Corps | | | | | | | |
| Crofters Crofters Commission | 1.4 | 1.6 | 1.4 | 1.7 | 2.1 | 2.2 | 2.2 |
| Highlands & Islands Enterprise | 61.9 | 58.6 | 60.2 | 59.1 | 62.9 | 61.8 | 61.5 |
| National Board for Scotland (Nursing and Midwifery) | 3.1 | 2.7 | 2.5 | 2.7 | 2.7 | 3.2 | 3.2 |
| National Galleries of Scotland | 8.4 | 8.9 | 8.6 | 8.4 | 8.3 | 7.9 | 8.1 |
| National Library of Scotland | 19.4 | 12.3 | 12.1 | 10.8 | 11.8 | 11.7 | 11.8 |
| Parole Board for Scotland | 0.2 | 0.3 | 0.3 | 0.3 | 0.3 | 0.4 | 0.4 |
| National Museum of Scotland | 17.5 | 18.7 | 17.8 | 21.3 | 24.0 | 17.1 | 15.6 |
| Deer Commission | 0.5 | 0.6 | 0.6 | 0.7 | 0.8 | 0.8 | 0.9 |
| Royal Botanic Garden | 6.4 | 7.1 | 6.7 | 5.6 | 5.0 | 5.0 | 5.1 |
| Royal Commission on the Ancient and Historical Monuments of Scotland | 3.0 | 3.0 | 3.2 | 3.1 | 3.1 | 3.0 | 3.0 |
| Scottish Agricultural & Biological Research | 29.7 | 30.1 | 27.0 | 27.5 | 27.4 | 26.8 | 28.4 |
| Institutions | | | | | | | |
| Scottish Arts Council | 0.0 | 23.8 | 24.5 | 25.8 | 27.1 | 27.0 | 28.1 |
| Scottish Children's Reporter Administration | - | 0.1 | 0.8 | 11.5 | 11.2 | 11.3 | 13.5 |
| Scottish Community Education Council | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 |
| Scottish Conveyancing and Executry Services Board | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.2 |
| Scottish Council for Educational Technology | 1.5 | 1.4 | 1.4 | 1.4 | 1.5 | 1.4 | 1.4 |
| Scottish Enterprise | 382.8 | 438.2 | 439.6 | 431.8 | 407.7 | 400.4 | 377.4 |
| Scottish Environment Protection Agency | - | 0.1 | 1.7 | 22.1 | 23.4 | 19.9 | 18.7 |
| Scottish Film Council | 1.0 | 1.2 | 1.5 | 1.8 | 2.0 | 1.8 | 2.2 |
| Scottish Further Education Unit | 0.6 | 0.6 | 0.8 | 0.7 | 0.7 | 0.7 | 0.7 |
| Scottish Higher Education Funding Council | 419.6 | 511.8 | 548.3 | 538.7 | 551.7 | 530.4 | 583.4 |

| | | | | | | | |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Scottish Homes | 316.2 | 322.9 | 293.1 | 279.4 | 315.0 | 264.1 | 276.1 |
| Scottish Legal Aid Board | 126.2 | 132.3 | 133.0 | 140.7 | 142.8 | 144.6 | 135.3 |
| Scottish Natural Heritage | 36.9 | 40.5 | 42.2 | 36.9 | 38.8 | 35.9 | 38.0 |
| Scottish Sports Council | 10.4 | 8.8 | 8.6 | 9.4 | 9.9 | 9.8 | 10.1 |
| Scottish Tourist Board | 13.6 | 17.4 | 17.1 | 18.3 | 19.3 | 19.3 | 19.3 |
| TOTAL | 1488.8 | 1643.6 | 1653.6 | 1660.4 | 1700.3 | 1614.0 | 1640.4 |

Administrative Expenditure of Larger NDPBs £million

| | 1997-98 Outturn | 1998-99 Estimated Outturn | 1999-00 Plans |
|---|--------------------|---------------------------------|------------------|
| NDPBs | | | |
| Highlands and Islands Enterprise | 12.2 | 12.2 | 12.2 |
| National Board for Nursing, Midwifery & Health Visiting | 0.8 | 0.8 | 0.8 |
| National Galleries of Scotland | 6.6 | 6.8 | 6.8 |
| National Library of Scotland | 8.6 | 8.7 | 8.7 |
| National Museums of Scotland | 11.0 | 11.5 | 13.7 |
| Royal Commission on the Ancient and Historical Monuments of Scotland | 3.1 | 3.0 | 3.0 |
| Scottish Arts Council | 1.9 | 1.9 | 2.0 |
| Scottish Enterprise | 61.3 | 61.3 | 61.3 |
| Scottish Higher Education Funding Council | 3.6 | 3.3 | 3.3 |
| Scottish Homes | 32.3 | 30.3 | 28.0 |
| Scottish Legal Aid Board | 7.5 | 7.4 | 7.4 |
| Scottish Natural Heritage | 17.8 | 17.0 | 16.7 |
| Scottish Sports Council | 3.5 | 3.5 | 3.5 |
| Scottish Tourist Board | 4.0 | 4.0 | 4.0 |
| Scottish Environment Protection Agency | 16.5 | 18.9 | 20.0 |
| Scottish Children's Reporter Administration | 11.2 | 11.3 | 13.4 |
| TOTAL | 201.87 | 201.87 | 204.79 |

APPENDIX 8: GLOSSARY OF TERMS

Aggregate External Finance

The envelope of external support for local authority services which are also funded from the council tax. It comprises revenue support grant (qv), payments from the yield of non-domestic rates (qv), and certain specific grants.

Capital Spending

Capital expenditure on physical assets, expenditure on stocks and grants and lending for capital purpose. The capital component of the planning total cover the following:-

1. Central government expenditure

net expenditure on assets (including stock and building);

capital grants (to the private sector and public corporations (other than nationalised industries);

net lending;

net capital spending by New Town Development Corporations.

2. Central government support for local authorities

capital grants;

net capital allocations.

3. Nationalised industries financing requirements

capital grants;

net new borrowing.

4. Privatisation proceeds.

The wages and salaries of certain people engaged in planning and supervising capital projects are included in capital expenditure. Local authority spending includes the same elements as for central government but also covers the capital value of assets acquired under financial leases, property leased for more than 20 years, and all vehicles leased for more than one year.

Cash Limits

Limits on the amount of money the Government proposes to spend or authorise on certain services or blocks of services during one financial year. Cash limits as a means of control over cash spending in the year ahead were introduced generally in 1976. The nationalised industries' contribution to public expenditure is controlled by means of external financing limits (qv), which are a form of cash limits for individual industries.

Central Government

Comprises Parliament, government departments and the Northern Ireland departments, extra-departmental government funds (the largest of which is the National Insurance Fund) and a substantial number of other bodies which are controlled by departments and are often wholly or partly financed from government funds and which do not undertake commercial type activities as a major part of their work. The national Health Service is by far the largest. In addition the central government sector includes a small number of trading bodies (qv), whose current expenditure is excluded from public expenditure but whose subsidies from central government are included in the planning total.

Community Charge

The charge payable by all adults, with certain limited exemptions, as a payment towards the cost of services provided by local authorities. It replaced domestic rates in Scotland from April 1989, and was itself replaced, from 1 April 1993, by the council tax.

Community ChargeGrant

The grant paid to local authorities for 1991-92 to enable £140 reduction in personal charges.

Consolidated Fund

The Government's main account with the Bank of England. The largest part of central government expenditure is financed from this Fund and the Government's tax revenues and other current receipts are paid into it.

Council Tax

The means by which the majority of households contribute to the cost of services provided by local authorities. It replaced the community charge from 1 April 1993.

Current Expenditure on Goods and Services

Covers the economic categories (qv) of public service pay and other current expenditure on goods and services. It includes direct expenditure on providing services, eg health or education, but not the operating costs of general government trading bodies (qv), eg local authority ports. Current expenditure on goods and services is measured net of charges made for certain goods and services. Notional allowances for non-trading capital consumption (qv) (the "using-up" of schools, hospitals, roads etc) are omitted. For control reasons, central government expenditure is measured net of any VAT which is refunded to departments. Local authority expenditure is not part of the planning total, but is shown and analysed separately in a number of tables in this Report. It is also measured net of VAT refunded to local authorities since this is how they present their own accounts.

Departmental Running Costs

The gross administrative costs of central government, including the pay of civil servants and all associated general administrative expenditure (including the costs of accommodation, travel, training etc). Accruing superannuation liability costs for Civil Service staff under the Principal Civil Service Pension Scheme are now included. Pensions in payment are excluded. Departmental running costs comprise the gross running costs of both gross and net controlled areas but exclude the administrative costs of trading funds (qv).

EC

European Community.

Economic Categories

The following broad economic categories have been used in this Report:

1. Pay
2. Other current expenditure on goods and services
3. Subsidies
4. Current grants to persons
5. Current grants to local authorities
6. Non-domestic rate payments
7. Net capital expenditure on assets
8. Capital grants
9. Other capital grants
10. Net capital allocations
11. Lending and other financial transactions

Estimates

See Supply expenditure.

External Finance of Public Corporations

Consists of financial support (lending, subsidies, and grants) from central government for nationalised industries, trading funds and other public corporations and their borrowing from commercial sources, both in the UK and abroad (including the capital value of certain leases). Grants which are generally available to the private sector, such as grants for regional assistance, are not scored as external finance but are regarded as contributing to internal resources.

External Financing

The cash limits imposed by the Government on external finance.

Limits (EFLs)

General Government

The central government and local authorities sectors consolidated. See also public sector.

Grant Aided

The level of local authority current expenditure which the Secretary of State deems is appropriate to support by grant. Assessments of GAE for individual authorities form the basis for the distribution of Aggregate External Finance (qv) to local authorities.

Grant in Aid

A payment by a government department to finance all or part of the costs of the body in receipt of the grant in aid. This form of financing applies in circumstances where the Government has decided, subject to the necessary Parliamentary controls, that the recipient body should operate at arms length. Most bodies in receipt of grant are non- departmental public bodies (NDPBs).

Grant

Unrequired payments to individuals or bodies, ie payments for which no goods or services are received in return. Grants made to assist in financing capital expenditure are classified as capital grants. Unrequired payments to trading concerns which are designed to allow the concern to sell goods and services at below the economic price, whether in the public sector, are classified as subsidies (qv).

Gross Domestic

The value of goods and services produced by United Kingdom residents, including taxes on the expenditure on both home produced and imported goods and services and the effect of (at market prices) subsidies. No deduction is made for depreciation of existing assets.

Local Authorities

This sector comprises elected local councils, police authorities, fire and civil defence authorities, residuary bodies, passenger transport authorities and some other bodies controlled by councils jointly.

National Loans Fund

The Government's account with the Bank of Scotland set up under the National Loans Fund 1968. All government borrowing transactions (including the payment of debt interest) and most lending transactions are handled through this fund.

Net Capital

Capital allocations less central Government grants to local authorities, capital receipts and capital funded from current revenue.

Net lending

Comprises loans to the private sector (individuals, unincorporated bodies and companies), to overseas governments, to

nationalised industries and other public corporations (including issues of public dividend capital) and drawings on UK subscriptions to international lending bodies. All are measured net of repayments of principal.

Non-domestic Rates

The contribution towards the cost of local authority services paid by the occupiers of non-domestic property, principally businesses. The rate bill for a property depends on its rateable value and the poundage for the year in question. In Scotland the Government has announced harmonising these poundages at the level of the Uniform Business Rate in England from 1995-96.

Outturn and Estimates Outturn

Expenditure actually incurred or estimates made on the basis of partial information.

Pay

Remuneration, employer' contributions to national insurance and to occupational pension schemes and in the case of pension arrangements such as those from the Armed Forces and civil servants, actual pensions paid as a proxy for contributions.

Public Corporations

Publicly owned trading bodies, usually statutory corporations, with a substantial degree of financial independence from central government and local authorities including the powers to borrow and maintain reserves. They include nationalised industries, trading funds and other public corporations.

Public Expenditure

The former annual review of public expenditure plans undertaken by Government.

Survey (PES)

Public Sector

Central government, local authorities and public corporations (qv) (see also general government).

Rate Support Grant

Superseded by Revenue Support Grant in Scotland in 1989-90, alongside the introduction of the community charge.

Receipts from Fees

Receipts from Fees and Central and local government expenditure is measured net of receipts from and Charges certain fees and charges, such as those for schools meals, further education courses, prescriptions and dental treatment etc. Essentially, current expenditure on goods and services is shown net of receipts when:

1. there is a clear and direct link between the payment of the fee or charge and the acquisition of specific goods and service (including the test of an ability or level of performance or the establishment of standards); and
2. the size of payment is related to the cost of providing the goods and services, and the government is not using its power to make the charge an instrument for raising revenue.

Reserve

Provides a margin for uncertainties and is intended to cover any future additions to spending, whether these result from policy changes, new initiatives, contingencies or revised estimates of the cost of a demand-led programme.

Revenue Support Grant (RSG)

The unhyphenated grant from central government to supplement local authorities' own finances. It replaced Rate Support Grant (qv) in Scotland in 1989-90, alongside the introduction of the community charge.

Running Costs Related Receipts

Departmental receipts arising from charging departments or outside bodies for activities whose cost fall within the ambit of

departmental running costs (qv).

Subsidies

Payments to trading concerns which reduce the selling prices below the factor costs of production. Examples include payments under the Beef Variable Premium Scheme and payments to housing revenue accounts where, on the Secretary of State's assumptions, expenditure is expected to exceed income.

Supply Estimates

See Supply expenditure

Supply Expenditure

Expenditure which is financed by monies voted by Parliament in the Supply Estimates; also termed Voted in Estimates.

Survey

See Public Expenditure Survey.

Uniform Business

See Non-domestic Rates.

Rate

Vote

An individual Supply Estimate (qv).

Vote in Estimates

See Supply expenditure.

Table 1.1 Cash plans summary

| | £ million, cash | | | | | | | | |
|--|-----------------|---------------|---------------|---------------|---------------|----------------------|---------------|---------------|---------------|
| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 00 | 2000- 01 | 2001- 02 |
| | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plans | Plans | Plans |
| Departmental Expenditure Limits | 12,080 | 12,621 | 12,727 | 12,855 | 12,821 | 13,282 | 13,807 | 14,521 | 15,158 |
| <i>of which: capital</i> | 2,017 | 1,902 | 1,749 | 1,567 | 1,406 | 1,633 | 1,677 | 1,806 | 1,947 |
| Annually Managed Expenditure | | | | | | | | | |
| Common Agricultural Policy | 243 | 285 | 347 | 419 | 323 | 345 | 318 | 367 | 395 |
| NHS and teachers' pensions | 167 | 190 | 264 | 224 | 279 | 348 | 290 | 290 | 326 |
| Housing Support Grant | 36 | 24 | 22 | 19 | 16 | 13 | 13 | 13 | 13 |
| Total Assigned Budget | 12,526 | 13,120 | 13,361 | 13,518 | 13,438 | 13,988 | 14,427 | 15,191 | 15,892 |
| New Deal for Schools | 0 | 0 | 0 | 0 | 10 | 27 | 27 | 27 | 27 |
| Non-Domestic Rates | 1,186 | 1,109 | 1,193 | 1,313 | 1,326 | 1,395 | 1,441 | 1,473 | 1,510 |
| Total Budget | 13,712 | 14,229 | 14,554 | 14,831 | 14,774 | 15,410 | 15,895 | 16,691 | 17,428 |

Notes

1. Overall comparisons are affected by the Secretary of State taking on responsibility for additional functions. The principal instances are:

| Date | From | Function | Amount of Transfers in 1st year £m |
|--------------|---------------------|---|--|
| 1 April 1994 | DNH | Scottish Arts Council | 24 |
| 1 April 1994 | DEm | European Social Fund expenditure under objectives 1, 2 and 5b of the Structural Fund regulations. | 22 |
| 1 April 1994 | DOT | Support for Strathclyde PTE on accounts of changes in the structure of the railway industry. | 70 |
| 1 April 1994 | DTI | Schemes for encouraging innovation, support and transfer of technology | 3 |
| 1 April 1996 | DOH | Costs for changing capital disregard Limits for people in residential accommodation | 7 |
| 1 April 1999 | Forestry Commission | Funding of Forestry Commission in Scotland after devolution | 14 |

2. Comparisons within and between programmes is affected by the following transfers between sectors and programmes.

| Date | From | To | Function | Amount of Transfers in 1st year £m |
|--------------|---|---|---|--|
| 1 April 1994 | Local government | Central government (Education) | Careers Service | 14 |
| 1 April 1994 | Various central & local government programmes | Provisions for ERDF | European Regional Development Fund | 100 |
| 1 April 1996 | Local government | Central government (Environment) | Water | 90 |
| 1 April 1996 | Local government | Central government (Environment) | Scottish Environment Protection Agency | 12 |
| 1 April 1996 | Local government | Central government (Social Work) | Scottish Childrens Reporter Administration | 9 |
| 1 April 1996 | Local government | Central government (Roads and Transport) | Trunk Roads | 3 |
| 1 April 1996 | Local government | Central government (Education) | Further Education Bursaries | 45 |
| 1 April 1996 | Local government | Central government (Environment) | Water | 274 |

3. Comparisons are also affected by the privatisation of the Scottish Electricity Boards.

4. Planned expenditure for 1998-99 is consistent with that shown in the Cash Plans Table at Appendix 1 and the Public Expenditure Statistical Analyses 1998-99.

Table 1.3 Total Budget by Spending Sector

| | £ million, cash | | | | | | | | |
|--|-----------------|---------------|---------------|---------------|---------------|----------------------|---------------|---------------|---------------|
| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 00 | 2000- 01 | 2001- 02 |
| | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plans | Plans | Plans |
| Central government expenditure | 7,479 | 7,926 | 8,076 | 8,627 | 8,776 | 9,308 | 9,628 | 10,198 | 10,679 |
| <i>Of which:</i> | | | | | | | | | |
| <i>Central government's own expenditure</i> | 6,917 | 7,342 | 7,622 | 7,885 | 8,130 | 8,570 | 8,889 | 9,396 | 9,893 |
| <i>Public corporations (excluding nationalised industries)</i> | 561 | 584 | 454 | 742 | 646 | 738 | 739 | 802 | 786 |
| Central government support to local authorities | 6,199 | 6,330 | 6,499 | 6,186 | 5,973 | 6,074 | 6,227 | 6,464 | 6,718 |
| Nationalised Industries | | | | | | | | | |
| External Finance | 34 | -27 | -22 | 18 | 25 | 28 | 40 | 30 | 31 |
| Total Budget | 13,712 | 14,229 | 14,554 | 14,831 | 14,774 | 15,410 | 15,895 | 16,691 | 17,428 |

Table 1.2 Reconciliation of the Scottish Block to DEL

| | £ million | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 |
| Scottish Block Cm 3914 | 13,035 | 13,560 | 13,750 | 13,748 | 13,893 | 13,979 |
| Plus: | | | | | | |
| Domestic agriculture | 174 | 171 | 174 | 181 | 190 | 172 |
| Trust Debt Remuneration | 0 | 0 | 0 | -2 | -2 | -2 |
| Crown Office | 45 | 43 | 46 | 47 | 47 | 49 |
| Capital Receipts Initiative | 0 | 0 | 0 | 0 | 12 | 44 |
| Student Loan subsidy element | 14 | 26 | 33 | 42 | 48 | 60 |
| Scottish Renewables Obligation | 7 | 10 | 11 | 11 | 13 | 13 |
| Nationalised industries | 34 | -27 | -22 | 18 | 25 | 26 |
| Bus Fuel Duty Rebate | 31 | 31 | 32 | 32 | 32 | 38 |
| Minus: | | | | | | |
| Housing Support Grant | 36 | 24 | 22 | 19 | 16 | 13 |
| Non-domestic rates expenditure | 1,186 | 1,109 | 1,193 | 1,313 | 1,326 | 1,395 |
| Student loan principal element & sale of loan book | 36 | 52 | 76 | 83 | -7 | -100 |
| In-year changes and revisions to outturn | -1 | -8 | -7 | 194 | -102 | 211 |
| DEL Cm4215 | 12,080 | 12,621 | 12,727 | 12,855 | 12,821 | 13,282 |

The Government's Expenditure Plans 1999-00 to 2001-02

Table 1.4 The Total Budget

| | £ million, cash | | | | | | | | |
|---|-----------------|---------|---------|---------|---------|-------------------|---------|---------|---------|
| | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
| | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plans | Plans | Plans |
| Central Government support for: | | | | | | | | | |
| Local authority capital expenditure | 696 | 708 | 695 | 454 | 336 | 346 | 345 | 356 | 392 |
| Local authority current expenditure | 5,243 | 5,377 | 5,461 | 5,520 | 5,384 | 5,395 | 5,584 | 5,738 | 5,884 |
| Other programme expenditure: | | | | | | | | | |
| Agriculture, fisheries and food | 416 | 456 | 521 | 600 | 512 | 546 | 500 | 554 | 587 |
| Arts, libraries and sport | 59 | 76 | 75 | 79 | 86 | 78 | 80 | 82 | 84 |
| Crown Office | 45 | 43 | 46 | 47 | 47 | 51 | 50 | 50 | 50 |
| European Social Fund and European Regional Development Fund | 132 | 114 | 121 | 136 | 164 | 184 | 153 | 163 | 173 |
| Forestry | 0 | 0 | 0 | 0 | 0 | 0 | 14 | 23 | 28 |
| Further, higher and other CG education | 695 | 825 | 876 | 910 | 990 | 1,008 | 1,141 | 1,229 | 1,303 |
| Health | 3,776 | 3,948 | 4,092 | 4,237 | 4,354 | 4,642 | 4,934 | 5,225 | 5,550 |
| Housing | 542 | 543 | 467 | 316 | 422 | 573 | 522 | 632 | 650 |
| Industry, enterprise and training | 542 | 608 | 610 | 606 | 589 | 592 | 557 | 558 | 608 |
| Law, order and protective services | 424 | 428 | 428 | 449 | 452 | 464 | 490 | 494 | 514 |
| New Deal for Schools | 0 | 0 | 0 | 0 | 9 | 27 | 27 | 27 | 27 |
| NHS and teachers pensions | 167 | 190 | 264 | 224 | 279 | 348 | 290 | 290 | 326 |
| Other environmental services | 76 | 83 | 99 | 408 | 336 | 319 | 321 | 323 | 328 |
| Other public services | 160 | 164 | 170 | 174 | 152 | 170 | 182 | 193 | 1 89 |
| Roads and transport | 308 | 264 | 249 | 265 | 243 | 244 | 268 | 271 | 282 |
| Scottish Parliament and staff | 0 | 0 | 0 | 0 | 0 | 0 | 55 | 80 | 46 |
| Social Work | 40 | 44 | 48 | 63 | 63 | 69 | 74 | 77 | 81 |
| Student Support | 391 | 360 | 332 | 342 | 356 | 356 | 306 | 294 | 286 |
| Unallocated Capital Modernisation Fund | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 32 | 41 |

| | | | | | | | | | |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Budget | 13,712 | 14,229 | 14,554 | 14,831 | 14,774 | 15,410 | 15,895 | 16,691 | 17,428 |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|

Table 1.5 The Total Budget, real terms

| | £ million, cash | | | | | | | | |
|---|-----------------|-------------|-------------|-------------|-------------|----------------------|-------------|-------------|-------------|
| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 00 | 2000- 01 | 2001- 02 |
| | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plans | Plans | Plans |
| Central Government support for: | | | | | | | | | |
| Local authority capital | 768 | 770 | 734 | 465 | 336 | 337 | 328 | 331 | 355 |
| Local authority current | 5,782 | 5,846 | 5,770 | 5,658 | 5,384 | 5,264 | 5,315 | 5,328 | 5,330 |
| Other programme Expenditure: | | | | | | | | | |
| Agriculture, fisheries and food | 459 | 496 | 551 | 615 | 512 | 532 | 476 | 514 | 531 |
| Arts, libraries and sport | 65 | 82 | 79 | 81 | 86 | 76 | 76 | 76 | 76 |
| Crown Office | 50 | 47 | 49 | 49 | 47 | 49 | 47 | 46 | 45 |
| European Social Fund and European Regional Development Fund | 146 | 124 | 127 | 139 | 164 | 179 | 146 | 151 | 157 |
| Forestry | 0 | 0 | 0 | 0 | 0 | 0 | 13 | 21 | 25 |
| Further, higher and other | | | | | | | | | |
| Central Government education | 766 | 897 | 926 | 933 | 990 | 984 | 1,086 | 1,141 | 1,181 |
| Health | 4,165 | 4,293 | 4,324 | 4,343 | 4,354 | 4,529 | 4,696 | 4,852 | 5,028 |
| Housing | 598 | 590 | 494 | 324 | 422 | 559 | 497 | 587 | 589 |
| Industry, enterprise and training | 597 | 661 | 644 | 621 | 589 | 577 | 530 | 518 | 551 |
| Law, order and protective services | 468 | 466 | 452 | 461 | 452 | 453 | 466 | 459 | 466 |
| New Deal for Schools | 0 | 0 | 0 | 0 | 9 | 26 | 26 | 25 | 24 |
| NHS and teachers pensions | 185 | 207 | 279 | 229 | 279 | 339 | 276 | 269 | 295 |
| Other environmental services | 84 | 90 | 105 | 419 | 336 | 311 | 306 | 300 | 297 |
| Other public services | 176 | 179 | 179 | 178 | 152 | 166 | 174 | 179 | 171 |
| Roads and transport | 339 | 287 | 263 | 271 | 243 | 238 | 255 | 251 | 256 |
| Scottish Parliament and staff | 0 | 0 | 0 | 0 | 0 | 0 | 52 | 74 | 42 |
| Social Work | 44 | 48 | 51 | 65 | 63 | 67 | 71 | 72 | 74 |

| | | | | | | | | | |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Student Support | 431 | 391 | 350 | 351 | 356 | 347 | 291 | 273 | 259 |
| Unallocated Capital | | | | | | | | | |
| Modernisation Fund | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 30 | 37 |
| Total Budget | 15,123 | 15,472 | 15,377 | 15,202 | 14,774 | 15,034 | 15,129 | 15,500 | 15,789 |

Table 1.6 Publicly Sponsored Capital Expenditure

| | £ million | | | |
|---|--|----------------------------------|----------------------------------|----------------------------------|
| | Estimated outturn 1998-99 | Projections 1999 - 00 | Projections 2000 - 01 | Projections 2001 - 02 |
| Estimated gross publicly sponsored capital ¹ | 2,045.7 | 2,467.5 | 2,549.5 | 2,370.4 |
| <i>of which:</i> | | | | |
| capital spending (by private sector) | | | | |
| on PFI projects | 335.9 | 666.1 | 599.4 | 271.0 |
| capital spending by public sector | | | | |
| under conventional procurement | 1,709.8 | 1,801.4 | 1,950.1 | 2,099.4 |

¹ Expenditure by The Scottish Office, its Agencies and Associated Departments, Scottish Local Authorities and other public bodies within the responsibility of the Secretary of State for Scotland. Excludes figures for the Forestry Commission.

Expenditure follows the national accounts definition which includes: gross domestic fixed capital formation (net of receipts for disposal), grants in support of capital spending by the private sector and the value of the physical increase in stocks.

Table 2.1: The Scottish Office Agriculture, Environment and Fisheries Department:: Expenditure Summary

| | Vote/ | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 2000 | 2000- 01 | 2001- 02 |
|--|---------|-------------|-------------|-------------|-------------|-------------|----------------------|---------------|-------------|-------------|
| Section | Outturn | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plan | Plan | Plan |
| Expenditure in DEL | | | | | | | | | | |
| Structural and Agri-environmental Measures | 1/A | 69 | 61 | 56 | 57 | 70 | 87 | 68 | 71 | 73 |
| Agricultural Services | 1/B | 82 | 90 | 85 | 84 | 80 | 84 | 84 | 87 | 90 |
| Fisheries | 1/C | 4 | 2 | 7 | 7 | 8 | 7 | 6 | 5 | 5 |
| Agencies | 1/D | 25 | 25 | 26 | 33 | 32 | 23 | 24 | 24 | 25 |
| Environmental Services | 1/E&F | 103 | 57 | 63 | 192 | 129 | 100 | 70 | 64 | 66 |
| Expenditure in AME | | | | | | | | | | |
| Market Support | 1/G | 243 | 284 | 345 | 417 | 319 | 337 | 308 | 356 | 384 |
| Agri-environmental Measures | 1/H | 0 | 1 | 2 | 3 | 4 | 8 | 10 | 11 | 11 |
| Non-Voted Expenditure | | | | | | | | | | |
| Agricultural Services | | -5 | -5 | -1 | - | - | - | - | - | - |
| Scottish Water Authorities | | - | - | - | 177 | 167 | 174 | 213 | 217 | 216 |
| Structural and Agri-environmental Measures | | - | 2 | - | - | - | - | - | - | - |
| Total expenditure in DEL | | 278 | 222 | 237 | 549 | 485 | 475 | 465 | 467 | 473 |
| Total expenditure in AME | | 243 | 285 | 347 | 419 | 323 | 345 | 318 | 367 | 395 |
| TOTAL | | 520 | 507 | 584 | 968 | 808 | 820 | 783 | 834 | 868 |

Chart 2.2: Expenditure on Market Support

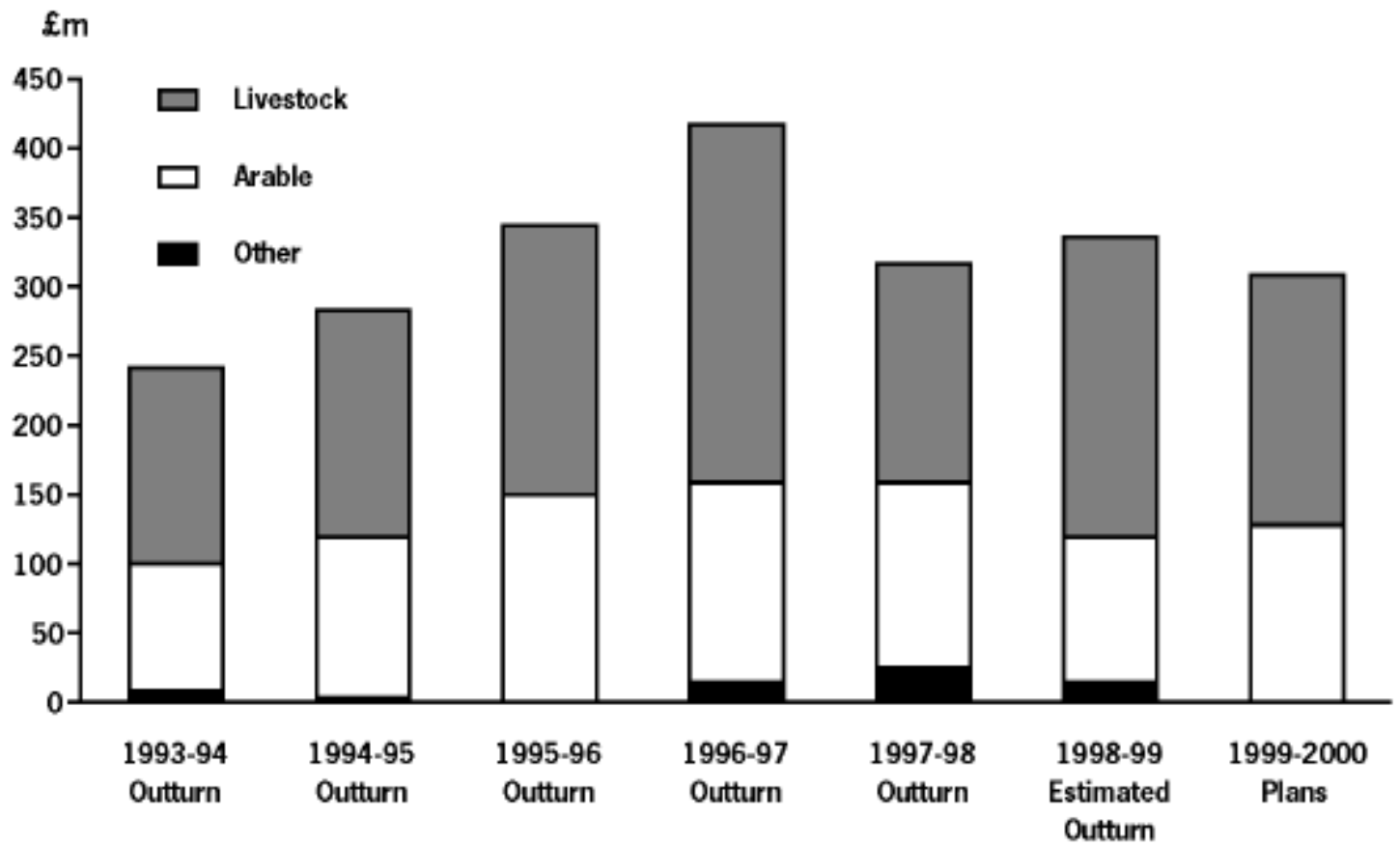


Chart 2.3: Market Support 1999-2000

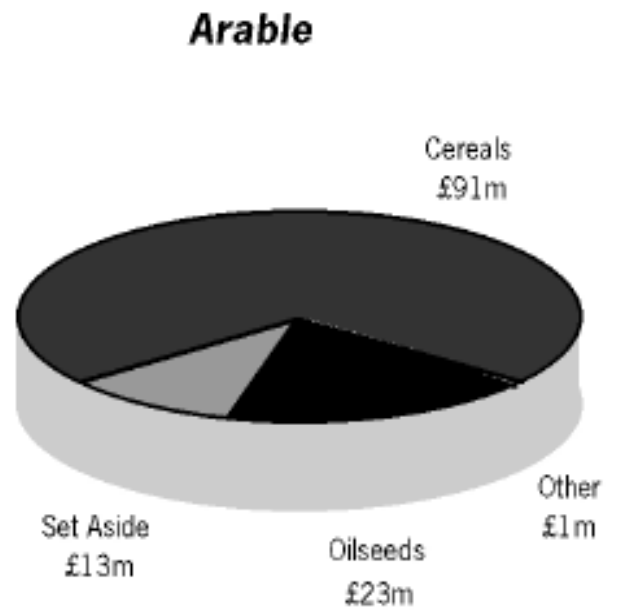
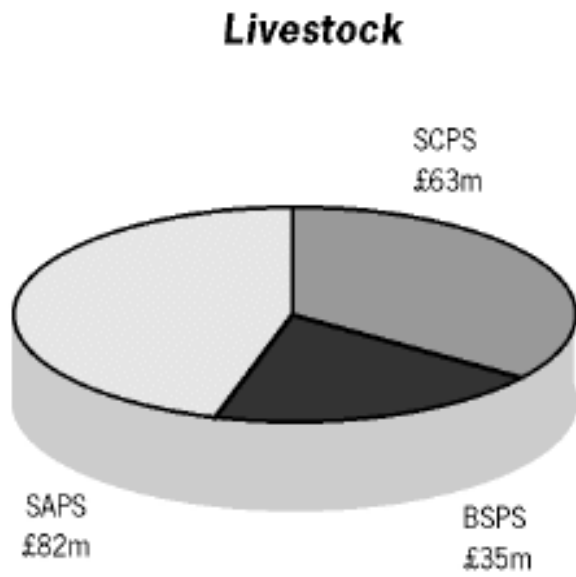


Chart 2.4: Expenditure on Structural and Agri-environmental Measures

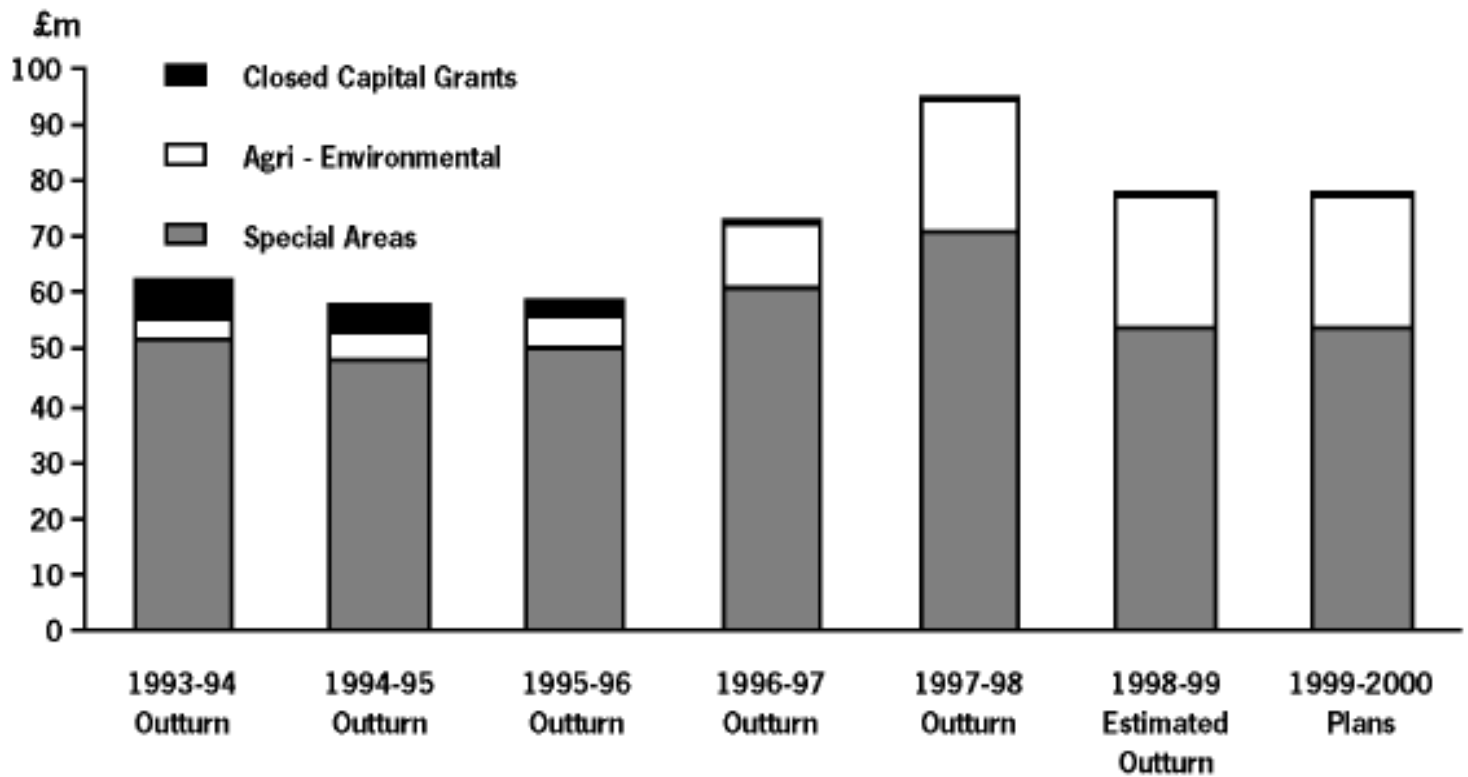


Chart 2.5: Expenditure on Agricultural Services

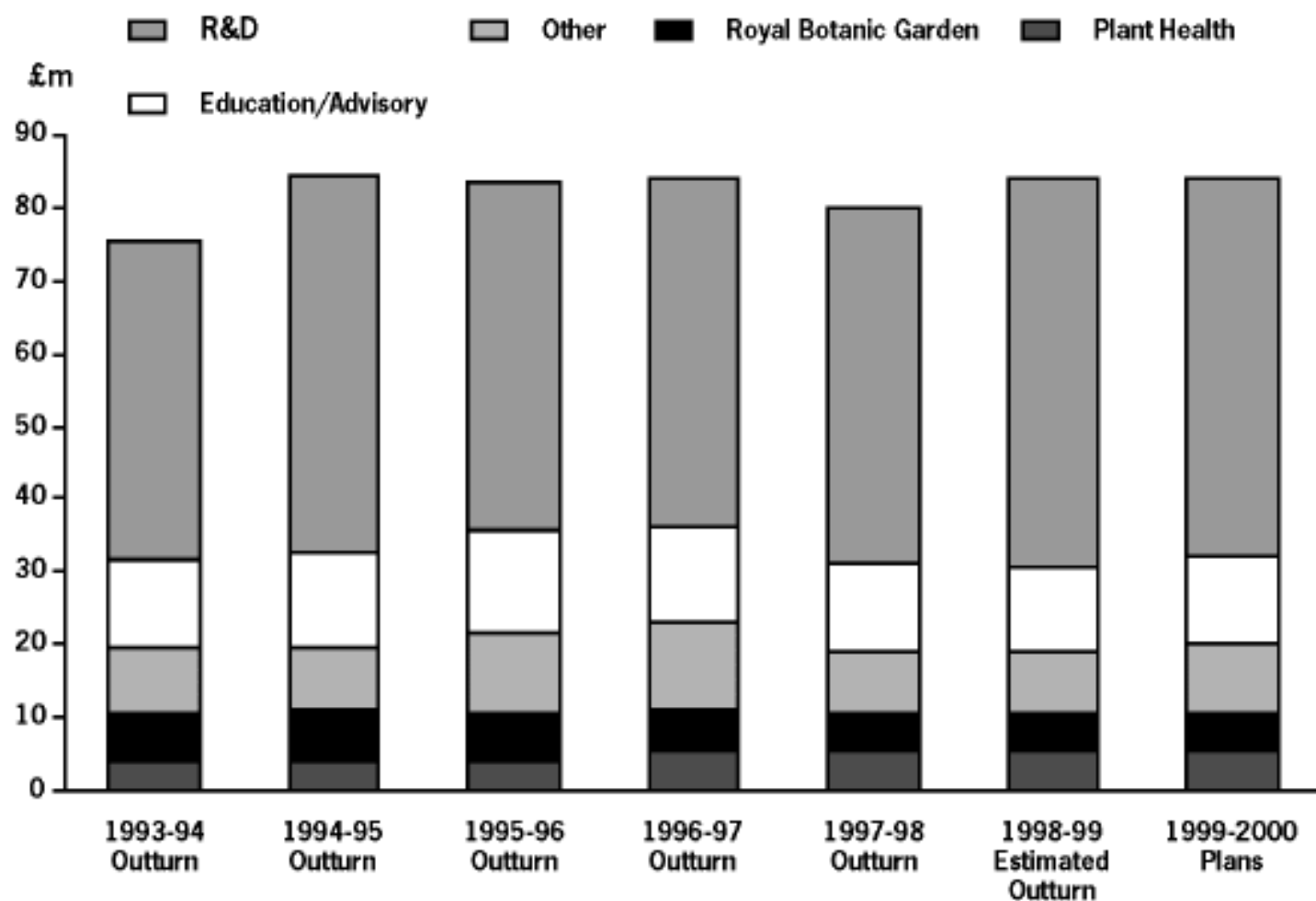


Table 2.6: Application of Grant-in-aid to SAC

| | £ million | | | | | |
|--------------------------|-----------|---------|---------|---------|----------------------|-----------|
| | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 |
| | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plans |
| Advisory Services | 6.4 | 6.5 | 5.9 | 5.3 | 4.4 | 4.5 |
| Education | 6.8 | 7.3 | 7.3 | 7.1 | 6.9 | 7.3 |
| Research and Development | 6.1 | 6.1 | 6.0 | 5.5 | 5.8 | 5.9 |
| TOTAL | 19.3 | 19.9 | 19.2 | 17.9 | 17.1 | 17.7 |

Table 2.7: Grant in Aid to Scottish Natural Heritage

| £ million | | | |
|--------------------|------------------|---------------------------------|-----------------------------------|
| 1997-98 Outturn | 1997-98 Plans | 1998-99 Estimated Outturn | 1999-2000 Plans |
| 38.147 | 36.253 | 36.053 | Current expenditure 37.053 |
| 2.000 | 1.500 | 1.800 | Capital expenditure 1.800 |
| 40.147 | 37.753 | 37.853 | Gross Total 38.853 |
| -1.300 | -0.800 | -0.900 | Receipts -0.900 |
| 38.847 | 36.953 | 36.953 | Net Total 37.953 |

Table 2.8: Grant in Aid to Scottish Environmental Protection Agency

| £ million | | | |
|--------------------|------------------|---------------------------------|--------------------|
| 1997-98 Outturn | 1997-98 Plans | 1998-99 Estimated Outturn | 1999-2000 Plans |
| 26.793 | 28.700 | 29.200 | 30.700 |
| | | Current expenditure | |
| 4.500 | 0.600 | 1.400 | 1.400 |
| | | Capital expenditure | |
| 31.293 | 29.300 | 30.600 | 32.100 |
| | | Total Expenditure | |
| (7.366) | (9.000) | (10.200) | (13.000) |
| | | Charging Income | |
| (0.515) | (0.400) | (0.500) | (0.400) |
| | | Other Receipts | |
| (7.881) | (9.400) | (10.700) | (13.400) |
| | | Total Receipts | |
| 23.412 | 19.900 | 19.900 | 18.700 |
| | | Grant - in - aid (Net) | |

Table 2.9: Water and Sewerage Authorities: External Finance Limits

| 1997-98 Out-turn | 1998-99 Estimated Out-turn | Authority | £ million |
|---------------------|----------------------------------|--------------------------------|--------------------|
| | | | 1999-2000 Plans |
| 48.708 | 55.496 | North of Scotland Water | 51.000 |
| 55.990 | 54.685 | East of Scotland Water | 70.500 |
| 62.558 | 71.389 | West of Scotland Water | 85.404 |
| 167.256 | 181.570 | Total | 206.904 |

Table 2.10: Water and Sewerage Authorities Targets

| | |
|---|---|
| 1. Rate of return on the value of net assets. | 6 ¹ / ₂ per cent during 1999-2000 |
| 2. Present charges scheme for 1999-2000 to the Customers Council. | by mid November 1999 |
| 3. Complete water quality improvement undertakings in a further 37 zones | by end 1999 |
| 4. Enter into PFI contracts substituting for capital expenditure. | to a minimum value of £350 million |
| 5. Comply with EC standards at all 23 identified bathing waters. | by end 1999 |
| 6. Establish programmes setting out compliance targets for bathing waters identified in 1999. | by end 1999 |

[illegible]

central gov grants**to local
authorities****Voted in
Estimates**

| | | | | | | | | | | |
|---|------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Agriculture, fisheries and food | - | 1 | - | - | - | - | - | - | - | - |
| Industry, enterprise and training | - | 16 | 12 | 7 | 2 | - | - | | | |
| Other environmental services ² | 2K | 48 | 55 | 52 | 56 | 45 | 43 | 43 | 43 | 43 |
| Law, Order and Protective Services | 5P,Q | | | | | | | | | |
| | & S | 274 | 277 | 290 | 301 | 339 | 342 | 355 | 370 | 381 |
| Education | 3G | 12 | 12 | 12 | 12 | 14 | 14 | 108 | 121 | 154 |
| Social Work | 5R | 11 | 14 | 17 | 24 | 17 | 18 | 16 | 15 | 15 |
| Total Central Government | | 5,326 | 5,397 | 5,483 | 5,431 | 5,405 | 5,418 | 5,590 | 5,744 | 5,892 |

Grants to Local Authorities and**Non-Domestic
Rates****Net Capital
Allocations¹**

| | | | | | | | | | | |
|--|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Agriculture, fisheries and food | | 1 | 1 | - | - | - | - | - | - | - |
| OES | | 182 | 249 | 220 | - | - | - | - | - | - |
| Housing | | 170 | 188 | 290 | - | - | - | - | - | - |
| Law, Order and Protective Services | | 20 | 16 | 25 | - | - | - | - | - | - |
| General Services | | 63 | 44 | 33 | - | - | - | - | - | - |
| Transport | | 157 | 161 | 171 | - | - | - | - | - | - |
| Social Work | | 21 | 22 | 20 | - | - | - | - | - | - |
| Education | | 71 | 86 | 98 | - | - | - | - | - | - |
| Non-HRA | | 114 | 119 | 113 | - | - | - | - | - | - |
| Total Net Capital Allocations | | 799 | 891 | 974 | 604 | 502 | 515 | 491 | 506 | 562 |

Total central government support to local**Authorities (within
Secretary of State's
responsibility)**

| | | | | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 6,125 | 6,289 | 6,457 | 6,035 | 5,907 | 5,933 | 6,081 | 6,250 | 6,454 |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|

1. From 1996-97 onwards capital allocations with the exception of Housing Revenue Account are given as a single allocation.
2. Includes provision of £2 million for Dunblane costs in 1996-97.

Chart 2.12: Expenditure on Fisheries Support

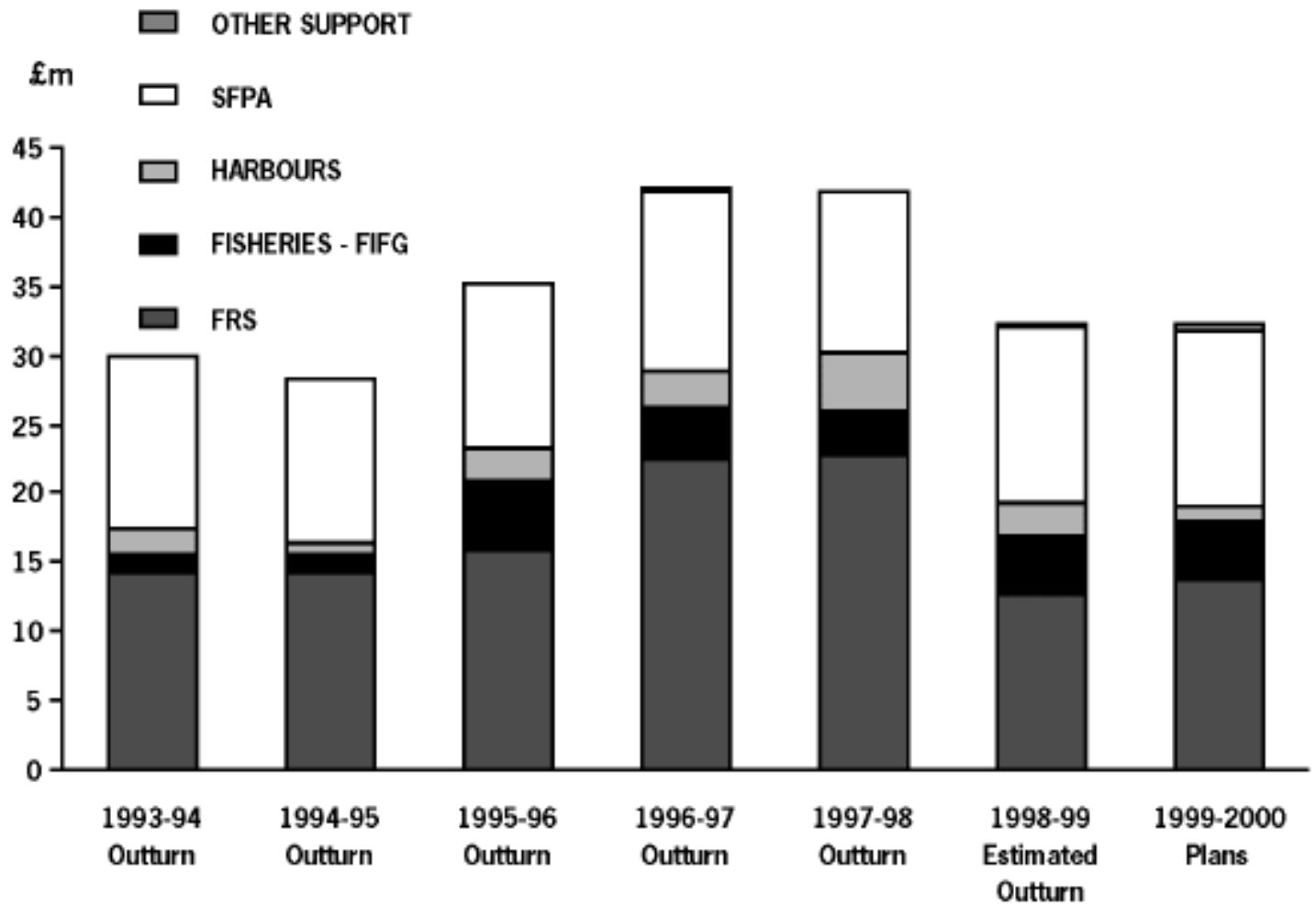


Table 3.1: The Scottish Office Development Department: £ million

| | Vote/ Section | 1993- 94 Outturn | 1994- 95 Outturn | 1995- 96 Outturn | 1996- 97 Outturn | 1997- 98 Outturn | 1998-99 Estimated Outturn | 1999- 00 Plans | 2000- 01 Plans | 2001- 02 Plans |
|--|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|---------------------------------|----------------------|----------------------|----------------------|
| Departmental expenditure in Departmental Expenditure Limits | | | | | | | | | | |
| Expenditure Voted in Estimates | | | | | | | | | | |
| Agency payments on behalf of the EC (net) | 2/E&H | 131 | 114 | 120 | 134 | 162 | 152 | 131 | 161 | 171 |
| Caledonian MacBrayne | 2/P | 17 | 14 | 15 | 14 | 20 | 23 | 21 | 17 | 16 |
| Capital Receipts Initiative/Welfare to Work | - | - | - | - | - | - | 18 | - | - | - |
| Community Charge Grant | - | 9 | 7 | 4 | - | - | - | - | - | - |
| Council tax collection and relief schemes | - | 17 | 3 | 0 | - | - | 2 | 1 | 1 | 1 |
| European Structural Fund grants | 2/A&G | - | - | - | - | - | 30 | 20 | - | - |
| Grant to Strathclyde Passenger Transport Authority | 2/M | - | 79 | 60 | 106 | 102 | 96 | 91 | 85 | 80 |
| Highlands and Islands Airports | 2/Q | 6 | 8 | 11 | 7 | 7 | 6 | 16 | 11 | 13 |
| Historic Scotland | 2/F | 51 | 48 | 40 | 33 | 33 | 33 | 31 | 31 | 32 |
| Housing | 2/B&L | 322 | 328 | 298 | 284 | 322 | 345 | 286 | 333 | 282 |
| New Towns | - | 21 | 25 | 31 | 14 | - | - | - | - | - |
| Other environmental services | 2/C&K | 13 | 10 | 8 | 52 | 33 | 15 | 12 | 12 | 15 |
| Rate Rebates | - | 39 | 39 | 8 | - | - | - | - | - | - |
| Revenue support grant | 2/I | 3,624 | 3,773 | 3,782 | 3,665 | 3,520 | 3,484 | 3,529 | 3,630 | 3,702 |
| Roads and transport | 2/D&N | 277 | 293 | 274 | 251 | 219 | 221 | 233 | 246 | 256 |
| Shadow Local Authorities | - | - | - | 36 | - | - | - | - | - | - |
| Urban programme | 2/J | 65 | 62 | 63 | 65 | 53 | 53 | 53 | 53 | 53 |
| Non-Voted Expenditure | | | | | | | | | | |
| Local Authority Net Capital Allocations - Housing | | 170 | 182 | 290 | 161 | 170 | 177 | 157 | 157 | 177 |

| | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Local Authority Net Capital | | 630 | 703 | 679 | 443 | 332 | 338 | 334 | 349 | 385 |
| Allocations - non Housing | | | | | | | | | | |
| Caledonian MacBrayne | | -5 | -2 | -5 | -3 | -2 | -1 | 2 | 1 | 2 |
| Capital Receipts Initiative | | - | - | - | - | 12 | 29 | 58 | 120 | 170 |
| New Towns | | -39 | -47 | -183 | -166 | - | - | - | - | - |
| Rate Rebates | | -2 | -5 | - | - | - | - | - | - | - |
| Roads and Transport | | - | - | - | - | - | - | 1 | - | - |
| Scottish Bus Group | | 44 | - | - | 0 | - | 0 | - | - | - |
| Scottish Homes debt repayment | | -4 | -2 | -2 | -2 | -105 | -20 | -2 | -2 | -2 |
| Total Departmental expenditure in | | 5,384 | 5,633 | 5,530 | 5,057 | 4,879 | 5,001 | 4,975 | 5,209 | 5,354 |
| Departmental Expenditure Limits | | | | | | | | | | |
| Main Departmental programmes in Annually Managed Expenditure | | | | | | | | | | |
| Expenditure Voted in Estimates | | | | | | | | | | |
| Housing Support Grant | 2/R | 36 | 24 | 22 | 19 | 16 | 13 | 13 | 13 | 13 |
| Total Main Departmental programmes in Annually Managed Expenditure | | 36 | 24 | 22 | 19 | 16 | 13 | 13 | 13 | 13 |
| Other expenditure not included in Departmental Expenditure Limits | | | | | | | | | | |
| Expenditure Voted in Estimates | | | | | | | | | | |
| Non Domestic Rate payments | 1,186 | 1,109 | 1,193 | 1,313 | 1,326 | 1,395 | 1,441 | 1,473 | 1,510 | |
| Total Other expenditure not included in Departmental Expenditure Limits | 1,186 | 1,109 | 1,193 | 1,313 | 1,326 | 1,395 | 1,441 | 1,473 | 1,510 | |
| Total | 6,606 | 6,767 | 6,745 | 6,389 | 6,221 | 6,409 | 6,428 | 6,694 | 6,877 | |

Table 3.2: Housing Expenditure (Net)

| | | | | | | | | | £ million | |
|--|---------|---------|---------|---------|---------|------------------|-------------------|---------|-----------|---------|
| | Vote/ | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
| | Section | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plans | Plans | Plans |
| Voted Expenditure | | | | | | | | | | |
| Central Government Expenditure | | | | | | | | | | |
| Housing Support Grant | 2 R | 36 | 24 | 22 | 19 | 16 | 13 | 13 | 13 | 13 |
| Scottish Homes Grant-In-Aid | 2 B | 320 | 325 | 295 | 281 | 3184 | 266 | 278 | 325 | 274 |
| Miscellaneous Expenditure | 2 B | 1 | 1 | 2 | 2 | 2 | 5 | 5 | 5 | 5 |
| Central Government Grants to Local Authorities | | | | | | | | | | |
| Travelling People Grant | 2L | 1 | 2 | 1 | 1 | 1 | 3 | 3 | 3 | 3 |
| Total Voted in Estimates | | 358 | 352 | 320 | 303 | 337 | 287 | 299 | 346 | 295 |
| New Housing Partnerships/Energy Efficiency | | - | - | - | - | - | - | 58 | 120 | 170 |
| Scottish Homes NLF | | - 4 | - 2 | - 2 | - 2 | - 2 | - 2 | - 2 | - 2 | - 2 |
| Non-Voted Expenditure | | | | | | | | | | |
| Local Authority Capital | | | | | | | | | | |
| HRA1 | | 171 | 182 | 291 | 240 | 171 | 180 | 160 | 160 | 180 |
| Travelling People | | 1 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Non-HRA2 | | 114 | 119 | 113 | - | - | - | - | - | - |
| Housing Association Repayments | | - 1 | 0 | 0 | - 1 | - 1 | - 1 | - 1 | - 1 | - 1 |
| Travelling People | | - 1 | - 2 | - 1 | - 1 | - 1 | - 3 | - 3 | - 3 | - 3 |
| Total Local Authority Non-Voted | | 284 | 301 | 404 | 239 | 170 | 177 | 157 | 157 | 177 |
| Total Housing Programme Net Expenditure: | | 638 | 652 | 721 | 541 | 505 ³ | 4643 | 512 | 622 | 640 |

1 The figures for 1995-96 and 1996-97 are higher due to additional allocations given to authorities for the

transfer of New Towns housing stock.

2 From 1 April 1996 capital resources for private sector investment are included in the single non-housing allocation.

3 In July 1997 the Government made additional resources available for 1997-98 and 1998-99 of £12.5 million and £43.7 million both sums of which are outwith the control total . The actual spend figures are not included in this table.

4 This figure includes additional grant of £46 million provided to enable the redemption of debt.

Table 3.3: Council Houses: New Building and Improvement

| Number of Dwellings (thousands) | 1993-94 | 1994-95 ¹ | 1995-96 ¹ | 1996-97 ¹ | 1997-98 ¹ |
|---------------------------------|-------------|----------------------|----------------------|----------------------|----------------------|
| Repaired | 81.4 | 110.2 | 82.8 | 89.3 | 86.1 |
| Rehabilitated | 1.1 | 0.9 | 1.4 | 0.1 | 0.02 |
| Total Improved | 82.5 | 111.1 | 84.2 | 89.4 | 86.12 |
| New Dwellings Completed (000) | 0.5 | 0.7 | 0.3 | 0.1 | 0.1 |

¹ Figures based on incomplete returns.

Table 3.4: Grant in Aid to Scottish Homes

| | £m | 1997-98 Outturn | 1998-99 Expected Outturn |
|--|----|----------------------------|--------------------------------|
| Running Costs: | | | |
| Employment Costs | | 19.361 | 17.707 |
| Admin. Costs | | 12.948 | 12.543 |
| Total | | 32.309 | 30.250 |
| Programme Costs: | | | |
| Housing Association Activity | | 182.215 | 164.588 |
| Grants to other providers | | 19.368 | 22.306 |
| Grants to individuals | | 2.819 | 1.982 |
| Environmental and Improvement Grants | | 5.617 | 5.299 |
| Rough Sleepers and Empty Homes Initiative | | 4.162 | 13.600 |
| Expenditure on own stock | | 35.377 | 22.850 |
| Other Programme Initiatives (e.g. Research Costs, House Condition Survey) | | 5.409 | 6.872 |
| Total | | 254.967 | 237.497 |
| Net Loan Charges | | 37.263 | 29.957 |
| External Income: | | | |
| Net Rental Income | | 51.150 | 31.800 |
| Capital Receipts ¹ | | 80.001 | 58.000 |
| Other Miscellaneous Income | | 5.550 | 0.232 |
| Grant in Aid | | 267.899² | 265.672 |

¹ Capital receipts applied towards the repayment of debt.

² Includes cash balance of £60,000.

Table 3.5: Scottish Homes Targets and Performance

| | 1996-97 | 1997-98 | 1997-98 | 1998-99 |
|---------------------------------------|---------|---------|---------|---------|
| | Outturn | Target | Outturn | Target |
| Increase in owner occupation units | 5,009 | 3,050 | 3,221 | 2,830 |
| Units transferred from Scottish Homes | 9,036 | 10,400 | 8,924 | 6,400 |
| Special needs units provided | 1,210 | 950 | 1,155 | 915 |
| Care and Repair | 919 | 600 | 1,369 | 1,075 |
| Permanent units for homeless people | 2,656 | 2,600 | 2,664 | 2,470 |
| Overall new and improved units | 7,015 | 4,500 | 5,321 | 5,675 |
| Publicly funded component | 52% | 54% | 52% | 50% |

Table 3.6: Area Regeneration Voted Expenditure Breakdown

| | | | | | | | | | £ million | |
|---|---------|-------------|-------------|-------------|-------------|-------------|----------------------|-------------|-------------|-------------|
| | Vote/ | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 00 | 2000- 01 | 2001- 02 |
| | Section | outturn | outturn | outturn | outturn | outturn | estimated outturn | plans | plans | plans |
| Central Government Expenditure | | | | | | | | | | |
| Urban Partnerships | 2C | 2 | 2 | 2 | 2 | 2 | 4 | 3 | 3 | 3 |
| New Deal | 2C | - | - | - | - | - | 1 | 3 | 3 | 6 |
| Central Government Grants to Local Authorities | | | | | | | | | | |
| Urban Programme Current Grant | 2J | 48 | 55 | 52 | 56 | 48 | 43 | 43 | 43 | 43 |
| Urban Programme Capital Grant | 2J | 13 | 8 | 11 | 9 | 7 | 10 | 10 | 10 | 10 |
| Total | | 64 | 64 | 65 | 67 | 56 | 57 | 60 | 60 | 63 |

1. Grant is payable at 75%, with the balance recognised in the distribution of revenue support grant and net capital allocations.

Table 3.8: Government Support Expenditure

| | £m | £m | Increase | |
|------------------------|---------------|----------------|--------------|-------------|
| | 1998-99 | 1999-00 | £m | % |
| Education | 2433.0 | 2591.4 | 158.4 | 6.51 |
| Social Work | 1050.2 | 1101.0 | 50.8 | 4.84 |
| Capital Financing | 728.9 | 765.3 | 36.4 | 4.99 |
| Other Services | 616.7 | 642.5 | 25.8 | 4.18 |
| Police | 691.0 | 714.7 | 23.7 | 3.43 |
| Roads and Transport | 322.5 | 323.0 | 0.5 | 0.16 |
| Leisure and Recreation | 230.6 | 230.6 | 0.0 | 0.00 |
| Fire | 170.0 | 178.5 | 8.5 | 5.00 |
| Total | 6242.9 | 6,547.0 | 304.1 | 4.87 |

Table 3.9: Aggregate External Finance

| | £ million | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|---------------------------|----------------------|----------------------|----------------------|
| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 Est Outturn | 1999- 00 plans | 2000- 01 plans | 2001- 02 plans |
| Revenue (rate) support grant | 3,624 | 3,773 | 3,782 | 3,665 | 3,520 | 3,484 | 3,529 | 3,630 | 3,702 |
| Non-domestic rates | 1,186 | 1,109 | 1,193 | 1,313 | 1,326 | 1,395 | 1,441 | 1,473 | 1,510 |
| Specific Grants | 381 | 356 | 370 | 407 | 412 | 416 | 522 | 548 | 591 |
| Administration of housing benefit ² | | | | | | | | | |
| and Council Tax rebates and supported employment ¹ | 13 | 15 | 14 | 14 | 15 | 15 | 21 | 21 | 21 |
| Total | 5,207 | 5,257 | 5,364 | 5,402 | 5,277 | 5,314 | 5,513 | 5,672 | 5,823 |

¹ These grants are within AEF but outwith the Secretary of State's responsibility.

² For 1993-94 includes £37 million rate rebates disabled people grant.

Table 3.10: Local Government Commissions

| | 1998-99 | £ million 1999-00 |
|---|-------------------|----------------------|
| | Estimated Outturn | Plan |
| Local Government Boundary Commission for Scotland | 0.3 | 0.3 |
| Local Government Property Commission (Scotland) | 0.04 | - |

Table 3.11: Transport: Expenditure Summary[illegible]

| | | | | | | | | | | |
|--------------------------------------|----|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Voted in Estimates | 2Q | 6 | 8 | 11 | 7 | 7 | 9 | 16 | 11 | 13 |
| Caledonian MacBrayne | | | | | | | | | | |
| Voted in Estimated | 2P | 17 | 14 | 15 | 14 | 20 | 19 | 21 | 17 | 16 |
| Other (non-voted) | | - 5 | - 2 | - 5 | - 3 | - 2 | - 2 | 2 | 1 | 2 |
| Scottish Transport Group | | 44 | | 0 | 0 | | | | | |
| Other (non-Voted) | | | | | | | | | | |
| Total Nationalised Industries | | 62 | 19 | 21 | 18 | 25 | 26 | 40 | 30 | 31 |
| Total Transport | | 496 | 552 | 526 | 269 | 344 | 351 | 363 | 361 | 367 |

1 From 1996-97 onwards capital grants and allocations to local authorities are given as a single allocation covering the majority of local authority services. This table includes net capital allocation figures for 1995-96 and earlier years, details for 1996-97 and beyond are given in table 3.7.

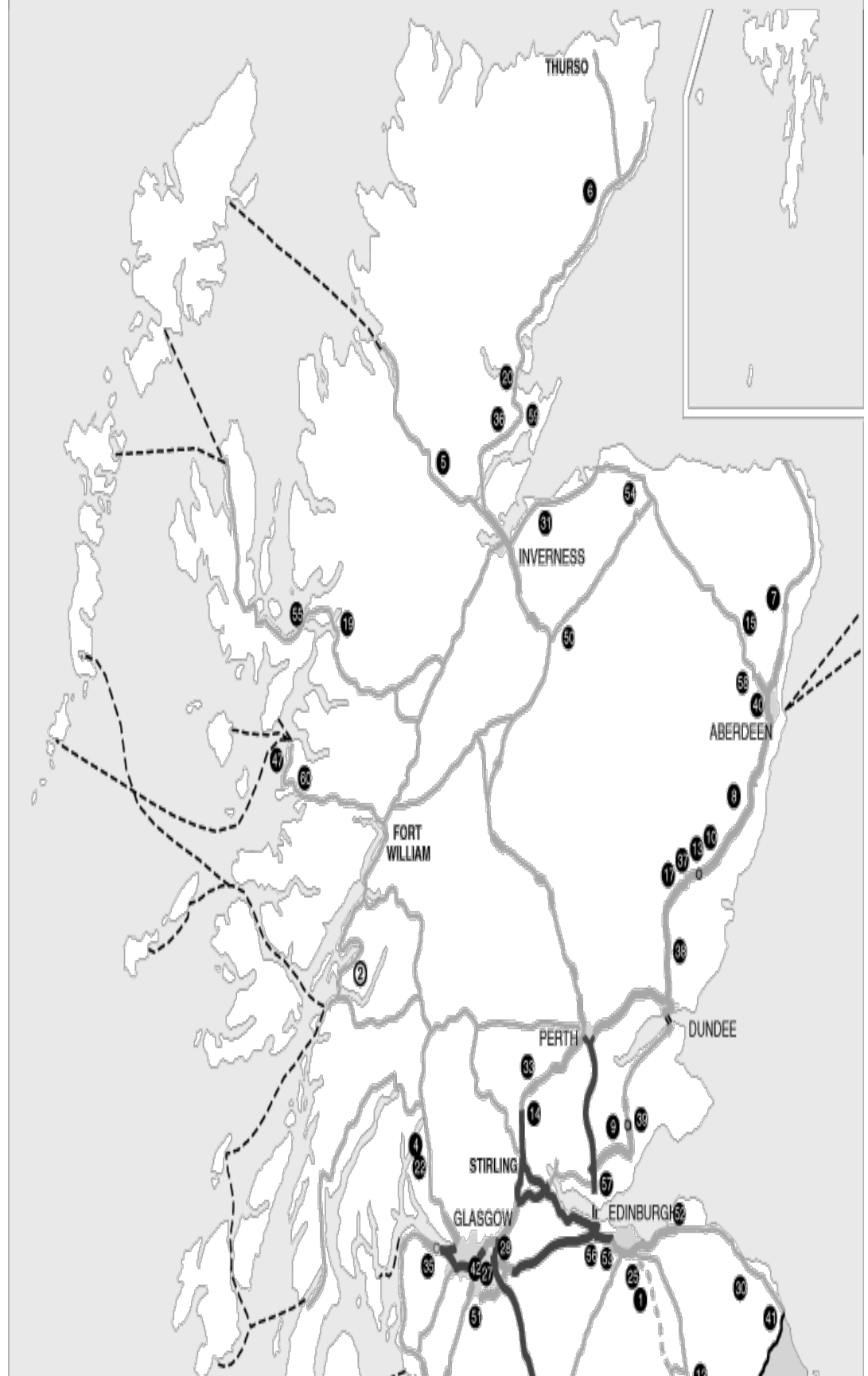
Map 3.1: Major Trunk road schemes completed and under construction

Major Trunk Road Schemes Completed and Under Construction Between 1989-90 and 1997-98

Completed

- 1 North Middleton Bypass (A7) *
- 2 Glenluce Bypass (A75)
- 3 Annan Bypass (A75)
- 4 Luss-Carnus nan Claie (A82)
- 5 Garve Railway Bridge (A835)
- 6 Dunbeath Bridge (A9)
- 7 Ellon/Tipperty Bypass (A90)
- 8 Candy/Stonehaven (A90)
- 9 East Fife Regional Road III and IV (A92)
- 10 Upper Northwaterbridge-Datthill (A80)
- 11 Dumfries Bypass (A75)
- 12 Newtown St Boswells Bypass (A68)
- 13 Stracathro Junction (A90)
- 14 Dunblane Bypass (A9)
- 15 Inverurie Bypass (A96)
- 16 Baisalloch-Balcreuchan (A77)
- 17 Parkford-Balnabreich (A90)
- 18 Ae Bridge (A701)
- 19 Donie Bypass (A87)
- 20 Dornoch Firth Bridge (A9)
- 21 Bennane Hill Bypass (A77)
- 22 Luss (A82)
- 23 Carrutherstown-Hetland (A75)
- 24 Millbank-Nether Abington (M74)
- 25 Dalkeith Bypass (A7) *
- 26 Cumnock/Auchinleck Bypass (A76)
- 27 Maryville (M74)
- 28 Stepps Bypass (M80)
- 29 Gretna-Kirkpatrick Fleming (M74)
- 30 Tower-Dunglass (A1)
- 31 Nairn Railway Bridge (A96)
- 32 Elvanfoot-Paddy's Rickie Bridge (M74)
- 33 Greenloaning-Blackford (A9)
- 34 Nether Abington-Elvanfoot (M74)
- 35 St James Interchange (M8)
- 36 Broomhill-Logie Easter (A9)
- 37 Brechin Bypass (A90)
- 38 Tarbrax-Fortar (A90)
- 39 Bankhead Interchange (A92)
- 40 Bucksburn Diversion (A86)
- 41 Marshall Meadows (A1)
- 42 Maryville-West of Fullerton Road (M74)
- 43 Muirhouse-Water of Milk (M74)
- 44 Dinwoodie Green-Muirhouse (M74)
- 45 Water of Milk-Ecclefechan (M74)
- 46 Eaglesfield-Kirkpatrick Fleming (M74)
- 47 Morar Bypass (A830)
- 48 Cleuchbrae-Dinwoodie Green (M74)
- 49 Ecclefechan-Eaglesfield Phases 1&2 (M74)
- 50 Dulnain Bridge Bypass (A95)
- 51 Ayr Road Route (A77)
- 52 Tranent / Haddington (A1)
- 53 M8 Extension (M8)
- 54 I hankerville Interchange (A96)

Map : Major Trunk Road Schemes Completed and Under Construction Between 1989-90 and 1998-99



57 Ardsley to important road (A96)

55 Skye Bridge (A87)

56 Newbridge Underpass (M8)

57 Hallbeath Interchange (M80)

58 Kintore / Blackburn Bypass (A96)

59 Logie Easter Garrick Bridge (A9)

60 Loch Nan Uamh to Polish Bridge (A830)

* Detrunked 1 April 1996

Under Construction

① Paddy's Riddle to Cleuchbrae DBFO (M6)

② Creagan Bridge (A828)

③ The Glen (A75)

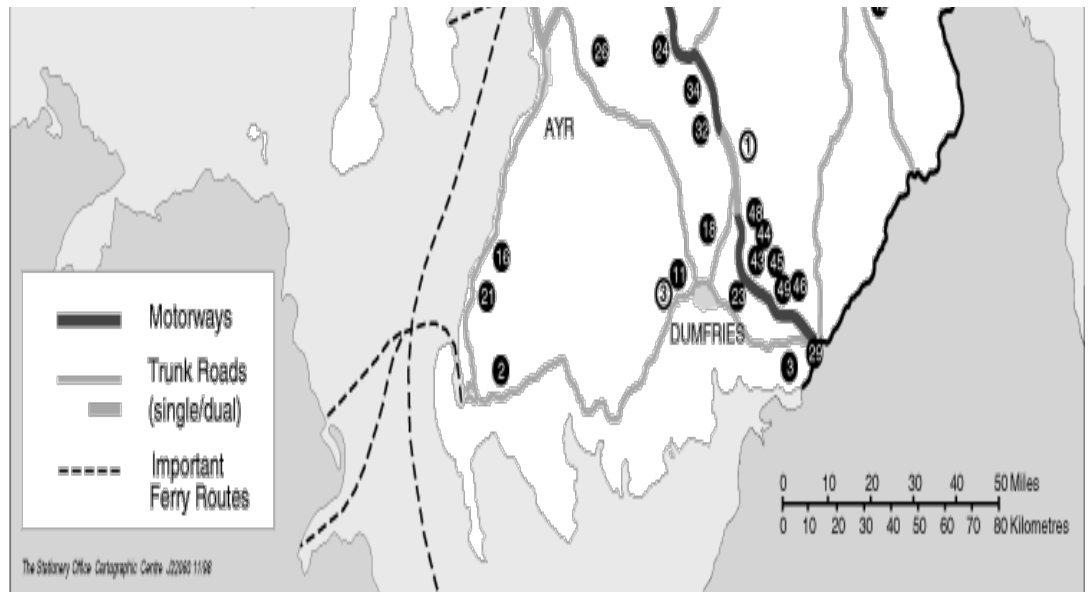


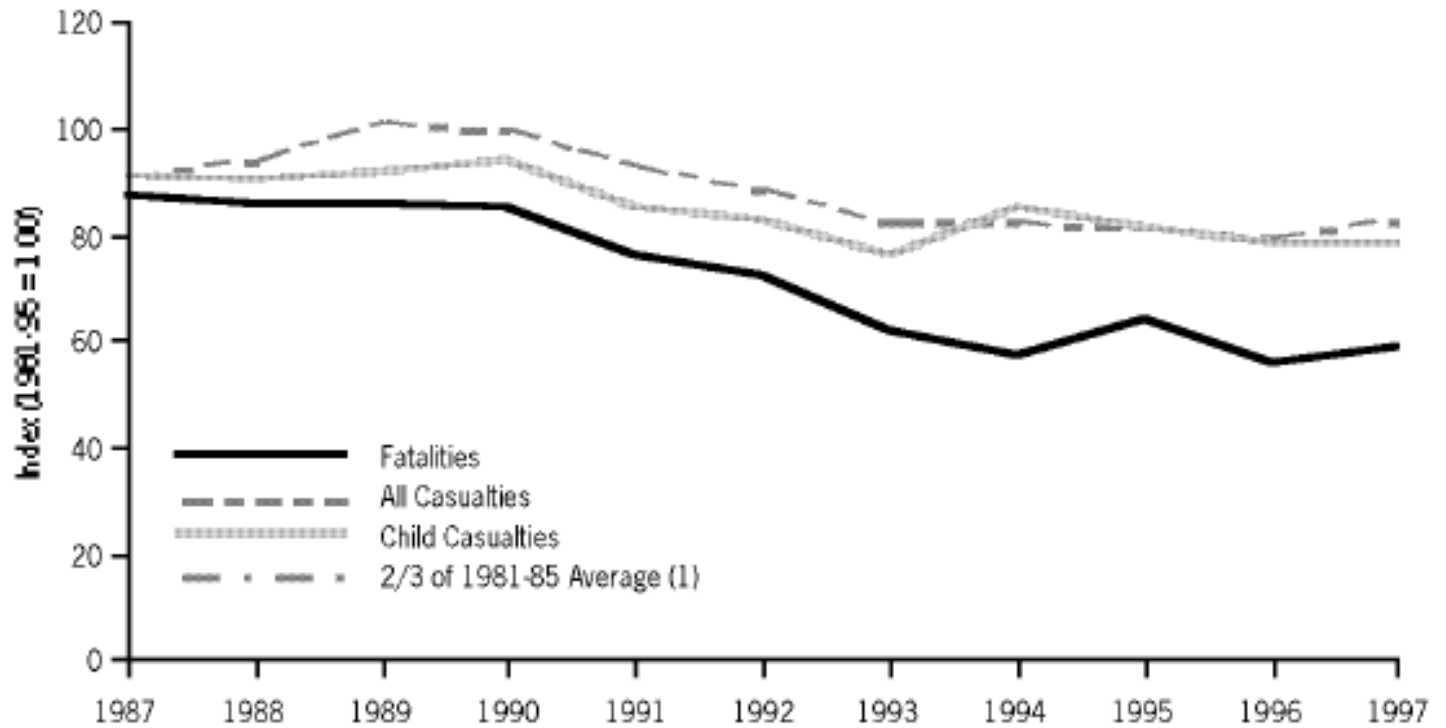
Table 3.13: New Trunk Road Construction 1993-94 to 1998-99

| | 1993-94 | | 1994-95 | | 1995-96 | | 1996-97 | | 1997-98 | | 1998-99 |
|-------------------------------------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|
| | Plan | Actual | Plan | Actual | Plan | Actual | Plan | Actual | Plan | Actual | Plan |
| Major scheme starts | 2 | 3 | 5 | 2 | 1 | 1 | 5 | 6 | 3 | 0 | 2 |
| Major scheme completions | 1 | 8 | 7 | 7 | 3 | 3 | 3 | 2 | 4 | 4 | 3 |
| Kilometres Constructed | 7.7 | 31.6 | 32.6 | 32.1 | 16.5 | 16.5 | 37.1 | 27.3 | 9.9 | 9.9 | 33.9 |
| Lane Kilometres | 46.2 | 123.0 | 183.7 | 176.6 | 84.4 | 84.4 | 143.5 | 102.2 | 32.2 | 32.2 | 180.0 |
| Cost (£million cash) | 25.9 | 101.6 | 159.5 | 185.5 | 92.5 | 94.5 | 81.5 | 76.6 | 42.3 | 44.3 | 37.8 |
| Bypasses started | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 0 | 0 |
| Bypasses opened | 0 | 1 | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| New construction benefit/cost ratio | 3.73 | 1.99 | 5.4 | 8.15 | 2.05 | 2.05 | 2.34 | 2.25 | 2.80 | 4.13 | 2.10 |

1. The high actual benefit/cost ratio for 1994-95 is due to the exceptionally high benefits stemming from the M77 Ayr Road Route Scheme.

2. Unit cost figures inevitably vary in relation to engineering complexities and the cost of environmental protection measures.

Chart 3.14: Progress Towards 1/3 Reduction in Casualties by Year 2000



(1) The 1981-85 average is the baseline for the target of a 1/3 reduction in casualties by the year 2000.

Chart 3.15: Local Authority Roads and Transport Capital Expenditure 1996-97

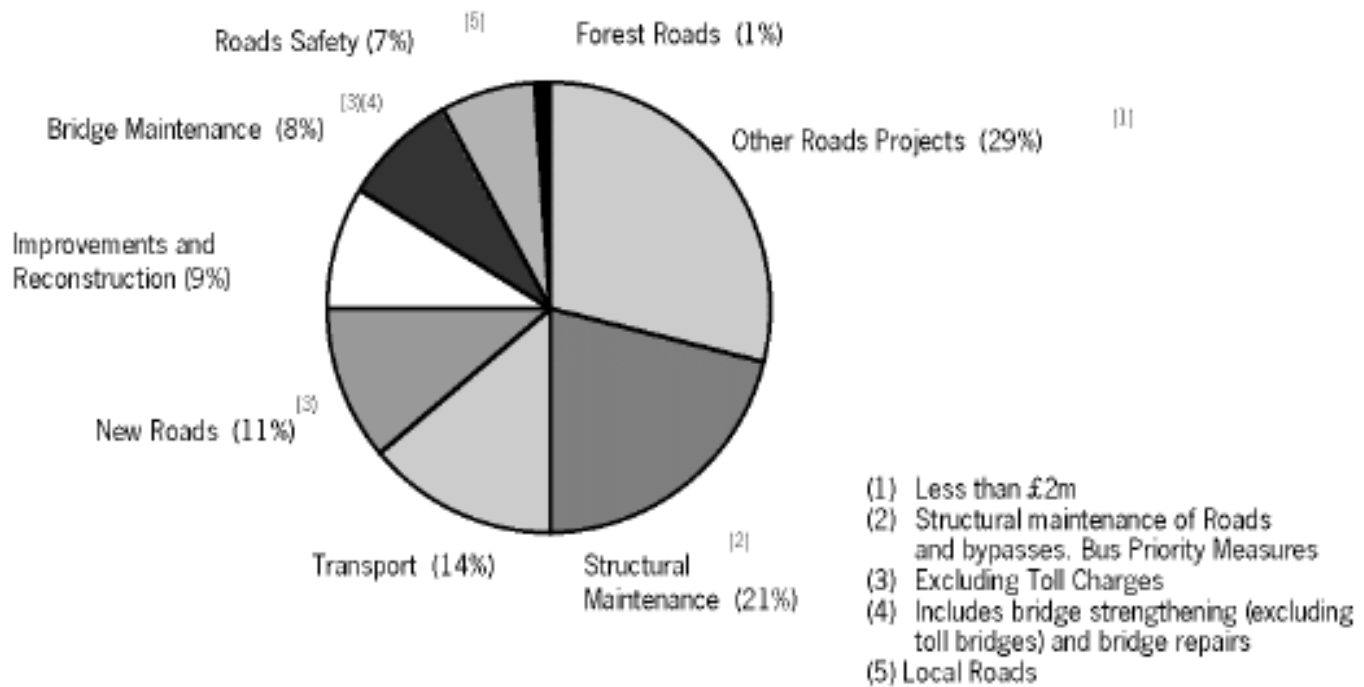


Table 3.16: CalMac Output Measures

| | 1997-98 Target | Performance against 1997-98 Target | 1998-99 Target |
|--------------------|--|---|---|
| Financial Target | Fares income 58% of operating costs | Fares income 58.6% of operating costs. | Fares income 55% of operating costs. |
| Efficiency Target | £0.86 per pcu kilometre | £0.86 per pcu kilometre | £0.91 per pcu kilometre |
| Performance Target | 98% of sailings on time | 98% of sailings on time | 99% of sailings on time |
| Staff Cost | | | Costs not to exceed £23.46m |

Table 3.17: HIAL Output Measures

| | 1997-98 | 1997-98 | 1998-99 |
|---|---------|---------|---------|
| | Budget | Outturn | Budget |
| | £ | £ | £ |
| Revenue excluding Scottish Office funding per arriving passenger | 13.25 | 13.19 | 12.41 |
| Total revenue cost per arriving passenger | 20.84 | 20.85 | 21.12 |
| Total cost per landed tonne | 24.68 | 22.30 | 23.70 |

Table 3.18: Historic Scotland: Expenditure by Activity

| | £ million | |
|------------------------------|-------------|----------------------|
| | 1997-98 | 1998-99 |
| | Outturn | Estimated Outturn |
| | £ | £ |
| Protection | 35.2 | 37.4 |
| Presentation | 9.0 | 9.7 |
| Management Services | 3.3 | 3.4 |
| Total expenditure | 47.5 | 50.5 |
| (of which running costs) | (16.1) | (17.5) |
| Income ¹ | 13.6 | 17.4 |
| Total Net Expenditure | 33.9 | 33.1 |
| Staff (FTE) | 680 | 680 |

1 Excludes ERDF and Lottery income.

Table 3.19: Historic Scotland: European and Lottery Funds

| | £ million | | |
|--------------|-------------|-------------|------------|
| | 1997-98 | 1998-99 | 1999-00 |
| | Outturn | Estimated | Plans |
| | Outturn | | |
| | £ | £ | £ |
| ERDF | 0.15 | 0.26 | 0.0 |
| Lottery | 0.16 | 1.16 | 1.0 |
| Total | 1.31 | 1.42 | 1.0 |

Table 3.20: Historic Scotland: Grants to local authorities

| | 1997-98 | 1998-99 | £ million 1999-00 |
|--|---------|-----------|----------------------|
| | Outturn | Estimated | Plans |
| | Outturn | | |
| | £ | £ | £ |
| Grants to local authorities for conservation of historic buildings, ancient monuments etc. | 0.4 | 0.4 | 0.4 |

Table 3.21: Historic Scotland: Key Performance Targets

| | £ million | | |
|--|----------------|-----------------|-----------------------------|
| | 1996-97 | 1997-98 | 1998-99 |
| | Target | Actual | Target |
| Protecting Scotland's Built Heritage | | | |
| Number of monuments scheduled | 380 | 381 | 385 |
| Number of listed building re-survey units | 178 | 179 | 180 |
| Number of weeks in which 80% of scheduled monument consent cases resolved | 12 | 8 | 10 |
| % of listed building consent cases resolved within 28 days | 97% | 99% | 97% |
| Number of historic building repair projects newly assisted by grant | 145 | 149 | 130 |
| Value of grant-assisted repairs | £34m | £53.7m* | £31m |
| Backlog of conservation of monuments in care - target amended with effect from 1997-98 to "Programme of conservation of monuments in care" | reduce backlog | Backlog Reduced | meet conservation programme |
| Promoting and Presenting Scotland's Built Heritage | | | |
| Historic Scotland visitor numbers compared to other paid visitor attractions in Scotland (market share % based on STB survey) | 47% | 51% | 50% |
| % of satisfied visitors (based on survey asking whether visit was as good or better than expected) | 95% | 97% | 96% |
| average retail spend per visitor (£) | £1.12 | £1.36 | £1.30 |
| Agency Management | | | |
| % efficiency gains/savings on all non-grant expenditure | 1.5% | 1.7% | 1.5% |

* high outturn due to an exceptional case.

Table 3.22: Historic Scotland: Long Term Capital Project

| Current Estimate of Expenditure £m | | | | | | | |
|-------------------------------------|---|---|--|-------|-----------------------------------|-------------------------------|-----------------------------------|
| | Year of Start/original estimated year of completion | Current estimate of year of completion | Original estimate of expenditure | Total | Spent in past/present years | Provision for 1999-2000 | To be spent in future years |
| Edinburgh Castle | 1988-89/1996- 97 | 2003-04 1 | 13.4 | 14.0 | 8.8 | 0.4 | 4.8 |
| Stirling Castle | 1992-93/2000- 01 | 2004-05 | 19.4 | 21.9 | 13.0 | 2.4 | 6.5 |
| Stanley Mills | 1995-96/1999- 00 | 2005-06 2 | 13.3 | 10.6 | 4.0 | 1.4 | 5.3 |
| Skara Brae | 1996-97/1997- 98 | | 1.0 | 0.8 | 0.8 | NIL | NIL |
| Urquhart Castle | 1999-00/2001- 02 | 2001-02 | 2.7 | 2.9 | 0.3 | 0.9 | 4.7 |
| Caledonian Canal | 1997-98/2000- 01 | 2000-01 | 3.2 | 3.2 | 1.6 | 0.8 | 0.8 |
| Other projects below £500,000 | - | - | - | - | - | 0.6 | - |

1. Edinburgh Castle Development Project Plans are undergoing reappraisal to meet future requirements.
2. Phase 2 near completion and stage 3 now on site. Reduction from original estimate due to revised level of Lottery funding.

Table 3.23: Town and Country Planning: Programme Expenditure

| | | | | | £ |
|---|------------------|--------------------|--------------------|---------------------------------|------------------|
| | Vote/ Section | 1996-97 Outturn | 1997-98 Outturn | 1998-99 Estimated Outturn | 1999-00 Plans |
| Royal Fine Art Commission for Scotland ¹ | 2 B | 202,000 | 237,000 | 300,000 | 202,000 |
| Planning Exchange ² | 2 B | 100,000 | 50,000 | 30,000 | 0 |

1. Expenditure on the Royal Fine Art Commission for Scotland provides continuing support for its critical appraisal of the design and setting of new development proposals in sensitive locations.

2. Expenditure on the Planning Exchange in 1996-97 includes additional grant to help the transition to a more commercial information service.

Table 3.24 Performance in Cases Handled by Department

| Category | Target | Achieved |
|--|----------------------|-----------------|
| Cases Notified to the Secretary of State | 80 % within 28 days | 84% |
| | 100% within 2 months | 96% |
| Cases returned from Scottish Office | 80 % within 2 months | 84% |
| Inquiry Reporter's Unit (ie called-in applications/recalled appeals) | 100% within 3 months | 94% |

Table 3.25 Quarterly Performance for Published Targets-1997-98

| Period | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Percentage for whole year |
|---|------------------|------------------|------------------|------------------|--------------------------------------|
| 1. Time taken to decide delegated planning permission appeals by w/s. Target: 80% of decisions within 25 weeks. | 82% | 73% | 83% | 77% | 79% |
| 2. Time taken to decide delegated planning permission appeals by PLI. Target: 80% of decisions within 48 weeks. | 69% | 82% | 42% | 80% | 67% |
| 3. Time taken to decide delegated enforcement notice appeals by w/s. Target: 80% of decisions within 32 weeks. | 91% | 87% | 75% | 79% | 83% |
| 4. Time taken to decide delegated enforcement notice appeals by PLI. Target: 80% of decisions within 48 weeks. | 100% | 50% | 100% | N/A | 83% |
| 5. Time taken to decide delegated. advertisement appeals dealt with by w/s. Target: 80% of decisions within 20 weeks. | 78% | 55% | 86% | 63% | 68% |

Table 4.1: The Scottish Office Education and Industry Department

| | | £million | | | | | | | | |
|---|---------|--------------|--------------|--------------|--------------|--------------|-------------------|--------------|--------------|--------------|
| | Vote/ | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
| | Section | outturn | outturn | outturn | outturn | outturn | estimated outturn | plans | plans | plans |
| Departmental Expenditure in Departmental Expenditure Limits | | | | | | | | | | |
| Expenditure Voted in Estimates | | | | | | | | | | |
| Arts, libraries and sport | 3C | 59 | 76 | 75 | 79 | 86 | 78 | 80 | 82 | 84 |
| Education | 3A,B,G | 1,076 | 1,163 | 1,178 | 1,214 | 1,304 | 1,309 | 1,450 | 1,506 | 1,590 |
| Industry, enterprise and training | | 16 | 12 | 7 | 2 | 0 | - | - | - | - |
| Industry, enterprise and training | 3E | 537 | 599 | 600 | 598 | 578 | 581 | 546 | 547 | 597 |
| Scottish Office Pensions Agency | 3F | 4 | 5 | 6 | 5 | 5 | 5 | 5 | 5 | 5 |
| Students Awards Agency for Scotland | 3D | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 |
| Non-Voted Expenditure | | | | | | | | | | |
| Education | | - | - | - | - | - | - | 5 | 14 | 19 |
| Industry, enterprise and training | | 0 | 0 | 0 | 0 | 0 | - | - | 0 | - |
| Scottish Enterprise | | -I | -I | -I | 0 | 0 | 0 | 0 | 0 | - |
| Scottish Nuclear Ltd | | -29 | -46 | -43 | - | - | - | - | - | - |
| Scottish Renewables Obligation | | 7 | 10 | 11 | 11 | 13 | 13 | 13 | 13 | 13 |
| Student Loan subsidy | | 14 | 26 | 33 | 42 | 48 | 60 | 92 | 116 | 125 |
| Total Departmental expenditure in | | 1,686 | 1,847 | 1,869 | 1,954 | 2,037 | 2,049 | 2,194 | 2,287 | 2,437 |
| Departmental Expenditure Limits | | | | | | | | | | |
| Welfare to Work expenditure in Departmental Expenditure Limits | | | | | | | | | | |
| Expenditure Voted in Estimates | | | | | | | | | | |
| Welfare to Work: New Deal for schools | 3H | - | - | - | - | 9 | 27 | 27 | 27 | 27 |
| Welfare to Work: New Deal for young people | | - - | - | - | - | I | - | - | - | - |
| Welfare to Work: University for Industry | - | - | - | - | - | - | O | - | - | - |

| | | | | | | | | | | |
|---|-----|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Welfare to Work expenditure | | - | - | - | - | 10 | 27 | 27 | 27 | 27 |
| in Departmental Expenditure Limits | | | | | | | | | | |
| Main Departmental programmes in Annually Managed Expenditure | | | | | | | | | | |
| Expenditure Voted in Estimates | | | | | | | | | | |
| Teachers/NHS Superannuation | 3JK | 167 | 190 | 264 | 224 | 279 | 348 | 290 | 290 | 326 |
| Total Main Departmental programmes | | 167 | 190 | 264 | 224 | 279 | 348 | 290 | 290 | 326 |
| in Annually Managed Expenditure | | | | | | | | | | |
| Total | | 1,854 | 2,037 | 2,134 | 2,178 | 2,326 | 2,424 | 2,510 | 2,603 | 2,790 |

Table 4.2: Education: Expenditure Summary

| | £million | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|---------------------------------|----------------------|----------------------|----------------------|
| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 estimated outturn | 1999- 00 plans | 2000- 01 plans | 2001- 02 plans |
| Central government expenditure voted in Estimates | | | | | | | | | |
| Student Support | 388 | 357 | 329 | 339 | 352 | 352 | 302 | 290 | 282 |
| Student Loans | 36 | 52 | 76 | 83 | -19 | 6 | 79 | 236 | 250 |
| Higher Education | 422 | 514 | 550 | 541 | 553 | 547 | 603 | 625 | 657 |
| Further Education | 222 | 244 | 253 | 292 | 293 | 289 | 330 | 359 | 395 |
| Schools | 20 | 20 | 21 | 23 | 34 | 38 | 30 | 33 | 30 |
| Pre-school Education | - | - | 0 | 3 | 49 | 76 | 113 | 141 | 145 |
| Community Education, Administration, Curriculum Development, Research, Other Services | 15 | 16 | 18 | 18 | 22 | 23 | 24 | 20 | 20 |
| Careers Service | 2 | 16 | 19 | 20 | 23 | 24 | 24 | 24 | 24 |
| Student Awards Agency for Scotland (SAAS) | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 |
| Scottish Office Pensions Agency (SOPA) | 4 | 5 | 6 | 5 | 5 | 5 | 5 | 5 | 5 |
| Gaelic Broadcasting | 9 | 9 | 9 | 9 | 11 | 7 | 9 | 9 | 9 |
| Capital Modernisation Fund | - | - | - | - | - | - | 5 | 14 | 19 |
| Total central government expenditure * | 1,121 | 1,237 | 1,283 | 1,335 | 1,327 | 1,370 | 1,526 | 1,759 | 1,838 |
| Central government expenditure to local authorities (Voted in Estimates) | | | | | | | | | |
| Current grants within AEF | 12 | 12 | 12 | 12 | 14 | 14 | 108 | 121 | 154 |
| Total Programmes * | 1,133 | 1,249 | 1,296 | 1,348 | 1,341 | 1,384 | 1,634 | 1,880 | 1,992 |

* The totals may not add due to roundings

Table 4.3: Expenditure on Research

1997-98 (Actual)

£1.210m

1998-99 (Estimated)

£1.168m

1999-00 (Planned)

£1.168m

Table 4.4 Research Project Numbers, Costs and Future Plans

| Category | Number | Projects active in 1997-98 | Number | Projects active in 1998-99 | Planned Projects in 1999-00 Number |
|--|--------|----------------------------|--------|----------------------------|---|
| | | Total Value (£000) | | Total Value (£000) | |
| Pre-school & Primary Education and Childcare | 12 | 413 | 9 | 336 | 4 |
| Primary and Early Secondary (5-14) | 10 | 147 | 8 | 29 | 1 |
| Upper Secondary Education (Standard Grade & Higher Still) | 7 | 270 | 6 | 364 | 3 |
| Post-school Education and Training | 8 | 574 | 9 | 610 | 5 |
| Higher Education and Training | 6 | 99 | 4 | 52 | 1 |
| Education to Work | 1 | 106 | 1 | 106 | 3 |
| Special Educational Needs | 4 | 56 | 1 | 35 | 2 |
| Social Exclusion | 3 | 88 | 1 | 8 | 2 |
| Health Education | 1 | 163 | 1 | 163 | 1 |
| Teacher Education and Training | 2 | 64 | 2 | 55 | - |
| Management and Organisation | 2 | 98 | 0 | 0 | - |
| Information and Communications Technology | 4 | 76 | 5 | 275 | 1 |
| School Effectiveness and School Improvement | 4 | 581 | 4 | 587 | 4 |
| Monitoring of Attainment | 9 | 759 | 8 | 641 | 6 |
| International Comparative Studies | 1 | 186 | 1 | 77 | 1 |
| Policy Making | 2 | 8 | 2 | 10 | - |
| Scottish Council for Research in Education | n/a | 338 | n/a | 338 | - |
| Misc Associated Costs | n/a | 35 | n/a | 35 | - |

Table 4.5: Careers Service performance 1995-96 to 1997-98

| Clients - | Interviews by careers officers | Interviews by others | Group work | Placings into jobs | Placings into training |
|-----------|--------------------------------------|-------------------------|------------|-----------------------|---------------------------|
| 1995-96 | 197,081 | 116,539 | 11,491 | 3,967 | 17,032 |
| 1996-97 | 204,468 | 116,888 | 12,045 | 3,997 | 14,846 |
| 1997-98 | 175,881* | 121,527 | 11,669 | 5,323 | 15,504 |

* Reduction due to revised categorisation of interviews ie full and short interviews. Figure for full interviews only.

Table 4.6: Value of awards for financial year 1997-98

| Programme | Capital | Talented Athletes | Major Events | UK (World Class Performance Plans) |
|---|------------|----------------------|-----------------|---|
| Applications Received | 247 | 1,332 | 21 | 40 |
| Applications Successful | 146 | 524 | 11 | 19 |
| Value of Awards Paid (£) | 17,049,013 | 2,210,008 | 661,571 | 884,843 |
| Applications Rejected | 115 | 808 | 11 | 11 |
| Average Time Taken to Process Each Application (days) | 82 | 98 | 100 | Not quantifiable (all Sports Councils involved in decision process) |

Table 4.7: Grant-in-aid to Scottish Sports Council

| | 1998-99 | 1999-00 |
|---|-----------------|----------------|
| | (actual) | (plans) |
| Grant-in-aid to Scottish Sports Council | £9.809m | £10.109m |

Table 4.8 : Number of Higher and Vocational Further Education FTE Students in FE Colleges(1)

| Level of Study | Year | | |
|------------------------------|----------------|----------------|----------------|
| | 1994-95 | 1995-96 | 1996-97 |
| Higher Education | 33,182 | 35,083 | 38,407 |
| Vocational Further Education | 48,654 | 52,824 | 59,734 |
| Total | 81,836 | 87,907 | 98,141 |

1. Includes students at Orkney & Shetland Colleges of Further Education.
2. Previously published figures have been revised following a change in the FTE calculation methodology.
3. Excludes 187 courses identified as erroneous.

Table 4.9: National Certificate Module Results in SOEID Funded Colleges

| | Year | | | | | |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 1991-92 | 1992-93 | 1993-94 | 1994-95 | 1995-96 | 1996-97 |
| Student Registrations | 109,037 | 102,471 | 93,923 | 94,672 | 98,594 | 101,784 |
| Total Module Enrolments | 836,191 | 796,506 | 716,844 | 707,682 | 692,652 | 693,586 |
| Result Not Yet Known | 25,086 | 20,308 | 17,774 | 13,774 | 19,016 | 18,556 |
| Result Known (=100%) | 811,105 | 776,198 | 699,070 | 693,908 | 673,636 | 675,030 |
| <i>Full Success (%)</i> | <i>67</i> | <i>69</i> | <i>70</i> | <i>69</i> | <i>68</i> | <i>67</i> |
| <i>Part Success (%)</i> | <i>10</i> | <i>9</i> | <i>9</i> | <i>9</i> | <i>10</i> | <i>11</i> |
| <i>Withdrawals (%)</i> | <i>24</i> | <i>22</i> | <i>21</i> | <i>22</i> | <i>23</i> | <i>23</i> |

Table 4.10: Number of FTE Lecturers in FE Colleges(1)

| | Year | | | | | |
|-------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 1991-92 | 1992-93 | 1993-94 | 1994-95 | 1995-96 | 1996-97 |
| Number of Lecturers FTE | 6,779 | 6,926 | 6,854 | 6,956 | 6,854 | 6,918 |
| Student/Staff Ratio | 11.1 | 10.7 | 11.5 | 12.1 | 13.0 | 13.8 |

1. Includes staff & students at Orkney & Shetland Colleges of Further Education.

2. Due to changes in data collection methodology for lecturers, figures from 1994-95 are not fully comparable with earlier years. Accordingly revised figures have been estimated for earlier years.

Table 4.11: First Destination of Full-Time Graduates and Diplomates from SOEID Funded Colleges

| First Destination (percentages) | Year | | | | |
|--|----------------|----------------|----------------|-------------------|----------------|
| | 1991-92 | 1992-93 | 1993-94 | 1994-95(1) | 1995-96 |
| Full-Time Study | 48 | 48 | 55 | 53 | 49 |
| Permanent Home Employment | 36 | 37 | 31 | 32 | 38 |
| Temporary Home Employment | 4 | 3 | 2 | 3 | 4 |
| Oversees Employment | 1 | 1 | 1 | 1 | 1 |
| Believed Unemployed | 11 | 11 | 10 | 10 | 7 |
| Others | 1 | 1 | 1 | 1 | 1 |
| Total Known (=100%) | 3,272 | 4,753 | 6,112 | 7,791 | 8,505 |
| Total Graduates and Diplomates | 4,312 | 6,376 | 7,877 | 11,240 | 12,287 |

1. As a result of improvements in the collection methodology, figures for 1994-95 onwards are not fully comparable with those for earlier years.

Table 4.12: Public Funding for Scottish HEIs

| | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
|--|----------------|----------------|----------------|----------------|----------------|
| SHEFC grant-in-aid (£m) ^{(1),(2)} | 549 | 528 | 588 | 607 | 640 |
| Institutions' estimated tuition fee income (£m) ⁽³⁾ | 121 | 180 | 139 | 140 | 143 |
| Total Funding Available (£m) | 670 | 708 | 727 | 747 | 783 |
| Full-time equivalent places ⁽⁴⁾ | 118,700 | 118,700 | 118,700 | 118,700 | 120,700 |

1. Funding from SHEFC comprises funds for both recurrent and capital purposes

2. Figure includes SHEFC running costs

3. Includes postgraduate fees. Total fee figure for 1998-99 is higher because of changes to the phasing of fee payments; also the figure has been recalculated based on payment of fees to higher education institutions .

4. Students eligible for funding, includes postgraduates

Table 4.13: Students Eligible for Funding from the Scottish Higher Education Funding Council at Higher Education Institutions in Scotland

| | Academic Session | | |
|----------------------------|------------------|------------------------|------------------------|
| | 1995-96 | 1996-97 ⁽¹⁾ | 1997-98 ⁽²⁾ |
| Total | 116,361 | 117,409 | 119,083 |
| Full-time and Sandwich FTE | 107,636 | 108,662 | 109,917 |
| Part-time FTE | 8,726 | 8,747 | 9,166 |

1. The 1996-97 returns allowed institutions to include, for the first time, students who were on courses which had formerly been funded by separate grants for Continuing Personal Education but were now funded as part of the Main Grant for Teaching. This added about 590 FTE students to the overall total number of students eligible for funding in 1996-97.

2. The FTE conversion factors used for certain types of part-time students were changed for the 1997-98 Early Statistics Return. It is not possible to estimate the effect of these changes.

Table 4.14: Number of first degree graduates, by first destinations and type of employment

| | Year of graduation ⁽¹⁾ | | | |
|------------------------------|-----------------------------------|---------------|---------------|---------------|
| | 1992-93 | 1993-94 | 1994-95 | 1995-96 |
| Total⁽²⁾ | 17,532 | 19,833 | 22,527 | 26,766 |
| Full-time study | 4,164 | 4,364 | 4,292 | 4,331 |
| Permanent home employment | 6,762 | 8,140 | 7,004 | 8,419 |
| Public service | 1,954 | 2,102 | 1,648 | 2,178 |
| Education | 766 | 797 | 579 | 379 |
| Engineering and Industry | 1,346 | 1,792 | 1,364 | 1,623 |
| Commerce, transport, leisure | 2,427 | 3,149 | 3,160 | 3,926 |
| Self-employed | 131 | 115 | 105 | 180 |
| Unknown | 138 | 185 | 148 | 133 |
| Temporary home employment | 990 | 1,019 | 2,210 | 2,214 |
| Overseas employment | 388 | 509 | 603 | 755 |
| Believed unemployed | 1,752 | 1,865 | 1,329 | 1,421 |
| Other | 1,559 | 1,812 | 2,047 | 2,130 |
| Unknown | 1,917 | 2,124 | 5,042 | 7,496 |

1. Information on graduates was collected by the Higher Education Statistics Agency for the first time in 1994-95 and may, therefore, not be fully comparable with previous years.

2. Totals may not agree due to rounding.

Table 4.15: Summary of Quality Assessment Reports in Session 1997-98 showing numbers of departments in each category

| Session | Excellent | Highly Satisfactory | Satisfactory | Unsatisfactory |
|----------------------|------------------|--------------------------------|---------------------|-----------------------|
| 1997-98 | | | | |
| Physiotherapy | 2 | 1 | 0 | 0 |
| Social Policy | 2 | 0 | 0 | 0 |
| Dietetics/Nutrition | 2 | 1 | 0 | 0 |
| Drama | 0 | 3 | 0 | 0 |
| English | 0 | 1 | 0 | 0 |
| Occupational Therapy | 0 | 2 | 1 | 0 |
| Pharmacy | 1 | 1 | 0 | 0 |
| Psychology | 4 | 6 | 0 | 0 |
| Radiography | 0 | 1 | 2 | 0 |
| Total | 11 | 16 | 3 | 0 |

Table 4.16: Summary of Quality Assessment Outcomes 1997-98 (revised outcomes)

The Scottish Higher Education Funding Council's revised method of assessment provides a "quality profile" across 6 aspects of provision. Each aspect is awarded a grade from 1 to a top grading of 4.

A Curriculum Design, Content and Organisation

B Teaching, Learning and Assessment

C Student Progression and Achievement

D Student Support and Guidance

E Learning Resources

F Quality Assurance and Enhancement

European Languages

| | A | B | C | D | E | F |
|------------------------------|----------|----------|----------|----------|----------|----------|
| University of Aberdeen | 3 | 4 | 4 | 4 | 4 | 3 |
| University of Edinburgh | 3 | 3 | 4 | 3 | 4 | 4 |
| Heriot-Watt University | 4 | 4 | 4 | 4 | 3 | 2 |
| University of Glasgow | 4 | 4 | 4 | 4 | 3 | 3 |
| Napier University | 4 | 3 | 3 | 3 | 3 | 3 |
| University of Paisley | 3 | 3 | 4 | 3 | 2 | 4 |
| The Robert Gordon University | 4 | 3 | 3 | 4 | 2 | 3 |
| University of St Andrews | 4 | 3 | 4 | 4 | 3 | 4 |
| University of Stirling | 3 | 3 | 3 | 4 | 4 | 3 |
| University of Strathclyde | 4 | 3 | 4 | 4 | 3 | 4 |

Chemical Engineering

| | A | B | C | D | E | F |
|---------------------------|----------|----------|----------|----------|----------|----------|
| University of Edinburgh | 3 | 3 | 2 | 4 | 4 | 3 |
| Heriot-Watt University | 3 | 3 | 4 | 3 | 3 | 3 |
| University of Strathclyde | 3 | 3 | 4 | 4 | 3 | 3 |

Planning and Landscape

| | A | B | C | D | E | F |
|---------------------------|----------|----------|----------|----------|----------|----------|
| University of Aberdeen | 3 | 3 | 2 | 4 | 4 | 3 |
| University of Dundee | 3 | 3 | 3 | 4 | 4 | 4 |
| Edinburgh College of Art/ | | | | | | |
| Heriot-Watt University | 3 | 2 | 3 | 3 | 3 | 3 |
| University of Strathclyde | 4 | 3 | 3 | 3 | 3 | 3 |

Table 4.17: Departments in Scotland receiving the top rating of 5* in 1996 Research Assessment Exercise

| | |
|---------------------------|--|
| University of Dundee | Biochemistry |
| University of Edinburgh | Electrical & Electronic Engineering |
| | Geography |
| University of Glasgow | Computer Science |
| | Town & Country Planning |
| Heriot-Watt University | Mineral & Mining Engineering |
| University of St Andrews | Psychology |
| University of Stirling | Social Work |
| University of Strathclyde | Other Studies and Professions Allied to Medicine |

Table 4.18: Expenditure on Student Support

| | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1998-99 |
|--|----------------|----------------|----------------|----------------|----------------|-------------------|----------------|
| | Actual | Actual | Actual | Actual | Actual | F'cast O/T | Plan |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Student Awards | | | | | | | |
| Course fees | 201,791 | 149,282 | 121,363 | 133,200 | 140,186 | - | |
| Re-imbursement EC Student Fees | 5,699 | 4,499 | 4,455 | 5,217 | - | - | |
| Maintenance | 162,705 | 170,865 | 163,242 | 152,292 | 157,846 | - | |
| Gross Payments | 370,195 | 324,646 | 289,06 | 290,709 | 298,032 | 283,576 | 283,576 |
| Overpayment Recovery | -1,117 | -756 | -703 | -687 | -752 | -700 | -700 |
| Net cost of Awards | 369,078 | 323,89 | 288,357 | 290,022 | 297,280 | 282,876 | 282,876 |
| Student Loans | | | | | | | |
| Funding of Loan Payments | 34,787 | 55,231 | 81,268 | 93,302 | 104,918 | 131,566 | 131,566 |
| Loan Sale Subsidy | | | | | | 11,144 | 11,144 |
| Funding of Administration Costs | 1,791 | 2,108 | 2,488 | 2,344 | 2,761 | 2,703 | 2,703 |
| Loan Funding Gross | 36,578 | 57,339 | 83,756 | 95,646 | 107,679 | 145,413 | 145,413 |
| Repayment of Loans | -1,464 | -2,858 | -5,435 | -10,523 | -14,019 | - | - |
| Net Cost of Loans | 35,114 | 54,481 | 78,321 | 85,123 | 93,660 | 145,413 | 145,413 |
| Sale of Debt | 0 | 0 | 0 | 0 | -110,186 | -231,300 | -231,300 |
| Net Loans after Sale of Debt | 35,114 | 54,481 | 78,321 | 85,123 | -16,526 | -85,887 | -85,887 |
| Access Funds | | | | | | | |
| Provision of Access Funds | 3,861 | 4,140 | 4,326 | 4,330 | 4,333 | 8,666 | 8,666 |
| Student Support | | | | | | | |
| Total Net Expenditure | 408,053 | 382,511 | 371,004 | 379,475 | 285,084 | 205,655 | 205,655 |
| Add Back Total Receipts | 2,581 | 3,614 | 6,138 | 11,210 | 14,771 | 232,000 | 232,000 |
| Total Gross Expenditure | 410,634 | 386,125 | 377,142 | 390,685 | 299,855 | 437,655 | 437,655 |
| Reconciliation to Voted Expenditure | | | | | | | |
| Less Appropriations in Aid | -0,810 | -2,861 | -6,138 | -11,414 | -14,771 | -232,000 | -232,000 |
| Voted Net Expenditure | 409,824 | 383,264 | 371,004 | 379,475 | 285,084 | 205,655 | 205,655 |

Table 4.19: Expenditure on Gaelic Education and Broadcasting 1993-94 to 1999-00

| | £million | | | | | | |
|---------------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|
| | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-00 |
| | Outturn | Outturn | Outturn | Outturn | Outturn | Estimate | Plans |
| Gaelic Education | 1.716 | 1.934 | 1.934 | 1.934 | 2.134 | 2.234 | 2.434 |
| Gaelic Broadcasting | 9.500 | 8.738 | 8.930 | 8.930 | 9.050 | 8.500 | 8.500 |

Table 4.20: Value of awards since 1997

| Year | 1997 | 1997 | 1997 | 1997 | 1998 |
|--|-------------|-------------|-------------|-------------|-------------|
| Quarter | (1) | (2) | (3) | (4) | (1) |
| No of awards made | 56 | 61 | 80 | 46 | 68 |
| Value of Awards made(£) | 10,800,633 | 5,581,284 | 1,702,698 | 837,133 | 7,258,704 |
| Value of Awards paid (£) | 3,391,480 | 6,708,612 | 5,470,883 | 4,888,555 | 19,424,731 |
| No applications Received | 122 | 146 | 104 | 102 | 109 |
| No of applications processed | 77 | 100 | 131 | 74 | 124 |
| Average cost of processing each application(£) | 3,823 | 8,105 | 7,366 | 1,711 | 4,916 |
| Average time taken to process each application (days) | 51 | 57 | 71 | 73 | 87 |

1. Figures to follow.

Table 4.21 Central Government Expenditure on Arts and Libraries

| | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 | 2000-01 | 2001-02 |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|----------------|----------------|
| | Outturn | Outturn | Outturn | Outturn | Outturn | Plans | Plans | Plans | Plans |
| Central Government | | | | | | | | | |
| Expenditure Voted in Estimates | | | | | | | | | |
| National Museums of Scotland | 17 | 19 | 18 | 21 | 24 | 17 | 16 | 15 | 15 |
| National Galleries of Scotland | 8 | 9 | 9 | 8 | 8 | 8 | 8 | 8 | 8 |
| National Libraries of Scotland | 19 | 12 | 12 | 11 | 12 | 12 | 12 | 12 | 11 |
| National Institutions Capital | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 3 | 4 |
| Film Industry | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 3 |
| Scottish Arts Council ¹ | 0 | 24 | 24 | 26 | 27 | 27 | 28 | 30 | 31 |
| Other Arts | 2 | 2 | 2 | 2 | 3 | 2 | 2 | 2 | 2 |
| Total | 48 | 67 | 66 | 70 | 76 | 68 | 70 | 72 | 74 |

1. Scottish Arts Council funded by Department of National Heritage prior to 1994-95

Table 4.22: Scottish Arts Council: Numbers Attending Performances/events of Revenue Funded Organisations

| MUSIC ORGANISATIONS | 1996-97 | 1997-98 |
|----------------------------------|----------------|----------------|
| Total performances | 339 | 463 |
| Total attendances | 359,000 | 398,000 |
| Total no of events | 755 | 1,536 |
| Total no of participants | 23,444 | 40,615 |
| DRAMA ORGANISATION* | | |
| Total performances | 2,156 | 2,047 |
| Total attendances | 509,000 | 445,000 |
| Total no of events | 1,543 | 1,673 |
| Total no of participants | 39,027 | 58,826 |
| DANCE COMPANIES | | |
| Total performances | 137 | 150 |
| Total attendances | 87,000 | 93,000 |
| Total no of events | 268 | 632 |
| Total no of participants | 7,479 | 13,372 |
| VISUAL ART ORGANISATIONS | 1996-97 | 1997-98 |
| Number of exhibitions | 182 | 184 |
| Total attendances | 207,221 | 285,097 |
| Total no of events | 1,476 | 1,084 |
| Total no of participants | 13,641 | 41,447 |
| ARTS FESTIVALS** | | |
| Total performances | 425 | 257 |
| Total attendances | 491,000 | 428,000 |
| Total no of events | 238 | 174 |
| Total no of participants | 4,177 | 9,542 |
| ARTS CENTRES | | |
| Total no of performances | 1,449 | 1,364 |
| Number of attendances | 284,000 | 345,000 |
| Total no of events | 1,641 | 1,909 |
| Total no of participants | 56,238 | 66,004 |
| DEVELOPMENT ORGANISATIONS | | |
| Total no of events | 7,310 | 6,195 |
| Total no of participants | 70,233 | 65,534 |

* Drama figures do not include visiting productions. If added the number of performances in 1997/98 is

2,767 and attendances 586,924.

** Festivals figures exclude Edinburgh Festival Fringe. If added to the totals for 1997/98, the number of performances is 15,869 and attendances 1,399,528.

Table 4.23: National Institutions: Admissions and Staff Numbers

| | 1990-91 | 1991-92 | 1992-93 | 1993-94 | 1994-95 | 1995-96 | 1996-97* | 1997-98 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|
| National Museums of Scotland (NMS) | | | | | | | | |
| Admissions | 995,733 | 1,063,794 | 1,028,794 | 1,095,399 | 1,524,194 | 1,532,043 | 1,546,765 | 1,058,286 |
| Staff | 318 | 347 | 347 | 349 | 354 | 344 | 285 | 307 |
| Admissions per staff member | 3,131 | 3,066 | 2,956 | 3,139 | 4,306 | 4,454 | 5,427 | 3,447 |
| National Galleries of Scotland (NGS) | | | | | | | | |
| Admissions | 819,751 | 704,604 | 761,485 | 755,387 | 889,892 | 869,258 | 970,044 | 849,060 |
| Staff | 162 | 181 | 191 | 197 | 203 | 211 | 187 | 194 |
| Admissions per staff member | 5,060 | 3,893 | 3,987 | 3,834 | 4,384 | 4,120 | 5,187 | 4,377 |
| National Library of Scotland (NLS) | | | | | | | | |
| Admissions | 101,178 | 113,743 | 119,490 | 114,700 | 135,921 | 99,053 | 80,464 | 65,098 |
| Staff | 258 | 266 | 279 | 276 | 271 | 278 | 245 | 248 |
| Admissions per staff member | 391 | 428 | 428 | 416 | 502 | 356 | 328 | 263 |

1. Admissions to the Findlay Building, Queen Street, Edinburgh, which was occupied by both NMS (until the end of 1996) and NGS, are credited to both institutions since each visitor there could view both collections.

* From 1996-97 Staff numbers are given as whole-time equivalents.

Table 4.24: National Institutions: Long-term capital projects costing over £1m

| Project | Year of Start /Current Estimate of Year of Completion | Original estimate of expenditure £'000 | Spend in Past Years £'000 | Estimated Provision for 1998-99 £'000 | Estimated Expenditure in Future Years £'000 | Total £'000 |
|---|--|---|---------------------------------|--|---|----------------|
| National Library of Scotland | | | | | | |
| Fire Safety Works and Repair Programme at George IV Bridge | 1991-92/ 2000-01 | 10,172 | 6,500 | 2,100 | 4,200 | 12,800 |
| National Galleries of Scotland | 1995-96/ | 2,569 | 3,000 | | | 3,000 |
| Conversion of Dean Centre | | 1998-99 | | | | |
| National Museums of Scotland | 1990-91/ | 30,000 | 34,582 | 1,000 | | 35,582 |
| Museum of Scotland | 1998-99 | | | | | |
| NMS Accommodation Strategy 2005-06 | 1997-98/ | 10,275 | 2,400 | 1,200 | 9,400 | 13,000 |

Table 4.25: Industry, Enterprise and Training Programme: Voted Expenditure Summary

| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 00 | 2000- 01 | 2001- 02 |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------------------------|---------------------|---------------------|---------------------|
| | outturn | outturn | outturn | outturn | outturn | estimated outturn | plans | plans | plans |
| Departmental Expenditure Limit | | | | | | | | | |
| Central government's own expenditure: | | | | | | | | | |
| Scottish Enterprise (1) | 383 | 438 | 440 | 432 | 408 | 400 | 377 | 389 | 425 |
| Highlands & Islands Enterprise (1) | 62 | 59 | 60 | 59 | 63 | 62 | 62 | 61 | 61 |
| Investment Assistance | 77 | 83 | 80 | 84 | 82 | 87 | 80 | 70 | 84 |
| Innovation (2) | 0 | 1 | 2 | 1 | 4 | 8 | 5 | 5 | 5 |
| Scottish Tourist Board | 14 | 17 | 17 | 18 | 19 | 19 | 19 | 19 | 19 |
| Other | 1 | 1 | 1 | 1 | 1 | 3 | 1 | 1 | 1 |
| Total | 536 | 599 | 600 | 595 | 576 | 579 | 544 | 545 | 595 |

1. All figures are shown net of receipts which for the enterprise bodies includes business receipts.

2. Prior to 1994-95 resources for Innovation were the responsibility of the Department of Trade and Industry.

Table 4.26: Highlands and Islands Enterprise: Long-term Capital Projects costing over £250k

| Project | Year of Start/ Current Estimate of Year of Completion | Original Estimate of Expenditure £'000 | Spend in Past Years £'000 | Estimated Provision for 1999-00 £'000 | Estimated Expenditure in Future Years £'000 | Total £'000 |
|---------------------|--|---|--|--|--|------------------------|
| Tobermory | 1994-95 | 790 | 830 | 10 | 0 | 840 |
| Advance | 1999-00 | | | | | |
| Advance Offices | 1996-97 | 1200 | 990 | 195 | 0 | 1185 |
| Stornoway | 1999-00 | | | | | |
| Phase 1 Forres site | 1997-98 | 2300 | 2100 | 500 | 20 | 2620 |
| servicing | 2000-01 | | | | | |
| Advance Factory | 1996-97 | 235 | 255 | 10 | 0 | 265 |
| Nairn | 1999-00 | | | | | |
| Offices Lerwick | 1997-98 | 295 | 275 | 5 | 0 | 280 |
| | 1999-00 | | | | | |
| Advance Units | 1997-98 | 602 | 568 | 7 | 0 | 575 |
| Kirkwall | 1999-00 | | | | | |
| Advance Units | 1997-98 | 270 | 245 | 10 | 0 | 255 |
| Broadford | 1999-00 | | | | | |
| Advance Office | 1997-98 | 640 | 635 | 15 | 0 | 650 |
| Dingwall | 1999-00 | | | | | |
| Advance Office | 1997-98 | 790 | 746 | 20 | 0 | 766 |
| Alness | 1999-00 | | | | | |
| Advance Factory | 1997-98 | 600 | 596 | 6 | 0 | 602 |
| Grantown | 1999-00 | | | | | |
| Extension office | 1997-98 | 680 | 639 | 15 | 0 | 654 |
| Rothsay | 1999-00 | | | | | |
| Advance Units | 1997-98 | 800 | 723 | 30 | 0 | 753 |
| Dunoon | 1999-00 | | | | | |
| Advance factory | 1997-98 | 520 | 530 | 5 | 0 | 535 |
| Campbeltown | 1999-00 | | | | | |
| Advance Office | 1997-98 | 550 | 536 | 12 | 0 | 548 |
| Fort William | 1999-00 | | | | | |
| Site Service | 1997-98 | 870 | 686 | 5 | 5 | 691 |
| Oban | 1999-00 | | | | | |

| | | | | | | |
|------------------------|---------|------|------|-----|-----|------|
| Alteration works | 1998-99 | 412 | 22 | 60 | 330 | 412 |
| Callanish | 2000-01 | | | | | |
| Factory AEA | 1998-99 | 4090 | 3116 | 840 | 125 | 4081 |
| Technology Thurso | 2000-01 | | | | | |
| Manpower Office | 1998-99 | 290 | 260 | 25 | 5 | 290 |
| Thurso | 2000-01 | | | | | |
| Conversion of factory, | 1998-99 | 540 | 300 | 220 | 20 | 540 |
| Alness | 2000-01 | | | | | |
| Inverness Medical | 1998-99 | 4150 | 3395 | 660 | 95 | 4150 |
| Factory extension | 2000-01 | | | | | |

Table 5.1: National Health Service, Scotland - Cash Plans¹

| | | £ mil | | | | | | | | |
|--|------------------------|------------------------|------------------------|------------------------|--------------------|--------------------|--|----------------------|----------------------|----------------------|
| | Vote and Subhead | 1993- 94 outturn | 1994- 95 outturn | 1995- 96 outturn | 1996-97 outturn | 1997-98 outturn | 1998-99 estimated outturn ² | 1999- 00 plans | 2000- 01 plans | 2001- 02 plans |
| Departmental Expenditure in Departmental Expenditure Limits | | | | | | | | | | |
| Expenditure Voted in Estimates | | | | | | | | | | |
| Hospital, Community Health and Family Health Services^{3,4} | | | | | | | | | | |
| Current expenditure | | | | | | | | | | |
| Hospital and Community Health | | 2,742 | 3,028 | 3,136 | 3,199 | 3,337 | 3,548 | 3,658 | 3,860 | 4,071 |
| Health Board expenditure on Family Health | | 395 | 425 | 472 | 519 | 576 | 622 | 699 | 755 | |
| Capital expenditure | | 163 | 43 | -20 | -5 | 12 | 10 | 16 | 14 | |
| Total Voted in Estimates | 4A | | 3,301 | 3,497 | 3,588 | 3,713 | 3,925 | 4,180 | 4,372 | 4,629 |
| Family Health Services⁴ | | | | | | | | | | |
| Current expenditure | 4B | | 407 | 421 | 434 | 453 | 455 | 471 | 513 | 543 |
| Other Health Services | | | | | | | | | | |
| Current expenditure | | 53 | 32 | 32 | 35 | 34 | 40 | 46 | 50 | |
| Capital expenditure | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total Voted in Estimates | 4C | | 53 | 32 | 32 | 35 | 34 | 40 | 46 | 50 |
| Welfare Foods | | | | | | | | | | |
| Current expenditure | 4D | | 14 | 14 | 14 | 14 | 13 | 14 | 14 | 14 |

NHS Trusts

| | | | | | | | | | | |
|----------------------------------|----|----|----|----|----|----|-----|-----|-----|-----|
| Current expenditure | | 0 | 0 | 0 | | 2 | 2 | 0 | 0 | 0 |
| Capital expenditure ⁵ | | 10 | -5 | 13 | | 21 | -39 | -48 | -18 | -18 |
| Total Voted in Estimates | 4E | | 10 | -5 | 13 | 23 | -37 | -48 | -18 | -18 |

**Scottish Office
Department of
Health**

| | | | | | | | | | | |
|--|----------|--------------|--------------|--------------|--------------------------|--------------|--------------|--------------|--------------|-----------|
| Voted Expenditure | 4 | 3,785 | 3,959 | 4,082 | 4,239⁹ | 4,390 | 4,658 | 4,927 | 5,217 | 5, |
| Mental Welfare Commission ⁶ | 6A | | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 |
| Total health expenditure voted in Estimates | | 3,786 | 3,960 | 4,083 | 4,240² | 4,392 | 4,659 | 4,928 | 5,219 | 5, |

**Non-Voted
Expenditure⁷****Hospital,
Community
Health and
Family Health
Services**

| | | | | | | | | | | |
|-----------------------|--|----|---|---|--|---|---|---|----|----|
| Capital | | -1 | 0 | 0 | | 0 | 0 | 0 | 10 | 11 |
| Other Health Services | | | | | | | | | | |
| Current Expenditure | | 2 | 2 | 2 | | 2 | 2 | 2 | 0 | 0 |

NHS Trusts

| | | | | | | | | | | |
|---------------------|--|-----|-----|---|--|----|-----|-----|----|----|
| Capital expenditure | | -10 | -13 | 8 | | -4 | -40 | -18 | -5 | -5 |
|---------------------|--|-----|-----|---|--|----|-----|-----|----|----|

| | | | | | | | | | | |
|---|--|--|--|-----------|------------|--------------|------------|------------|----------|----------|
| Scottish Office Department of Health Non-Voted Expenditure | | | | -9 | -12 | 10 -2 | -38 | -16 | 5 | 6 |
|---|--|--|--|-----------|------------|--------------|------------|------------|----------|----------|

**TOTAL
HEALTH
PROGRAMME⁸**

| | | | | | | | | | | |
|---------------------|--|-------|-------|-------|--|-------|-------|-------|-------|----------|
| Current expenditure | | 3,614 | 3,923 | 4,091 | | 4,225 | 4,420 | 4,699 | 4,931 | 5,223 5, |
|---------------------|--|-------|-------|-------|--|-------|-------|-------|-------|----------|

| | | | | | | | | | |
|--|--------------|--------------|--------------|--------------------------|--------------|--------------|--------------|--------------|-----------|
| Capital expenditure ² | 163 | 25 | 2 | 12 | -66 | -56 | 3 | 2 | |
| Total Departmental expenditure in Departmental Expenditure Limits¹ | 3,777 | 3,948 | 4,092 | 4,237⁹ | 4,354 | 4,642 | 4,934 | 5,225 | 5, |
| of which, Voted in Estimates | 3,786 | 3,960 | 4,083 | 4,240 | 4,392 | 4,659 | 4,928 | 5,219 | 5, |

1 All figures are individually rounded, therefore individual figures may not add up to the totals.

2 Estimated outturn takes account of transfers from the NHS in England, in respect of services which were previously provided on a UK basis, and from elsewhere in the Scottish Block.

3 NHS trusts' capital expenditure is included within HCHS current since it is funded from current payments to NHS trusts. NHS Trusts' capital is shown separately in **Table 5.12**.

4 With the introduction of a unified budget for Health Boards, expenditure on drugs, which previously appeared under Section B of the Vote (Family Health Services), has been reclassified and now forms part of Section A (Hospital and Community Health Services). In order to maintain consistency the figures for previous years expenditure have also been adjusted accordingly.

5 This expenditure consists of interest bearing loans, advances of public dividend capital and repayments rather than expenditure on fixed assets. Expenditure on fixed assets is shown in **Table 5.12**.

6 For administrative reasons expenditure by the Mental Welfare Commission is carried on the Scottish Office Administration Vote

7 Excess receipts were surrendered to the Consolidated Fund.

8 Gross expenditure in the NHS in 1999-2000 is planned to be over £5,269 million.

9 As a result of the changes to the regime for planning and control of public expenditure announced by the Chancellor on 11 June, total net expenditure in 1996-97 was reduced by £2.181 million.

Chart 5.2: Health expenditure by main sub programmes (net)

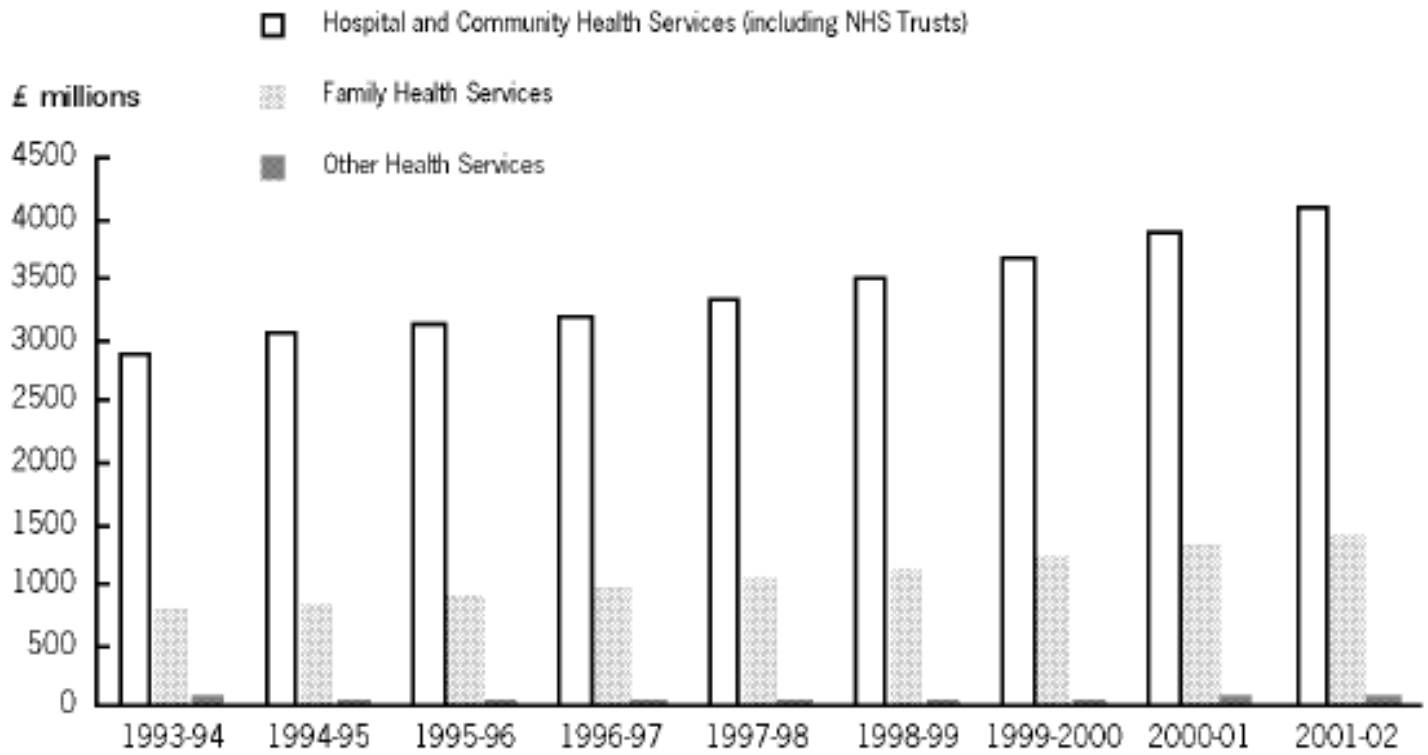


Table 5.3: Population Statistics 1996-2011 (thousands)

| | 1996 | 2001 | % change | 2006 | % change | 2011 | % change |
|-----------------|----------------|----------------|-------------|----------------|-------------|----------------|-------------|
| | no. | no. | 96-2001 | no. | 96-2006 | no. | 96-2011 |
| Live births | 58.9 | 57.5 | -2.3 | 55.8 | -5.2 | 54.6 | -7.2 |
| 0-4 | 313.9 | 289.3 | -7.8 | 279.6 | -10.9 | 272.9 | -13.0 |
| 5-14 | 647.3 | 635.2 | -1.9 | 597.2 | -7.7 | 563.6 | -12.9 |
| 15-44 | 2,212.5 | 2,170.3 | -1.9 | 2,087.9 | -5.6 | 1,966.8 | -11.1 |
| 45-64 | 1,174.8 | 1,223.2 | 4.1 | 1,316.8 | 12.1 | 1,421.2 | 21.0 |
| 65-74 | 445.9 | 437.5 | -1.9 | 439.9 | -1.3 | 458.7 | 2.9 |
| 75-84 | 254.9 | 264.5 | 3.8 | 273.4 | 7.3 | 279.6 | 9.7 |
| 85+ | 78.7 | 86.1 | 9.4 | 88.8 | 12.8 | 95.9 | 21.8 |
| All ages | 5,128.0 | 5,106.1 | -0.4 | 5,083.6 | -0.9 | 5,058.8 | -1.4 |

Figures may not add due to roundings

Source: Registrar General for Scotland

Table 5.4: NHS Expenditure By Age Group 1997-98

| Age Range | Expenditure Per Head (£) |
|--------------|-----------------------------|
| 0-4 | 392 |
| 5-14 | 371 |
| 15-44 | 547 |
| 45-64 | 800 |
| 65-74 | 1,450 |
| 75-84 | 2,606 |
| 85 and above | 4,059 |
| Births | 3,617 |

Table 5.5: Additional Expenditure Required to Meet Demographic Pressures

| | |
|-----------|------|
| 1999-2000 | 0.13 |
| 2000-2001 | 0.15 |
| 2001-2002 | 0.08 |
| Average | 0.12 |

Table 5.6: Targets for 2000

| Target | Objective |
|--|---|
| 40 per cent reduction in coronary heart disease mortality rate for people under 65(base 1990) | Decline in deaths from 77 to 46 per 100,000 population |
| 15 per cent reduction in cancer mortality rate for people under 65 (base 1986) | Decline from 104 to 88 deaths per 100,000 population |
| 60 per cent of 5 year olds with no fillings, cavities or extracted teeth, and fewer than 10 per cent of adults between 45 and 54 with no teeth of their own | As per target |
| A reduction of 30 per cent in number of smokers aged between 12 and 24, and 20 per cent in the number of smokers between 25 and 65 (base 1986) | Decline from 30 per cent to 21 per cent of those smoking in 12-24 age group and from 40 per cent to 32 per cent in 25-65 age group |
| A decrease of 20 per cent in the number of people exceeding the recommended sensible levels of alcohol consumption (base 1986). (In the light of the revised sensible drinking guidelines published in December 1995, the Public Health Policy Unit are reviewing the target in consultation with the other UK Health Departments which all have similar alcohol targets.) | Decline from 15 per cent to 12 per cent in the proportion of the population aged over 18 drinking above recommended sensible levels |

Table 5.7: Primary immunisation uptake rates

Percentage of children vaccinated at 24 months

| Immunisation course | 1989 | 1992 | 1996 | 1997 |
|------------------------|------|------|------|------|
| Diphtheria | 90.4 | 96.3 | 97.9 | 97.8 |
| Tetanus | 90.4 | 96.3 | 97.9 | 97.8 |
| Pertussis | 80.0 | 92.4 | 96.2 | 96.5 |
| Polio | 90.4 | 96.1 | 97.9 | 97.8 |
| HiB | | | 97.5 | 97.7 |
| MMR ¹ | 70.1 | 94.2 | 94.6 | 94.6 |

Source: Information and Statistics Division

Table 5.8: Number of cases of notifiable diseases (all ages) 1978-1997

| Number of cases by end of | Whooping Cough | Rubella ¹ | Mumps ¹ | Measles | Diphtheria | Tetanus ¹ | Polio |
|------------------------------|----------------|----------------------|--------------------|---------|------------|----------------------|-------|
| 1978 | 3,500 | - | - | 8,953 | 0 | - | 0 |
| 1995 | 399 | 1,258 | 371 | 1,307 | 0 | 0 | 0 |
| 1996 | 186 | 2,449 | 368 | 1,055 | 2 | 2 | 0 |
| 1997 | 545 | 818 | 282 | 762 | 1 | 1 | 0 |

1. Rubella, mumps and tetanus became notifiable on 1 October 1988

Source: Information and Statistics Division

Table 5.9: Distribution of HCHS Costs^{1,3}

| | £million | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|---------------------------------|------------------------|----------------------|----------------------|
| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 estimated outturn | 1999- 2000 plans | 2000- 01 plans | 2001- 02 plans |
| Voted in Estimates | | | | | | | | | |
| Current expenditure² | | | | | | | | | |
| Hospital and Community Health | | | | | | | | | |
| Gross | 2,823 | 3,163 | 3,292 | 3,372 | 3,515 | 3,727 | 3,837 | 4,039 | 4,261 |
| Charges and receipts | -81 | -135 | -156 | -173 | -178 | -179 | -179 | -179 | -179 |
| Net | 2,742 | 3,028 | 3,136 | 3,199 | 3,337 | 3,548 | 3,658 | 3,860 | 4,082 |
| Health Board expenditure on Family Health | | | | | | | | | |
| Gross | 424 | 458 | 507 | 553 | 612 | 660 | 732 | 788 | 860 |
| Charges and receipts | -29 | -33 | -34 | -34 | -36 | -39 | -34 | -34 | -34 |
| Net | 395 | 425 | 472 | 519 | 576 | 622 | 699 | 755 | 826 |
| Capital expenditure | | | | | | | | | |
| Gross | 176 | 61 | 22 | 17 | 23 | 16 | 20 | 18 | 17 |
| Receipts | -12 | -17 | -42 | -21 | -11 | -5 | -4 | -4 | -4 |
| Net | 163 | 43 | -20 | -5 | 12 | 10 | 16 | 14 | 13 |
| Not Voted in Estimates | | | | | | | | | |
| Capital | -1 | 0 | 0 | 0 | 0 | 0 | 10 | 11 | 15 |
| Total net expenditure² | 3,300 | 3,497 | 3,588 | 3,713 | 3,925 | 4,180 | 4,382 | 4,640 | 4,936 |

1. All figures are individually rounded, therefore individual figures may not add up to the totals.

2. NHS Trusts' capital expenditure is included within HCHS current since it is funded from current payments to NHS Trusts. NHS Trusts' capital is shown separately in Table 5.12

3. With the introduction of a unified budget for Health Boards, expenditure on drugs, which previously appeared under Family Health Services, has been reclassified and now forms part of Hospital and Community Health Services. In order to maintain consistency the figures for previous years expenditure have also been adjusted accordingly.

Table 5.10: Distribution of NHS Trusts costs¹

| | £million | | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|---------------------------------|------------------------|----------------------|------------------|
| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 estimated outturn | 1999- 2000 plans | 2000- 01 plans | 2001-02 plans |
| Voted expenditure | | | | | | | | | |
| Interest bearing loans | 29 | 37 | 73 | 88 | 30 | 27 | 59 | 59 | 59 |
| Advances of public dividend capital | 1 | 1 | 2 | 1 | 6 | 0 | 0 | 0 | 0 |
| Special dividend | 0 | 0 | 0 | 2 | 2 | 0 | 0 | 0 | 0 |
| Capital repayments | -20 | -44 | -61 | -68 | -74 | -76 | -77 | -77 | -77 |
| Net Voted expenditure | 10 | -5 | 13 | 23 | -37 | -48 | -18 | -18 | -18 |
| Non-voted expenditure | | | | | | | | | |
| Market Borrowing | -10 | -13 | 8 | -4 | -40 | -18 | -5 | -5 | -5 |
| NHS Trusts' External Financing Limit | 0 | -18 | 21 | 19 | -77 | -67 | -23 | -23 | -23 |

1. All figures are individually rounded, therefore individual figures may not add up to the totals

Table 5.11: Estimated current and capital expenditure by Health Boards and the Common Services Agency during 1999-2000

| | £,000 | |
|---|----------------------|------------------------|
| Health Boards' initial cash limits for 1999-2000 | Current (net) | Capital (gross) |
| Argyll and Clyde | 334,669 | |
| Ayrshire and Arran | 284,995 | |
| Borders | 83,004 | |
| Dumfries and Galloway | 119,944 | |
| Fife | 247,439 | |
| Forth Valley | 199,000 | |
| Grampian | 356,745 | |
| Greater Glasgow | 716,453 | |
| Highland | 160,933 | |
| Lanarkshire | 401,557 | |
| Lothian | 529,174 | |
| Orkney | 15,749 | |
| Shetland | 18,816 | |
| Tayside | 313,689 | |
| Western Isles | 28,633 | |
| State Hospital, Carstairs | 17,259 | |
| Common Services Agency's initial cash limit | 96,918 | |
| National services, support financing, etc. | 346,762 | |
| General Medical Service cash limited | 97,245 | |
| Total initial net cash limit | 4,368,984 | |

Table 5.12: Estimated capital expenditure by NHS Trusts during 1999-2000

| | | | | £,000 |
|---------------------|----------------|-----------------|-------------------|--------------------------|
| | Revenue | Capital | Debt remuneration | External financing limit |
| Depreciation | 151,171 | | | -151,171 |
| 6% return | | | | |
| interest receivable | 6,555 | | | -6,555 |
| retained interest | 115,505 | | -115,505 | |
| PDC dividends | 59,508 | | -59,508 | |
| Capital | | | | |
| expenditure | | -134,855 | | 134,855 |
| receipts | | 0 | | 0 |
| Working capital | 0 | | | |
| Total | 332,739 | -134,855 | -175,013 | -22,871 |

NHS Trusts' external financing limit 22,871

Table 5.13: Forecast capital spending by the private sector as a result of PFI deals

| | | | | | | £ million |
|---------|---------|-----------|---------|---------|-------------|-----------|
| 1997-98 | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | Later years | Total |
| 7 | 138 | 182 | 140 | 65 | 50 | 582 |

Table 5.14: Community activity indicators

| | 1985 | 1995 | 1996 | 1997 | 1998 | Thousands Average annual % change between 1985 and 1998 |
|---|-------|-------|-------|-------|-------|---|
| Community Nursery Services ¹ | | | | | | |
| Health visitors | | | | | | |
| cases | 523 | 415 | 411 | 398 | 387 | -2.4 |
| visits | 2,065 | 1,397 | 1,346 | 1,372 | 1,410 | -3.0 |
| Home nurses | | | | | | |
| cases | 183 | 219 | 248 | 247 | 243 | 2.6 |
| visits | 4,698 | 4,795 | 5,001 | 4,890 | 4,815 | 0.2 |
| Domiciliary midwifery | | | | | | |
| visits | 444 | 377 | 395 | 422 | 385 | -1.0 |
| Community dental service ² | | | | | | |
| treatments | 260 | 200 | 191 | 187 | 185 | -2.7 |

1. 1985 data for Community Nursing Services is for year ending 31 December, 1995 onwards is for year ending 31 March.

2. 1985 and 1995 data for Community dental service is for year ending 31 December, 1996 onwards is for year ending 31 March

Source: Information and Statistics Division

Table 5.15: Hospital and community workload statistics

| Year ending 31 March | Unit of measurement | 1985 | 1996 | 1997 | 1998 ^p | Average annual %change 1985-98 |
|--|---------------------|---------|---------|---------|-------------------|--------------------------------|
| Hospital Services | | | | | | |
| General/ Acute Hospitals¹ | | | | | | |
| Available beds ² | thousands | 20.5 | 16.0 | 15.5 | 15.1 | -2.3 |
| Inpatient cases ³ | thousands | 657.9 | 781.0 | 773.7 | 787.8 | 1.4 |
| Length of stay | days | 8.2 | 5.5 | 5.4 | 5.3 | -3.3 |
| Throughput | cases per bed | 32.0 | 48.9 | 49.8 | 52 | 3.8 |
| Day cases | thousands | 117.8 | 321.0 | 328.1 | 350.1 | 8.7 |
| Outpatient attendances | thousands | 4,973.8 | 5,717.6 | 5,649.4 | 5,714.6 | 1.1 |
| Geriatric and Young Chronic Sick | | | | | | |
| Available beds ² | thousands | 11.0 | 9.8 | 9.2 | 8.7 | -1.8 |
| Inpatient cases ³ | thousands | 28.0 | 53.6 | 53.4 | 54.6 | 5.3 |
| Length of stay | days | 137.8 | 58.1 | 53.8 | 49.3 | -7.6 |
| Day patient attendances | thousands | 181.4 | 198.2 | 197.0 | 187.1 | 0.2 |
| Outpatient attendances | thousands | 10.2 | 33.7 | 32.2 | 31.8 | 9.2 |
| Obstetrics | | | | | | |
| Available beds ² | thousands | 2.6 | 1.5 | 1.4 | 1.3 | -5.2 |
| Inpatient cases ³ | thousands | 104.4 | 100.3 | 99.6 | 97.2 | -0.6 |
| Length of stay | days | 5.4 | 3.1 | 3.0 | 2.9 | -4.6 |
| Throughput | cases per bed | 40.2 | 67.5 | 71.2 | 72.2 | 4.6 |
| Day cases | thousands | 6.9 | 31.3 | 31.8 | 33.1 | 12.8 |
| Outpatient attendances | thousands | 377.4 | 280.1 | 270.7 | 251.3 | -3.1 |
| Mental Health⁴ | | | | | | |
| Available beds-Mental Illness ^{2,5} | thousands | 16.4 | 10.1 | 9.3 | 8.7 | -4.8 |
| Available beds-Mental Handicap ^{2,6} | thousands | 6.1 | 3.2 | 3.1 | 2.8 | -5.8 |
| Inpatient cases-Mental Illness ^{3,5} | thousands | 28.2 | 33.7 | 33.4 | 33.7 | 1.4 |
| Inpatient cases-Mental Handicap ^{3,6} | thousands | 3.0 | 4.8 | 4.7 | 4.8 | 3.6 |
| Day cases & day patient attendances | thousands | 429.8 | 633.3 | 660.5 | 637.7 | 3.1 |
| Outpatient attendances | thousands | 231.8 | 306.2 | 319.3 | 331.6 | 2.8 |

P Provisional

1 Includes the following speciality groups: acute, supra-area and special categories.

2 Average available staffed beds.

3 Discharges, including transfers out within same hospital.

4 Includes psychiatric specialties and mental handicap.

5 Psychiatric specialties only.

6 Mental handicap only.

Source: Information and Statistics Division

Chart 5.16: HCHS: Output, Expenditure and Productivity



Chart 5.17: Unit Costs by Programme of Care

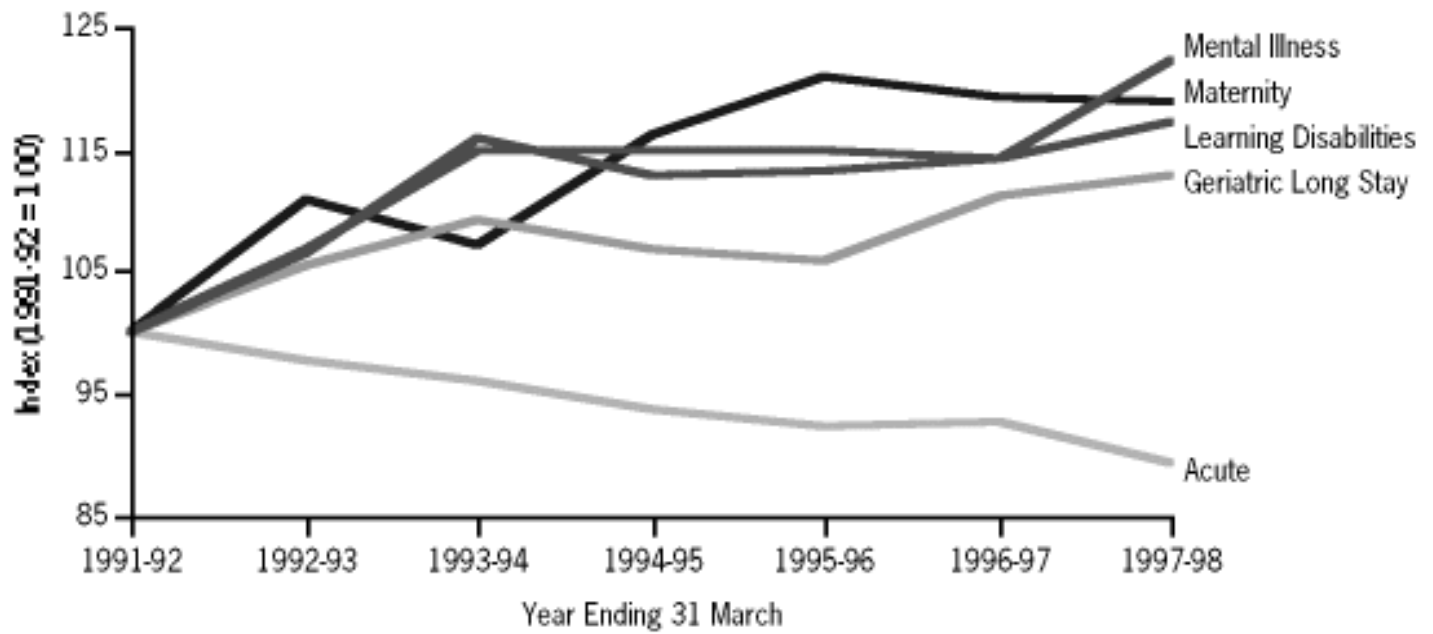


Table 5.18: Distribution of Family Health Service costs^{1,2}

| | £ million | | | | | | | | |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|---------------------------------|------------------------|----------------------|----------------------|
| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 estimated outturn | 1999- 2000 plans | 2000- 01 plans | 2001- 02 plans |
| Voted in Estimates | | | | | | | | | |
| General Medical Services | 219 | 223 | 229 | 237 | 244 | 242 | 264 | 282 | 299 |
| General Dental Services | 136 | 147 | 147 | 153 | 161 | 164 | 174 | 181 | 187 |
| General Ophthalmic Services | 23 | 25 | 26 | 28 | 29 | 30 | 36 | 38 | 40 |
| Pharmacists Remuneration | 71 | 72 | 75 | 77 | 75 | 80 | 86 | 90 | 94 |
| Other | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Charges and receipts | -42 | -47 | -44 | -44 | -54 | -45 | -48 | -49 | -51 |
| Total | 407 | 421 | 434 | 453 | 455 | 471 | 513 | 543 | 571 |

1 All figures are individually rounded, therefore individual figures may not add up to the totals

2 With the introduction of a unified budget for Health Boards, expenditure on drugs, which previously appeared under Family Health Services, has been reclassified and now forms part of Hospital and Community Health Services. In order to maintain consistency the figures for previous years expenditure have also been adjusted accordingly.

Table 6.1: Law, Order and Protective Services and Social Work Services: Net Provision

| | | | | | | | | | | | £ |
|---|------|---------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | | | | | | | | | | | million |
| | Vote | Section | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
| | | | Outturn | Outturn | Outturn | Outturn | Outturn | Est. | Plans | Plans | Plans |
| Expenditure Voted in Estimates | | | | | | | | | | | |
| CENTRAL GOVERNMENT EXPENDITURE | | | | | | | | | | | |
| Legal Aid Fund | 5 | B | 118 | 125 | 126 | 134 | 135 | 132 | 128 | 131 | 133 |
| Legal Aid Administration | 5 | A | 8 | 7 | 7 | 7 | 8 | 7 | 7 | 7 | 7 |
| CICB Compensation | 5 | D | 20 | 18 | 22 | 19 | 26 | 27 | 32 | 28 | 28 |
| CICB Administration | 5 | C | 2 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 |
| Other services related to crime | 5 | E | 2 | 3 | 3 | 6 | 5 | 6 | 7 | 7 | 7 |
| Scottish Prison Service | 5 | F | 154 | 164 | 161 | 176 | 173 | 190 | 204 | 209 | 210 |
| Police | 5 | G | 23 | 24 | 26 | 29 | 29 | 29 | 30 | 30 | 29 |
| Fire Service | 5 | I | 3 | 3 | 4 | 4 | 5 | 4 | 4 | 4 | 4 |
| Civil Defence | 5 | K | 2 | 2 | 1 | 2 | 2 | 2 | 2 | 2 | 2 |
| Social Work | 5 | M | 40 | 44 | 48 | 63 | 63 | 69 | 74 | 77 | 81 |
| Miscellaneous Services | 5 | L | 2 | 1 | 1 | 2 | 2 | 4 | 2 | 2 | 16 |
| Police Superannuation | 5 | H | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fire Superannuation | 5 | J | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lockerbie | 5 | N | - | - | - | - | - | 1 | 0 | - | - |
| Invest to save | 5 | O | - | - | - | - | - | - | 1 | 1 | 1 |
| Total | | | 374 | 396 | 402 | 443 | 451 | 474 | 494 | 501 | 521 |
| CENTRAL GOVERNMENT GRANTS TO LOCAL AUTHORITIES | | | | | | | | | | | |
| CURRENT GRANTS | | | | | | | | | | | |

| | | | | | | | | | | | |
|--|---|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Police | 5 | P | 270 | 273 | 287 | 296 | 329 | 338 | 352 | 366 | 377 |
| Social Work | 5 | R | 11 | 14 | 17 | 24 | 17 | 18 | 16 | 15 | 15 |
| Civil Defence | 5 | Q | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| CAPITAL GRANTS | | | | | | | | | | | |
| Police | 5 | S | 1 | 1 | 1 | 2 | 3 | 2 | 1 | 1 | 1 |
| Social Work | 5 | T | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-Voted Expenditure in DEL | | | | | | | | | | | |
| Election Expenses | | | - | 6 | 2 | 0 | - | 0 | 6 | 1 | 0 |
| Capital Modernisation Fund | | | - | - | - | - | - | - | 2 | 5 | 6 |
| Total Non-Voted Expenditure in DEL | | | - | 6 | 2 | 0 | - | 0 | 8 | 6 | 6 |
| Total Departmental Expenditure in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| | | | 659 | 692 | 711 | 767 | 803 | 836 | 875 | 893 | 925 |
| WELFARE TO WORK EXPENDITURE IN DEPARTMENTAL LIMITS | | | | | | | | | | | |
| Millennium Volunteers | 5 | U | - | - | - | - | - | 0 | 1 | 1 | - |
| Welfare to Work - Prison Service, Scotland | 5 | V | - | - | - | - | - | 0 | - | - | - |
| Total Expenditure in DEL | | | 659 | 692 | 711 | 767 | 803 | 836 | 875 | 894 | 925 |
| OTHER NON-VOTED EXPENDITURE | | | | | | | | | | | |
| Police net capital allocations | | | 8 | 8 | 14 | 18 | 19 | 18 | 18 | 18 | 18 |
| Civil Defence net capital allocations | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fire net capital allocations | | | 13 | 9 | 10 | 18 | 16 | 16 | 16 | 16 | 16 |

Table 6.2: Criminal Injuries Compensation Scheme: Indicators for Scotland

| | 1992- 93 | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998- 99 | 1998-99 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Outturn | Plans | Estimated |
| | | | | | | | Outturn | |
| Number of applications | 8,505 | 10,962 | 10,379 | 9,140 | 10,488 | 9,943 | 10,600 | 10,300 |
| Number of cases resolved ¹ | 8,505 | 10,110 | 7,990 | 9,147 | 11,284 | 10,242 | 11,890 | 11,600 |
| Number of final awards | 5,276 | 6,010 | 4,573 | 5,284 | 6,151 | 5,207 | 6,896 | 6,380 |
| Total of awards (£'000) | 18,062 | 21,727 | 23,829 | 21,960 | 23,656 | 21,554 | 23,300 | 23,300 |
| Administration costs (£'000) | 1,855 | 2,083 | 2,018 | 2,328 | 2,694 | 2,483 | 2,652 | 2,592 |
| Administration costs as a proportion of total costs awarded (%) | 10.1 | 9.6 | 8.5 | 10.6 | 11.4 | 11.5 | 11.4 | 11.1 |
| Scottish share of GB expenditure (%) | 13 | 12 | 11 | 12 | 11.5 | 10.9 | 11.2 | 11.2 |

1 The number of cases resolved in any one year does not necessarily relate to the number of applications received during that year

Table 6.3: Expenditure and Operational Statistics for Scottish Prison Service

| | 1996- 97 | 1997- 98 | 1998- 99 | 1998-99 Estimated Outturn | 1999-2000 Plans | 2000-01 Plans | 2001-02 Plans |
|---|-------------|-------------|-------------|---------------------------------|--------------------|------------------|------------------|
| Departmental Running Costs (£'000) | 143,107 | 137,890 | 147,652 | 147,652 | 167,652 | 170,652 | 173,652 |
| Other Current Expenditure (£'000) | 13,377 | 16,313 | 18,900 | 18,900 | 18,900 | 18,900 | 18,900 |
| Other Current Expenditure (£'000) (subhead T2) | | | 151 | 151 | | | |
| Gross capital expenditure (£'000) | 22,577 | 22,136 | 21,913 | 21,913 | 21,913 | 21,913 | 23,913 |
| Net operating costs (£'000) | 154,694 | 152,027 | 164,343 | 164,391 | 183,192 | 186,192 | 189,192 |
| Daily prisoner population | | | | | | | |
| Maximum | 6,366 | 6,059 | 6,315 | | | | |
| Average | 5,992 | 6,400 | 6,100 | 6,100 | 6,200 | 6,300 | 6,500 |
| Prisoner places at end of financial year | | | | | | | |
| Design capacity | 5,763 | 5,785 | 5,997 | 5,997 | 6,458 | 6,580 | 6,605 |
| Available | 5,384 | 5,701 | 5,780 | 5,841 | 6,241 | 6,239 | 6,391 |
| Number of prisoners per prisoner place | 1.04 | 1.11 | 1.10 | 1.11 | 1.11 | | |
| Average number of staff | 4,630 | 4,755 | 4,885 | 4,885 | 4,886 | | |
| Average cost per prisoner place (£) | 26,744 | 26,170 | 27,904 | 27,904 | _1 | _1 | _1 |

1 Not available at time of writing.

Table 6.4: Prisons long term capital projects**Prisons long term capital - details of projects costing over
£500,000**

| £500,000 | | | | £'000 at 1998-99 prices | | | |
|---|--|---|--|---------------------------------|------------------------------|---|--|
| | | | | Current estimate of expenditure | | | |
| Project | Year of start/original estimate of year of completion | Current estimate of year of completion | Original estimate of expenditure | Total | Spent in past years | Estimated provision for 1999- 00 | Estimated expenditure to be spent in future years |
| Work in progress at 31 March 1999 | | | | | | | |
| Dumfries: A Hall Upgrade | 1998-99/1998-99 | 1999-00 | 900 | 900 | 800 | 100 | |
| Perth: A Hall Sub Division/Upgrade | 1998-99/2000-01 | 2000-01 | 4100 | 4100 | | 3800 | 300 |
| New Schemes to start 1999-00 | | | | | | | |
| Barlinnie: B Hall Upgrade/Sub-Division | 1999-00/2000-01 | 2000-01 | 5600 | 5600 | | 2500 | 3100 |
| Cornton Vale: Redevelopment of Prisoner Accommodation | 1999-00/1999-00 | 1999-00 | 2500 | 2500 | | 2500 | |
| Edinburgh: Visits Improvements (phase 1) | 1999-00/1999-00 | 2000-01 | 500 | 500 | | 400 | 100 |
| Glenochil: New Perimeter Alarm/CCTV System | 1998-99/1999-00 | 1999-00 | 800 | 700 | | 700 | |
| Peterhead: Extension to Gatehouse | 1999-00/2000-01 | 2000-01 | 3500 | 3500 | | 1700 | 1800 |
| Polmont: New Prisoner Houseblock | 1999-00/2000-01 | 2000-01 | 9400 | 9400 | | 2300 | 7100 |
| Sub Total | | | | | | 14000 | |
| Works Costing below £500,000 | | | | | | 2300 | |
| Fees for Consultancy Services | | | | | | 1700 | |

Total

18000

Table 6.5 Police Expenditure

| | £ 000 | | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-----------------|-------------|-------------|-------------|
| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998- 99 | 1999- 00 | 2000- 01 | 2001- 02 |
| | Outturn | Outturn | Outturn | Outturn | Outturn | Est. Outturn | Plans | Plans | Plans |
| CENTRAL GOVERNMENT EXPENDITURE | | | | | | | | | |
| Common Police Services ¹ | | | | | | | | | |
| Current | 16971 | 20101 | 19699 | 21191 | 22674 | 22079 | 22079 | 22079 | 22079 |
| Capital | 6015 | 4588 | 5270 | 6269 | 2175 | 1522 | 1522 | 1522 | 1522 |
| OTHER CENTRALLY FUNDED POLICE SERVICES | | | | | | | | | |
| Current | 435 | 545 | 763 | 1422 | 3112 | 3971 | 3971 | 3971 | 3971 |
| Capital | 0 | 0 | 0 | 98 | 864 | 0 | 0 | 0 | 0 |
| CENTRAL GOVERNMENT GRANTS | | | | | | | | | |
| Current | 269847 | 272867 | 286584 | 295600 | 328887 | 337500 | 351900 | 365600 | 376700 |
| Capital | 1127 | 1395 | 557 | 2403 | 2608 | 2252 | 1252 | 1252 | 1252 |
| Net capital allocations | 7690 | 7708 | 14439 | 18458 | 19293 | 18313 | 18313 | 18313 | 18313 |

¹ Police authorities will make contributions (50% of the cost) towards Common Police Services which comprise the Scottish Crime Squad, Scottish Criminal Records Office and the Scottish Police College. Recovery will be effected by deducting this amount from the grants payable.

Table 6.6 : Crimes and Offences recorded and cleared up.

| | 1993 | 1994 | 1995 | 1996 | 1997 | 1993-97 |
|--|----------------|----------------|----------------|----------------|----------------|------------|
| | Actual | Actual | Actual | Actual | Actual | % change |
| Crimes Recorded | 517,247 | 500,110 | 475,697 | 451,956 | 420,642 | -19 |
| Non - sexual crimes of violence | 19,404 | 19,774 | 21,119 | 21,537 | 19,164 | -1 |
| Crimes of indecency | 6,047 | 5,998 | 5,547 | 5,676 | 7,147 | 18 |
| Crimes of dishonesty | 374,937 | 350,346 | 321,201 | 295,441 | 267,207 | -29 |
| Fire raising, vandalism etc | 84,194 | 88,543 | 86,546 | 89,025 | 81,000 | -4 |
| Other crimes | 32,665 | 35,449 | 41,284 | 40,277 | 46,124 | 41 |
| Clear up rate - crime (%) ¹ | 31 | 34 | 35 | 37 | 39 | |
| Offences recorded | 441,712 | 463,917 | 451,869 | 451,988 | 486,883 | 10 |
| Miscellaneous offences | 126,593 | 133,193 | 134,368 | 146,086 | 155,900 | 23 |
| Motor vehicle offences | 315,119 | 330,724 | 317,501 | 305,902 | 330,983 | 5 |
| Crime and offences recorded | 958,959 | 964,027 | 927,566 | 903,944 | 907,525 | -5 |

¹Breaches in criminal law are divided for statistical purposes into 2 categories, crimes generally being more serious.

By their nature, almost all offences are "cleared up" (e.g. because the offender is immediately apparent as in the case of most motoring offences) therefore no "clear up" rate is shown.

Table 6.7 : Crimes and Offences recorded and percentage cleared up by police force area for 1997.

| | Central Dumfries & Galloway | Fife | Grampian | Lothian & Borders | Northern | Strathclyde | Tayside | Scotland | |
|---|--------------------------------------|--------|----------|-------------------------|----------|-------------|---------|----------|---------|
| RECORDED CRIMES AND OFFENCES | | | | | | | | | |
| Total Crimes | 15,661 | 8,357 | 22,884 | 44,342 | 71,510 | 12,266 | 210,783 | 34,839 | 420,642 |
| Non- sexual crimes of violence | 629 | 401 | 641 | 1,157 | 2,771 | 448 | 11,719 | 1,398 | 19,164 |
| Crimes of indecency | 235 | 93 | 367 | 871 | 1,195 | 191 | 3,640 | 555 | 7,147 |
| Crimes of dishonesty | 9,553 | 4,606 | 14,024 | 29,166 | 47,018 | 6,804 | 133,644 | 22,392 | 267,207 |
| Fire raising, vandalism etc | 3,310 | 1,647 | 5,187 | 8,929 | 14,514 | 2,555 | 37,664 | 7,194 | 81,000 |
| Other crimes | 1,934 | 1,610 | 2,665 | 4,219 | 6,012 | 2,268 | 24,116 | 3,300 | 46,124 |
| Total Offences | 24,514 | 19,600 | 42,890 | 51,907 | 73,592 | 24,017 | 219,073 | 31,290 | 486,883 |
| Miscellaneous offences | 6,756 | 4,028 | 8,218 | 15,296 | 18,748 | 8,742 | 84,577 | 9,535 | 155,900 |
| Motor vehicle offences | 17,758 | 15,572 | 34,672 | 36,611 | 54,844 | 15,275 | 134,496 | 21,755 | 330,983 |
| Total Crimes and Offences | 40,175 | 27,957 | 65,774 | 96,249 | 145,102 | 36,283 | 429,856 | 66,129 | 907,525 |
| PERCENTAGES CLEARED UP ¹ (%) | | | | | | | | | |
| Total Crimes | 57 | 61 | 48 | 37 | 36 | 67 | 36 | 37 | 39 |
| Non- sexual crimes of violence | 94 | 93 | 89 | 73 | 63 | 93 | 61 | 90 | 68 |
| Crimes of indecency | 83 | 84 | 83 | 69 | 66 | 93 | 74 | 89 | 75 |
| Crimes of dishonesty | 48 | 50 | 41 | 31 | 31 | 61 | 26 | 29 | 31 |
| Fire raising, vandalism etc | 46 | 43 | 31 | 22 | 17 | 48 | 19 | 20 | 22 |
| Other crimes | 100 | 100 | 100 | 96 | 100 | 100 | 100 | 100 | 100 |

¹By their nature, almost all offences are "cleared up" (e.g. because the offender is immediately apparent as in the case of most motoring offences) therefore no "clear up" rate is shown.

Chart 6.1: Crimes recorded by the Police, 1992 - 1996

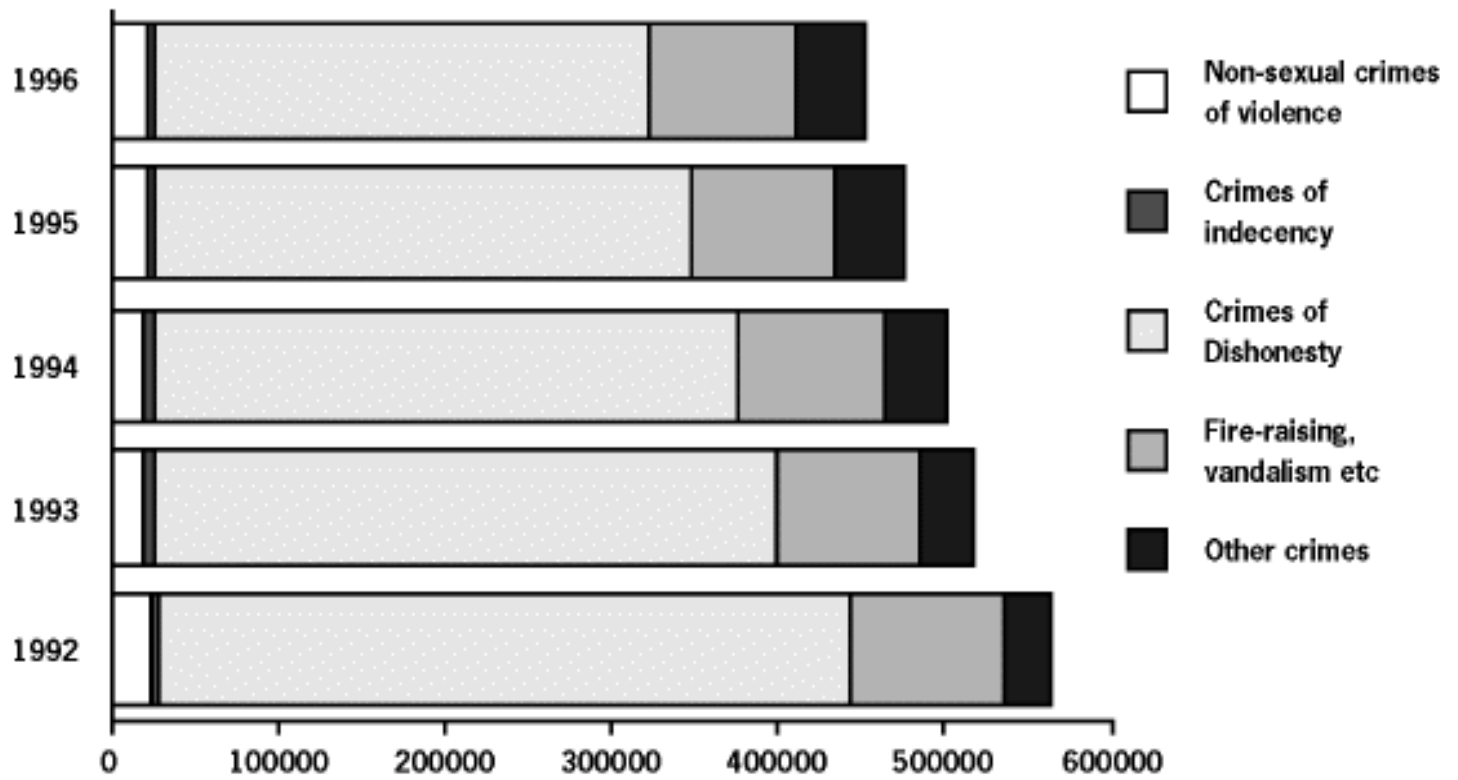


Table 6.8 Fire Service Operations and Personnel

| Year | 1993 | 1994-95 ¹ | 1995-96 | 1996-97 | 1997-98 |
|--|--------------|----------------------|--------------|--------------|--------------|
| Total number of calls attended | 116,962 | 113,074 | 130,863 | 114,066 | 108,417 |
| Total number of premises inspected for fire prevention purposes | 81,450 | 66,477 | 74,583 | 76,478 | 58,307 |
| Personnel | | | | | |
| Wholetime | 4,454 | 4,452 | 4,481 | 4,500 | 4,522 |
| Control Room | 211 | 207 | 207 | 210 | 217 |
| Part-time Retained | 2,403 | 2,434 | 2,378 | 2,376 | 2,500 |
| Part-time Volunteer | 1,304 | 1,299 | 1,254 | 1,268 | 1,252 |
| TOTAL | 8,372 | 8,392 | 8,320 | 8,354 | 8,491 |

1 Information was collected on a calendar year basis (with personnel figures as at 31 December) until 1993, after which it has been collected on a financial year basis (with personnel figures as at 31 March).

Table 6.9 Fire Service Expenditure

| | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
|---|----------------------|----------|--------------------|---------|---------|
| | Final/Prov | Forecast | Plans ² | plans | plans |
| | outturn ¹ | outturn | | | |
| Programme | | | | | |
| Scottish Fire Service Training School | 3.0 | 1.6 | 1.6 | 1.6 | 1.6 |
| Fire Service College Training | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 |
| Fire safety publicity and miscellaneous | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| Local Authority | | | | | |
| Current | 162.7 | 171.1 | 178.5 | 187 | 194 |
| Capital | 14.8 | 16.1 | 15.6 | 15.6 | 15.6 |

1 Central Government figures are final; local authority figures are provisional.

2 Local authority figures are GAE and capital programme (exclusive of Capital Funded from Current Revenue, which is yet to be settled).

Table 6.10: Services for Children

| | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|----------------------------|
| Children in Residential Establishments | | | | | | | | | |
| No. in local authority homes | 1,543 | 1,375 | 1,448 | 1,566 | 1,396 | 1,363 | 1,391 | 1,378 | 1,321 |
| No. in registered homes | 801 | 805 | 713 | 705 | 698 | 691 | 687 | 661 | 669 |
| Total | 2,344 | 2,180 | 2,161 | 2,271 | 2,094 | 2,054 | 2,078 | 2,039 | 1,990 |
| Children's Hearings | | | | | | | | | |
| No of Referrals | 37,545 | 37,252 | 40,099 | 41,560 | 41,171 | 40,503 | 42,924 | 45,878 | 46,055 ¹ |
| No of Children Referred ² | 22,403 | 22,460 | 24,331 | 24,941 | 24,906 | 24,304 | 25,232 | 26,788 | 26,851 ¹ |
| Children under 16 years old referred to the Reporter* | | | | | | | | | |
| Referred on Non - Offence Grounds ² | | 9,642 | 10,816 | 12,604 | 13,324 | 13,399 | 13,911 | 13,938 | 14,646 14,551 ¹ |
| Referred on Offence Grounds (ground G) ² | | 14,418 | 13,263 | 13,721 | 13,462 | 13,415 | 12,319 | 13,397 | 14,540 14,474 ¹ |
| Children Under a Current Supervision Requirement at 30 June: | | | | | | | | | |
| Non-residential SR | 7,434 | 7,683 | 8,328 | 8,992 | 8,877 | 8,848 | 9,154 | 9,201 | 9,471 |
| Residential SR | 1,414 | 1,428 | 1,441 | 1,477 | 1,394 | 1,379 | 1,418 | 1,414 | 1,349 |
| Total | 8,848 | 9,111 | 9,769 | 10,469 | 10,271 | 10,227 | 10,572 | 10,615 | 10,820 |

Notes

* Data on children Referred to Reporters are on the basis of calendar year up until 1995. The '1996' figures relate to the year from 1/4/96 - 31/3/97.

1 Provisional. Source: The Scottish Children's Reporter Administration

2 Any children referred on both offence and non - offence grounds are included under both headings in the breakdown but not under 'No. of Children Referred'.

Table 7.1 General Register Office for Scotland: Expenditure Summary

| | | £ million | | | | | | | | |
|-----------------------------------|--------|-------------|-------------|-------------|-------------|-------------|---------------------|-------------|-------------|-------------|
| | Vote | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 00 | 2000- 01 | 2001- 02 |
| | number | Outturn | Outturn | Outturn | Outturn | Outturn | Outturn estimate | Plans | Plans | Plans |
| Gross expenditure | 7 | 8.3 | 7.5 | 7.6 | 7.5 | 8.1 | 7.9 | 8.9 | 12.8 | 18.0 |
| Receipts | 7 | -2.2 | -2.7 | -2.6 | -2.2 | -2.3 | -2.4 | -2.3 | -2.3 | -2.3 |
| Departmental Expenditure in | | | | | | | | | | |
| Departmental Expenditure Limit | 7 | 6.1 | 4.8 | 5.0 | 5.3 | 5.8 | 5.5 | 6.6 | 10.5 | 15.7 |

Table 7.2: General Register Office for Scotland: workload and performance measures

| | 1992- 93 | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 00 | 2000- 01 | 2001- 02 |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------------|-------------|-------------|-------------|
| | Outturn | Outturn | Outturn | Outturn | Outturn | Outturn | Outturn estimate | Plans | Plans | Plans |
| Local offices using computers | 56 | 86 | 104 | 114 | 116 | 135 | 155 | 160 | 165 | 170 |
| % of events captured on computer | 46 | 83 | 85 | 86 | 86 | 90 | 92 | 93 | 94 | 94 |
| Accesses to individual records, 000s | 350 | 414 | 455 | 440 | 450 | 455 | 550 | 550 | 550 | 550 |

Table 8.1 Scottish Record Office - Expenditure Summary

| | | £ million | | | | | | | | |
|--------------------------|------|-------------|-------------|-------------|-------------|-------------|-----------|-------------|-------------|-------------|
| | | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 00 | 2000- 01 | 2001- 02 |
| | Vote | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated | Plans | Plans | Plans |
| | | | | | Outturn | | | | | |
| Gross expenditure | 8 | 9.7# | 8.8# | 6.1# | 7.1# | 5.5 | 4.7 | 4.8 | 4.8 | 4.8 |
| Receipts | | 0.7 | -0.8 | -0.7 | -0.7 | -0.7 | -0.6 | -0.6 | -0.6 | -0.6 |
| Departmental Expenditure | | | | | | | | | | |
| in Departmental | | 9.0# | 8.0# | 5.4# | 6.4# | 4.8 | 4.1 | 4.2 | 4.2 | 4.2 |
| Expenditure Limits | | | | | | | | | | |

Higher expenditure in the years to 1996-97 relates to construction of a new purpose built repository. In 1998/99 the baseline was reduced to reflect changes in accounting for property charges.

Table 8.2 Scottish Record Office - Performance Indicators

| | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 estimated outturn | 1999- 2000 plans | 2000- 01 plans | 2001- 02 plans |
|--|-------------|-------------|-------------|---------------------------------|------------------------|----------------------|----------------------|
| Total number of records produced (k) | 207 | 196 | 188 | 196 | 190 | 182 | 182 |
| Number of repository assistants | 17 | 16 | 16 | 16 | 16 | 16 | 16 |
| unit output (k) | 12 | 12 | 12 | 12 | 12 | 11 | 11 |
| Inspection of volumes (Legal Search Room) (k) | 123 | 130 | 122 | 114 | 110 | 102 | 102 |
| Total paid photocopy pages and microfilm images (k) | 1716 | 1094 | 1250 | 1280 | 1280 | 1260 | 1260 |
| Number of reprographic staff | 12 | 10.5 | 10 | 10 | 10 | 10 | 10 |
| Unit output (k) | 143 | 104 | 125 | 128 | 128 | 126 | 126 |
| Historical and Literary Records | | | | | | | |
| Number of reader sessions (k) | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| Number of postal enquiries (k) | 3.5 | 3.8 | 3.8 | 3.9 | 3.9 | 3.9 | 3.9 |
| Publications and Information | | | | | | | |
| Items in preparation | 7 | 6 | 5 | 5 | 5 | 5 | 5 |
| Items published | 34 | 29 | 24 | 24 | 24 | 24 | 24 |
| Number of user enquiries/educational contacts | 534 | 560 | 310 | 350 | 350 | 350 | 350 |
| Shelf space cleared by weeding court processes (linear metres) ⁽¹⁾ | 92 | 34 | 96 | 60 | 60 | 60 | 60 |
| Accessions processed - all classes (metres) | 850 | 900 | 900 | 910 | 910 | 910 | 910 |
| Records transferred to other archives (metres) ⁽²⁾ | 70 | 0 | 60 | 75 | 15 | 15 | 15 |

* Reduction associated with movement of records to allow refurbishment.¹ & ² Subject to fluctuations based on courts' sifting and approved destruction prior to transfer to NAS and major changes in Local Government re-organisation with associated local archive plans.

The Registers of Scotland became a Trading Fund with effect from 1 April 1996 with a zero External Finance Limit across each of the forward years.

Table 9.2 Registers of Scotland: Performance Indicators

| | Thousands | | | | | | | | |
|---------------------------------------|-----------|---------|---------|---------------------|---------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
| | actual | actual | actual | actual ³ | plans | estimate ⁴ | estimate ⁵ | estimate ⁵ | estimate ⁵ |
| Land Register | | | | | | | | | |
| First Registrations | | | | | | | | | |
| Intake | 26.1 | 29 | 36.7 | 50.0 | 46.4 | 46.4 | 59.1 | 59.1 | 74.1 |
| Output | 25.23 | 26.1 | 26.1 | 37.6 | 42.8 | 42.8 | 66.2 | 73.0 | 73.7 |
| Work in progress | 18.1 | 20.9 | 31.3 | 44.7 | 48.3 | 48.3 | 41.2 | 27.3 | 27.7 |
| Turnaround times (weeks) ⁶ | 36 | 33 | n/a | n/a | n/a | n/a | 40 | 25 | 20 |
| Transfers of Part | | | | | | | | | |
| Intake | 9.4 | 10.6 | 12.2 | 14.3 | 15.4 | 15.4 | 16.6 | 18.0 | 20.4 |
| Output | 7.71 | 9.3 | 7.3 | 10.4 | 10.9 | 10.9 | 17.6 | 22.0 | 22.9 |
| Work in Progress | 14.8 | 16.0 | 20.9 | 25.3 | 29.8 | 29.8 | 28.8 | 24.8 | 22.3 |
| Dealings with Whole | | | | | | | | | |
| Intake | 58.25 | 61.5 | 68.8 | 77.6 | 90.5 | 90.5 | 107.6 | 105.4 | 117.6 |
| Output | 59.21 | 59.1 | 61.5 | 77.3 | 85.4 | 85.4 | 109.9 | 111.1 | 112.2 |
| Work in progress | 18.91 | 21.3 | 28.3 | 32.4 | 37.5 | 37.5 | 35.2 | 29.5 | 34.9 |
| Turnaround times (weeks) | 10.6 | 8.8 | 15.2 | 10.3 | 8 | 8 | 8 | 8 | 8 |
| Sasine Register | | | | | | | | | |
| Writs | | | | | | | | | |
| Intake (net) | 296.2 | 256.7 | 226.2 | 193.9 | 199.0 | 199.0 | 159.4 | 138.0 | 87.1 |
| Output | 295.8 | 259.9 | 215.8 | 207.7 | 207.0 | 207.0 | 159.6 | 141.4 | 93.6 |
| Work in progress | 36.85 | 33.6 | 42.6 | 28.8 | 20.8 | 20.8 | 20.6 | 17.2 | 10.7 |
| Turnaround times (weeks) | 6.8 | 6.4 | 9.6 | 7.5 | 5 | 5 | 8 | 8 | 8 |

3 Work in progress amended for 1997-1998

4 estimate from 1999-2000 Draft Business Plan

5 estimate from 1999-2005 Draft Corporate Plan

6 based on 60% of domestic First Registrations in 1999-00 and 2000-01; 70% in 2001-2002

Table 10.1: Scottish Courts Administration: Expenditure Summary

| | | | | | | | | | £ million | |
|--|------|-------------|-------------|-------------|-------------|-------------|----------------------|---------------|-------------|-------------|
| | | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 2000 | 2000- 01 | 2001- 02 |
| | Vote | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plans | Plans | Plans |
| Central Govt Expenditure | | | | | | | | | | |
| Voted | 9 | 80 | 59 | 59 | 58 | 50 | 42 | 45 | 47 | 50 |
| Other | | 11 | 12 | 12 | 12 | 13 | 15 | 16 | 16 | 16 |
| Departmental Expenditure in Departmental Expenditure Limits | | 91 | 71 | 71 | 70 | 63 | 57 | 61 | 63 | 66 |

Table 11.1: Cash plans

[illegible]

Table 11.2: Running costs

| | £ million | | | | | | | | |
|------------------------------------|-----------|---------|---------|---------|---------|----------------|---------|---------|---------|
| | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
| | outturn | outturn | outturn | outturn | outturn | est outturn | CSR | CSR | CSR |
| Gross running costs: ¹ | | | | | | | | | |
| Civil Service paybill ² | 24 | 25 | 26 | 27 | 28 | | | | |
| Other | 15 | 15 | 17 | 17 | 16 | | | | |
| Total | 39 | 40 | 43 | 44 | 44 | 49 | 48 | 49 | 49 |
| Related receipts | | | | | | | | | |
| Net expenditure | 39 | 40 | 43 | 44 | 44 | 49 | 48 | 49 | 49 |

1 The gross figures are net of any VAT refunds on contracted out services

2 This covers the pay costs, including employer's contributions, of civil servants in running costs (as given in the table on departmental staffing)

Table 11.3: Staffing

| | 1996-97 | 1997-98 | 1998-99 | 1999-00 |
|-------------------------|---------|---------|---------|-------------|
| | outturn | outturn | outturn | est outturn |
| CS full-time equivalent | 1,057 | 1,057 | 1,070 | 1,072 |
| Overtime | 4 | 4 | 4 | 4 |
| Casuals | 27 | 38 | 35 | 35 |
| TOTAL | 1,088 | 1,099 | 1,109 | 1,111 |

Table 11.4: Senior Civil Service Salaries as at 1 December 1998

| Pay Range | 45,000- 49,999 | 50,000- 54,999 | 55,000- 59,999 | 60,000- 64,999 | 65,000- 69,999 | 70,000- 74,999 | 75,000- 79,999 |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Number of staff | 7 | 12 | 7 | 4 | 2 | 3 | 3 |

(as at 1 April 1998)

Table 11.5: Capital Assets

| | Freehold Land and Buildings | Equipment and Computers | Total |
|---------------------------|-----------------------------------|-------------------------------|-----------|
| COST or VALUATION | £M | £M | £M |
| At 1 April 1997 | 4 | 2 | 6 |
| Additions | 1 | * | 1 |
| Disposals | | | |
| Revaluation | | * | * |
| At 31 March 1998 | 5 | 2 | 7 |
| DEPRECIATION | | | |
| At 1 April 1997 | | | |
| Charged in year | 1 | 1 | 2 |
| Eliminated in respect of: | | | |
| Disposals | | | |
| Revaluation | | | |
| At 31 March 1998 | 1 | 1 | 2 |
| NET BOOK VALUE | | | |
| At 1 April 1997 | 4 | 2 | 6 |
| At 31 March 1998 | 4 | 1 | 5 |

* Denotes values under £0.5M which are not zero

Table 11.6: Reports Received and Alternatives to Prosecution

| | 1996-97 | 1997-98 | 1998-99 |
|---|---------|---------|-----------|
| | Actual | Actual | Projected |
| Reports received (excluding deaths) | 266,838 | 277,101 | 283,566 |
| Total non-court (figures for 97-98 and 98-99 include cases 'associated' with other court proceedings) | 84,486 | 96,044 | 104,088 |
| Balance in which proceedings taken | 182,352 | 181,057 | 179,478 |

Table 11.7: Unit Costs

| | 1996-97 | 1997-98 | Thousands 1998-99 |
|--|---------|---------|----------------------|
| | Actual | Actual | Projected |
| Total Weighted Units | 71,844 | 71,014 | 69,143 |
| National Average cost per weighted unit* | 49p | 51p | 57p |

* the increased cost in 1998-99 reflects the introduction of capital charges in relation to estate management

Table 11.8: Time spent in Summary/Solemn Courts

| | 1996-97 | 1997-98 | +/- |
|--|---------|---------|--------|
| | Actual | Actual | |
| Solemn Courts | 19,892 | 17,713 | -11.0% |
| Sheriff Summary and Stipendiary Courts | 63,524 | 62,655 | -1.4% |
| District Courts | 19,578 | 18,345 | -6.3% |
| Total number of hours | 102,994 | 98,713 | -4.2% |

Table 11.9: Performance Against Operational Targets

| Performance/Output Measure | Target | Planned Date of Achievement | Performance in 1997-98 |
|---|--|-----------------------------|------------------------|
| 1. Prosecution of Crime | | | |
| <u>Solemn Cases:</u> | | | |
| Bail cases | 80% by 9 months from first appearance | 1999-00 | 61% |
| <u>Summary Cases:</u> | | | |
| Issue of complaints for service | 75% within 6 weeks from receipt of report | 1998-99 | 67% |
| <u>Non-court disposals:</u> | | | |
| Processing of cases to file closure | 75% within 6 weeks from receipt of report | 1998-99 | 78% |
| <u>Witnesses:</u> | | | |
| Issue citations to witnesses in summary trials | 75% to be issued at least 6 weeks before trial date in non-custody cases | 1999-00 | 61% |
| 2. Deaths | | | |
| Routine death enquiries | 80% to be concluded within 6 weeks of receipt of report | 1998-99 | 79% |
| 3. Complaints against the police | | | |
| Completion of investigation by the Regional Procurator Fiscal | 80% within 12 weeks of receipt of full report | 1998-99 | 73% |

Table 12.1: Scottish office Administration: Expenditure Summary

| £ million | | | | | | | | | | | |
|---|---|---|---------|---------|---------|---------|---------|-------------------|---------|---------|---------|
| Vote Section | | | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2000-02 |
| | | | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plans | Plans | Plans |
| Departmental expenditure within Departmental Expenditure Limit | | | | | | | | | | | |
| Expenditure Voted in Estimates | | | | | | | | | | | |
| Central government's own expenditure | | | | | | | | | | | |
| Other public services of which: | | | | | | | | | | | |
| Running costs | 6 | A | 145 | 142 | 143 | 150 | 134 | 142 | 154 | 158 | 157 |
| Other current expenditure | 6 | A | 5 | 6 | 7 | 7 | 6 | 4 | 4 | 4 | 4 |
| Capital expenditure | 6 | A | 7 | 14 | 21 | 13 | 10 | 26 | 24 | 27 | 19 |
| Receipts | 6 | A | -6 | -8 | -10 | -8 | -9 | -12 | -10 | -10 | -10 |
| Net total | | | 151 | 154 | 161 | 163 | 142 | 160 | 172 | 179 | 170 |
| Non-Voted Expenditure | | | | | | | | | | | |
| Unallocated Capital Modification Fund | | | - | - | - | - | - | - | 2 | 32 | 41 |
| Total Departmental Expenditure | | | | | | | | | | | |
| in Departmental Expenditure Limits | | | 151 | 154 | 161 | 163 | 142 | 160 | 174 | 211 | 210 |

Table 13.1: Scottish Parliament: Expenditure Summary

| (1) | £ million | | | |
|--|-----------|------------------|------------------|------------------|
| | Vote | 1999-00 Plans | 2000-01 Plans | 2001-02 Plans |
| Departmental expenditure within Departmental expenditure limit. | | | | |
| Central Government's own expenditure | | | | |
| Running Costs | 12 | 29 | 38 | 38 |
| Capital expenditure | 12 | 28 | 44 | 11 |
| Receipts | 12 | -2 | -2 | -2 |
| Net Total | | 55 | 80 | 47 |

(1) No outturn figures available as this is the first year of operation of the Scottish Parliament.

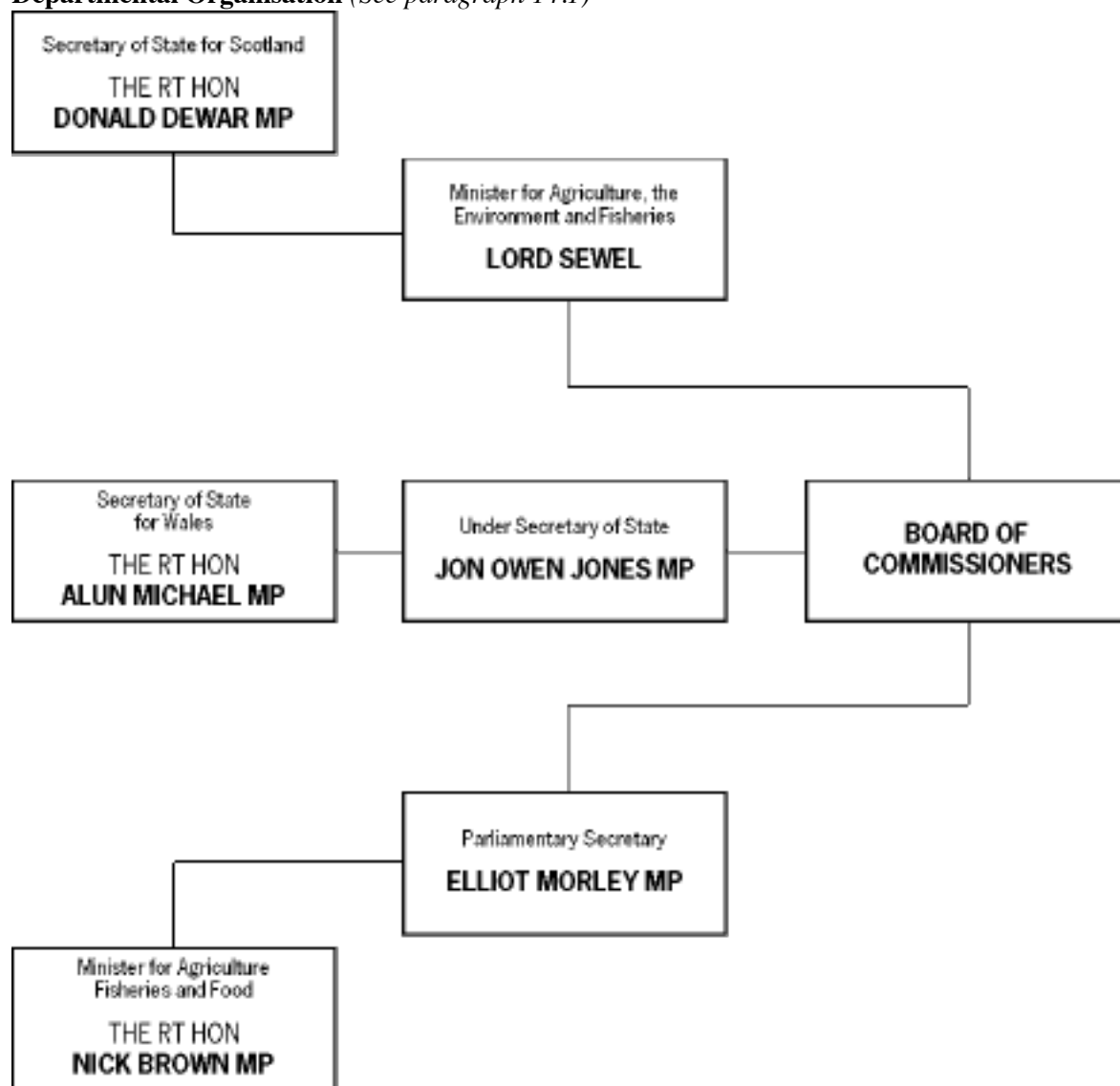
Table 12.3: Scottish Office Administration: Performance Indicators

| | £ million | | | | | | | | |
|--|----------------------|-----------------------|----------------------|-----------------------|-----------------------|---------------------------------|------------------------|----------------------|----------------------|
| | 1996- 97 Plans | 1996- 97 Actual | 1997- 98 Plans | 1997- 98 Actual | 1998- 99 Actual | 1998-99 Estimated Outturn | 1999- 2000 Plans | 2000- 01 Plans | 2000- 02 Plans |
| Audit | | | | | | | | | |
| % of internal audit recommendations agreed | 90 | 98 | 85 | 99 | 95 | 97 | 95 | 95 | 95 |
| % of audit programme completed | 85 | 84 | 85 | 88 | 85 | 90 | 85 | 85 | 85 |
| Purchasing | | | | | | | | | |
| Savings delivered as % of PSD costs. | 250 | 260 | 275 | 380 | 275 | 450 | 285 | 285 | 285 |
| % of payments made on time | 95 | 95 | 96 | 94 | 97.5 | 98 | 99 | 100 | 100 |
| Environmental issues | | | | | | | | | |
| Wastepaper uplifted for recycling (tonnes per annum) | 160 | 210 | 250 | 165 | 300 | 200 | 200 | 200 | 200 |
| % improvement in energy efficiency | 5 | 2 | 5 | 12 | 12 | 12 | 12 | 5 | 5 |

Table 12.4: Long Term Capital Project Table

| | Year of Start/original estimated year of completion | Current Estimate of Expenditure £m | | | | | To be spent in future years |
|-------------------|---|---|-------------------------------------|-------|---------------------------------------|-----------------------------------|---|
| | | Current estimate of year of completion | Original estimate of expenditure | Total | Spent in past/ present years | Provision for 1999- 2000 | |
| St Andrew's House | 1998-99/ 2001-02 | 2001-02 | 20.0 | 20.0 | 1.5 | 7.1 | 11.4 |
| Reburbishment | | | | | | | |

Departmental Organisation (*See paragraph 14.1*)



NOTE: This structure will change when forestry is devolved to the Scottish Parliament and the Welsh Assembly.

Table 14.1 : Cash Plans - Voted in Estimates: Forestry

| | £ million (excluding VAT) | | | | | | | | |
|--|---------------------------|-------------|-------------|-------------|-------------|----------------------|-------------|-------------|-------------|
| | 1993- 94 | 1994- 95 | 1995- 96 | 1996- 97 | 1997- 98 | 1998-99 | 1999- 00 | 2000- 01 | 2001- 02 |
| | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plans4 | Plans4 | Plans4 |
| Staff Costs | 70 | 68 | 67 | 66 | 65 | 66 | 66 | 67 | 68 |
| Superannuation | 25 | 24 | 27 | 30 | 28 | 28 | 29 | 29 | 29 |
| Land and Buildings, purchase of vehicles, machinery, etc | 9 | 13 | 12 | 6 | 8 | 3 | 6 | 6 | 6 |
| Purchase of consumable stores, work done by contract and general expenses | 61 | 59 | 65 | 67 | 65 | 71 | 73 | 76 | 79 |
| Payments of grants for woodlands in the private sector | 30 | 33 | 32 | 32 | 35 | 39 | 41 | 43 | 44 |
| Grants to Universities and other institutions for research work | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Balance of Grant-in-Aid drawn down into Forestry Fund (underspend) ¹ | 2 | 12 | 7 | 5 | 3 | - | - | - | - |
| Total Payments | 198 | 210 | 211 | 207 | 205 | 208 | 216 | 222 | 227 |
| Receipts | 104 | 115 | 122 | 125 | 123 | 113 | 121 | 137 | 133 |
| Disposal Receipts ² | - | - | 15 | 20 | 21 | 12 | 5 | - | - |
| Surrender of Lease | - | - | - | - | - | 21 | - | - | - |
| Total Receipts | 104 | 115 | 137 | 145 | 144 | 146 | 126 | 137 | 133 |
| Voted in Estimate (Grant-in-Aid) | 94 | 95 | 74 | 62 | 61 | 62 | 90 | 85 | 94 |
| Other (Non Voted) Forestry ³ | | -2 | -12 | -7 | -5 | -3 | - | - | - |

Notes

1 This balance is surrendered to the Consolidated Fund in the following year.

2 From 1995-96 receipts from the sale of land, plantations and buildings have been retained in the Forestry Fund instead of being surrendered to the Consolidated Fund.

3 Represents amounts surrendered to the Consolidated Fund accruing from underspends in Grant-in-Aid during the previous year.

4. These cash plans include forestry in England and Wales which is contained in Class X Vote 3.

Table 14.2 : Forestry Commission: Fixed Assets

| | £ million | | |
|-------------------------|------------------|-----------------------|---|
| | Forest Estate | Land and Buildings | Machinery, Plant Equipment and Office Machinery |
| VALUATION | | | |
| At 1 April 1997 | 1,559.1 | 94.1 | 96.4 |
| Additions | 1.3 | 2.2 | 6.3 |
| Disposals | -10.3 | -3.9 | -10.7 |
| Revaluation | -67.9 | 2.3 | 2.3 |
| At 31 March 1998 | 1,482.2 | 94.7 | 94.3 |
| DEPRECIATION | | | |
| At 1 April 1997 | - | 2.1 | 62.9 |
| Provided in year | - | 1.7 | 8.9 |
| Disposals | - | -0.1 | -9.8 |
| Revaluation | - | - | 1.7 |
| At 31 March 1998 | - | 3.7 | 63.7 |
| NET BOOK VALUE | | | |
| At 1 April 1997 | 1,559.1 | 92.0 | 33.5 |
| At 31 March 1998 | 1,482.2 | 91.0 | 30.6 |

Table 14.3: Forestry Commission Manpower and Paybill

| | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
|----------------------------------|---------|---------|---------|---------|---------|----------------------|---------|---------|---------|
| | Outturn | Outturn | Outturn | Outturn | Outturn | Estimated Outturn | Plans | Plans | Plans |
| Manpower | 4,206 | 4,000 | 3,806 | 3,521 | 3,308 | 3,264 | 3,166 | 3,124 | 3,093 |
| Paybill (£ million) ¹ | 64 | 63 | 63 | 61 | 60 | 61 | - | - | - |

1. This covers the pay costs, including employers' earnings related national insurance contributions.

Table 14.4 : Grant aided planting: Private Woodlands1993-94

| | | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
|---|-----------------------------------|---------|---------|---------|---------|---------|---------------------|---------------------|---------------------|---------------------|
| Expansion of Forest Cover | | | | | | | | | | |
| New Planting Plan | Conifer | 6,700 | 7,000 | 9,500 | 8,450 | 9,100 | 8,400 | 8,000 | 8,000 | 8,000 |
| | Broadleaved | 10,000 | 10,360 | 10,000 | 10,650 | 9,100 | 8,850 | 8,700 | 8,700 | 8,700 |
| | Short Rotation Coppice | - | - | 2,250 | 500 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| | Natural Regeneration ⁴ | - | - | - | 500 | 1,000 | 1,000 | 1,500 | 1,500 | 1,500 |
| | Total hectares | 16,700 | 17,360 | 21,750 | 20,100 | 20,200 | 19,250 | 19,200 | 19,200 | 19,200 |
| Outturn | Conifer | 5,271 | 8,045 | 6,309 | 6,814 | 6,492 | 8,000 ¹ | - | - | - |
| | Broadleaved | 10,626 | 9,937 | 8,327 | 8,758 | 8,736 | 8,700 ¹ | - | - | - |
| | Short Rotation Coppice | - | - | 58 | 64 | 90 | 200 ¹ | - | - | - |
| | Natural Regeneration ⁴ | - | 146 | 339 | 335 | 594 | 1,500 ¹ | - | - | - |
| | Total hectares | 15,897 | 18,128 | 15,033 | 15,971 | 15,912 | 18,400 | - | - | - |
| New planting grant payments (£ million) | | 21.691 | 22.049 | 19.477 | 19.088 | 19.728 | 23.220 ¹ | 23.382 ² | 24.550 ² | 25.968 ² |
| Average per ha (£) | | 1,364 | 1,216 | 1,296 | 1,195 | 1,240 | 1,262 ¹ | 1,218 ² | 1,277 ² | 1,352 ² |
| Sustainable Management | | | | | | | | | | |
| Restocking Plan | Replanting | 6,640 | 7,000 | 7,600 | 6,000 | 6,800 | 7,000 | 6,500 | 6,500 | 6,500 |
| | Natural Regeneration ⁴ | - | - | - | 500 | 600 | 700 | 700 | 700 | 700 |
| | Total hectares | 6,640 | 7,000 | 7,600 | 6,500 | 7,400 | 7,700 | 7,200 | 7,200 | 7,200 |
| Outturn | Replanting | 8,455 | 5,865 | 5,438 | 5,988 | 4,973 | 5,000 ¹ | - | - | - |
| | Natural Regeneration ⁴ | - | 304 | 323 | 545 | 552 | 600 ¹ | - | - | - |
| | Total hectares | 8,455 | 6,169 | 5,761 | 6,533 | 5,525 | 5,600 ¹ | - | - | - |
| Restocking payments (£ million) | | 5.505 | 5.741 | 5.459 | 4.922 | 4.106 | 4.000 ¹ | 4.500 ² | 4.500 ² | 4.500 ² |
| Average per hectare (£) | | 651 | 931 | 948 | 753 | 743 | 714 ¹ | 625 ² | 625 ² | 625 ² |
| Management Grants | | | | | | | | | | |

(Woodland Grant Scheme)

| | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Plan (hectares) | 80,000 | 110,000 | 230,000 | 280,000 | 300,000 | 290,000 | 265,000 | 265,000 | 265,000 |
| Outturn (hectares) | 54,037 | 143,026 | 213,990 | 241,541 | 275,046 | 265,000 ¹ | - | - | - |
| Grant Payments (£ million) | 1.777 | 4.335 | 6.417 | 7.235 | 8.457 | 8.280 ¹ | 8.361 ² | 9.193 ² | 9.275 ² |
| Average per ha (£) | 33 | 30 | 30 | 30 | 31 | 31 ¹ | 32 ² | 35 ² | 35 ² |
| Other Management Grant Payments (£ million) ³ | 0.865 | 0.682 | 0.713 | 1.293 | 3.146 | 3.850 ¹ | 4.680 ² | 4.680 ² | 4.680 ² |
| Total Grant Payments (£ million) | 29.838 | 32.807 | 32.066 | 32.538 | 35.437 | 39.350¹ | 40.923² | 42.923² | 44.423² |
| England | - | - | - | - | 16,112 | 17,500 | 18,000 | 19,300 | 20,000 |
| Wales | - | - | - | - | 2,384 | 3,350 | 3,673 | 4,323 | 4,423 |
| Scotland | - | - | - | - | 16,941 | 18,500 | 19,250 | 19,300 | 20,000 |

1. Estimated.

2. Planned.

3. Includes Dedication Scheme, Woodland Improvement Grant and Livestock Exclusion Annual Premium plus Forestry Partnership Programme.

4. Figures for successful new 'planting' and 'replanting' by natural regeneration are shown separately as they become significant from 1995-96.

Table 14.5 : Forest Enterprise Key Performance Targets

| | 1997- 98 Target | 1997- 98 Outturn | 1998- 99 Target | 1998-99 Forecast | 1999- 00 Target |
|---|-----------------------|------------------------|-----------------------|---------------------|-----------------------|
| Financial Performance | | | | | |
| Cash Surplus (£ million) | 24.7 ¹ | 26.0 | 29.8 | 24.0 | 3.5 |
| Operating Profit (£ million) | 20.3 | 14.2 | 12.4 | 2.9 | 12.0 |
| Income from Disposals (£ million) | 20.0 | 21.2 | 10.0 | 11.6 | 5.0 |
| Return on Capital Employed for Forest Enterprise Holidays (%) | 8.0 | 17.0 | 8.0 | 13.0 | 8.0 |
| Throughput | | | | | |
| Volume of Wood Harvested (million cubic metres -/+5%) | 4.5 | 4.7 | 5.1 | 5.2 | 5.0 |
| Quality | | | | | |
| Annual changes to number of visitors to sample Commission forests in relation to underlying trends of visitor numbers to equivalent countryside attractions (%) | +1 ² | +8 | +1 ² | +1 | +1 ² |
| Percentage of estate covered by Forest Design Plans (%) | 59 | 61 | 66 | 66 | 72 |
| Percentage compliance with Forest Design Plans as monitored by The Forestry Authority | 98 | 100 | 100 | 100 | 100 |
| Percentage of SSSIs managed in accordance with plans endorsed by statutory conservation agencies | 100 | 100 | 100 | 100 | 100 |
| Percentage of land comprising endangered habitats managed in accordance with plans endorsed by relevant authorities | 80 | 80 | 100 | 100 | 100 |
| Percentage of scheduled ancient monuments managed in accordance with plans endorsed by statutory heritage agencies | 40 | 50 | 70 | 70 | 100 |
| Efficiency | | | | | |
| Percentage compliance with the Citizen's Charter standards statement | 90 | 96 | 91 | 91 | 92 |
| Rate of Return to the Public of all the Services provided by the Forest Estate. | 6.0 | 6.7 | 6.0 | 6.0 | 6.0 |

1 Forestry Commissioners agreed reduction of £2 million to target published in the 1997-2000 Corporate Plan.

2 Assumes no change in visitor numbers to equivalent countryside attractions.

Table 14.6 : Forest Enterprise Income and Expenditure Account

| | £ million | | | | |
|--|------------------------|--------------|--------------|--------------|--------------|
| | 1996-97 | 1997-98 | 1998-99 | 1998-99 | 1999-00 |
| | Outturn | Outturn | Budget | Forecast | Budget |
| Income | | | | | |
| Forest Estate | | | | | |
| Sale of timber | 100.3 | 95.6 | 95.6 | 85.9 | 95.7 |
| Other forest products | 3.9 | 3.2 | 3.4 | 3.1 | 3.5 |
| Other Activities ¹ | 13.3 | 11.0 | 11.3 | 12.0 | 11.2 |
| | 117.5 | 109.8 | 110.3 | 101.0 | 110.4 |
| Expenditure | | | | | |
| Forest Estate | | | | | |
| Harvesting and haulage of timber | 44.9 | 43.4 | 43.6 | 44.2 | 43.0 |
| Restocking after felling | 12.8 | 12.8 | 14.6 | 14.1 | 15.3 |
| Forest roads | 11.6 | 11.7 | 11.6 | 11.3 | 11.9 |
| Forest Maintenance and protection | 15.0 | 15.9 | 15.6 | 16.2 | 16.4 |
| Other Activities ¹ | 14.2 | 11.8 | 12.5 | 12.3 | 11.8 |
| | 98.5 | 95.6 | 97.9 | 98.1 | 98.4 |
| Operating Profit | 19.0 | 14.2 | 12.4 | 2.9 | 12.0 |
| Recreation, Conservation and Heritage | | | | | |
| Income | 5.2 | 5.5 | 6.9 | 6.8 | 7.0 |
| Expenditure | -17.8 | -17.8 | -18.8 | -18.3 | -21.0 |
| Net | -12.6 | -12.3 | -11.9 | -11.5 | -14.0 |
| Surplus/deficit on sale of properties | 1.8 | 4.7 | - | - | - |
| Net surplus for the year | 8.2² | 6.6 | 0.5 | -8.6 | -2.0 |

Notes

1 Other Activities comprise Forest Enterprise Holidays campsites and cabins and Estate Management.

2 Before exceptional item of £0.3 million - see Forest Enterprise Annual Report and Accounts 1996-97.

Table 14.7 : Forest Research Key Targets 1998-99

- To achieve at least 92 per cent customer satisfaction by value and by customer numbers.
- To have the entomology research programme reviewed by a Visiting Group during the financial year and have confirmation that the research does meet current quality standards.
- To increase the output of peer-reviewed scientific papers submitted and subsequently accepted for publication by 5 per cent on the 1997-98 figure.
- To achieve a 2 per cent real cost reduction in the weighted average unit cost of chargeable staff days in 1998-99 compared with 1997-98.
- To achieve full cost recovery from customers.

Table 14.8 : Forest Research Income and Expenditure Account

| | £ million | | |
|----------------------------|-----------|----------|-----------|
| | 1997-98 | 1998-99 | 1999-2000 |
| | Actual | Forecast | Planned |
| Income | 12.3 | 12.5 | 12.4 |
| Expenditure | 11.6 | 11.8 | 11.9 |
| Operating Surplus | 0.6 | 0.7 | 0.5 |
| Return on capital employed | 8% | 9% | 6% |

Table 14.9 : Senior Civil Service Salaries

| Salary Band | £40,000 | £45,000 | £50,000 | £55,000 | £60,000 | £70,000 | £100,000 |
|-------------|---------|---------|---------|---------|---------|---------|----------|
| | to | to | to | to | to | to | to |
| | £44,999 | £49,999 | £54,999 | £59,999 | £64,999 | £74,999 | £104,999 |
| No of Staff | 3 | 9 | 4 | 2 | 1 | 1 | 1 |

Vote 7: General Register Office for Scotland

| 1997-98 | 1998-99 | 1999-00 |
|---------------------------------|--|--------------|
| Outturn | Total provision | Provision |
| £'000 | £'000 | £'000 |
| Section A Administration | | |
| 2,501 | 2,552 | 2,452 |
| | Current receipts from sales and services | |
| 0 | 0 | 0 |
| | Capital receipts | |
| 2,501 | 2,552 | 2,452 |
| | Total for Vote 7 | |

Vote 8: National Archives of Scotland

| 1997-98 | 1998-99 | 1999-00 |
|---------------------------------|---------------------------------|------------|
| Outturn | Total provision | Provision |
| £'000 | £'000 | £'000 |
| Section A Administration | | |
| 954 | 577 | 577 |
| | Receipts from fees and services | |
| 0 | 37 | 37 |
| | Capital receipts | |
| 954 | 614 | 614 |
| | Total for vote 8 | |

Vote 9: Administration of justice, Scotland

| 1997-98 | 1998-99 | 1999-00 |
|---|---------------------------------------|-----------|
| Outturn | Total provision | Provision |
| £'000 | £'000 | £'000 |
| Section A Scottish Court Service: Administration | | |
| 13,475 | 13,250 | 13,466 |
| | Receipts from Fees and Court Services | |
| 1,343 | 0 | 0 |
| | Capital Receipt | |
| - | 2,742 | 2,824 |
| | Receipt of rents from minor occupiers | |
| - | 268 | 357 |
| | VAT Refunds | |
| 14,818 | 16,558 | 16,647 |
| Section C Scottish Courts Administration: Administration | | |
| 2,144 | 2,202 | 2,137 |
| | Receipts from Fees and Court Services | |

| | | |
|---------------|--|---------------|
| 52 | 21 Recoveries from the National Insurance Fund | 86 |
| - | 150 VAT Refunds | 200 |
| 2,196 | 2,373 | 2,423 |
| 17,014 | 18,931 Vote 9 Total | 19,070 |

Vote 10: Forestry Commission (Scotland)

| 1997-98 | 1998-99 | 1999-00 |
|---|--|------------|
| Outturn | Total provision | Provision |
| £'000 | £'000 | £'000 |
| Section A: Forestry Grant in Aid | | |
| - | - Receipts from the European Community | 200 |
| - | - Total for Vote 10 | 200 |

Vote 11: Crown Office

| 1997-98 | 1998-99 | 1999-00 |
|----------------------------------|--------------------------------|------------|
| Outturn | Total provision | Provision |
| £'000 | £'000 | £'000 |
| Section A: Administration | | |
| - | - Receipts from Ultinus Haeres | 114 |
| - | - Total for Vote 11 | 114 |

Vote 12: The Scottish Parliament

| 1997-98 | 1998-99 | 1999-00 |
|----------------------------------|---------------------------------|--------------|
| Outturn | Total provision | Provision |
| £'000 | £'000 | £'000 |
| Section A: Administration | | |
| - | - Recoverable VAT | 1,500 |
| - | - Receipts from Parliament Shop | 100 |
| - | - Receipts from Broadcasters | 100 |
| - | - Total for Vote 12 | 1,700 |

Consolidated Fund Extra Receipts

Vote 1: Agriculture, fisheries and environmental services

| 1997-98 Outturn £'000 | 1998-99 Total provision £'000 | 1999-00 Provision £'000 |
|-----------------------------|--|-------------------------------|
| Section A: | | |
| 1,500 | 1,500 Structural and agricultural environmental measures | 1,500 |
| Section C: | | |
| 83 | 83 Fisheries | 83 |
| Section E: | | |
| - | 3 Environmental Services | - |
| 1,583 | 1,586 Total for Vote 1 | 1,583 |

Vote 2: Local Government, Housing, Transport, Other Environmental Services and European Funds, Scotland

| 1997-98 Outturn £'000 | 1998-99 Total provision £'000 | 1999-00 Provision £'000 |
|--|--|-------------------------------|
| Section A: Housing | | |
| 7 | 7 Receipts from Scottish Homes in connection with housing schemes formerly operated by the Commission for Special Areas. | 7 |
| Section B: Other Environmental Services | | |
| 12 | 5 Receipts in respect of planning appeals. | 1 |
| 11 | 1 Miscellaneous. | 1 |
| - | - Excess Appropriations-in-Aid. | - |
| 30 | 13 | 9 |
| Section C: Roads and Transport | | |
| 74 | 18 Interest on and repayments to independent harbour trusts. | 5 |
| 83 | - Rents from letting of property and land. | - |
| 355 | 275 Caledonian MacBrayne Ltd: Repayment of Voted Loan (Interest). | 552 |
| 324 | 324 Interest on, and repayments of, loans made to the Tay Bridge Joint Board. | 324 |
| 1,289 | - Transport Miscellaneous | - |
| - | 1 STG wind-up receipts | 1 |
| - | 1 HIAL: repayment of voted loan (interest). | 1 |
| 2,125 | 619 | 883 |
| Section H: Rate Income foregone in Enterprise Zones | | |

| | | |
|--------------|---|------------|
| 185 | 1 Recovery of grant overclaimed in respect of rate rebates. | 1 |
| 185 | 1 | 1 |
| 2,340 | 633 Total for Vote 2 | 893 |

Vote 3: Education, industry, arts and libraries, Scotland

| 1997-98 Outturn £'000 | 1998-99 Total provision £'000 | 1999-00 Provision £'000 |
|--|--|-------------------------------|
| Section A Education | | |
| 3 | 25 Other Education | 20 |
| Section B Education | | |
| 128 | 70 Student Awards | 80 |
| Section C Arts, Libraries and Sport | | |
| 860 | 30 Arts | 20 |
| Section E Industry, enterprise and training | | |
| 11 | 3 Scottish Tourist Board: interest on tourist project loans | - |
| 785 | 1,500 Scottish Enterprise: proceeds from ex-SDA investments | 1,500 |
| 2,872 | 833 Scottish Enterprise: repayment of Voted loans (interest) | 1,000 |
| 28,454 | 32,190 Contributions from the European Social Fund towards certain expenditure by SE & HIE | 20,000 |
| 48 | - Scottish Electricity Company Consents | - |
| 650 | - Miscellaneous | - |
| 33,811 | 34,651 | 22,500 |
| 22 | 200 Section J Teachers Superannuation | - |
| 1 | 300 Section K NHS Superannuation | - |
| 201 | - Section J & K Superannuation Miscellaneous | - |
| 34,035 | 35,151 Total for Vote 3 | 22,620 |

Vote 9: Administration of justice, Scotland

| 1997-98 Outturn £'000 | 1998-99 Total provision £'000 | 1999-00 Provision £'000 |
|--|-------------------------------------|-------------------------------|
| Section 1. | | |
| Scottish Court Service/Scottish Courts Administration | | |
| 12,401 | 10,050 Fines | 11,000 |

| | | | | |
|----------------------------------|---------------|----------------------------------|-------------------------|--------------------|
| | 12,401 | 10,050 | Total for Vote 9 | 11,000 |
| Vote 11: Crown Office | | | | |
| 1997-98 | | 1998-99 | | 1999-00 |
| Outturn | | Total provision | | Provision £'000 |
| £'000 | | £'000 | | |
| | | Section A: Administration | | |
| | 11,660 | 11,000 | | 11,000 |
| | 11,660 | 11,000 | Total for Vote 9 | 11,000 |

