



Scotland Office  
and  
Office of the Advocate General for Scotland

Annual Report  
2007



This document is part of a series of Departmental Reports (Cm 7091 to Cm 7117) which, along with the Main Estimates 2007-08, the document Public Expenditure Statistical Analyses 2007 and the Supplementary Budgetary Information 2007-08, present the Government's expenditure plans for 2007-08, and comparative outturn data for prior years.

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Scotland Office  
and  
Office of the Advocate General  
for Scotland

Annual Report 2007

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

May 2007

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## Foreword by the Secretary of State for Scotland

It is an honour to be Secretary of State for Scotland, representing Scotland in the Cabinet and working with the Scottish Executive and UK government departments to ensure that Scotland's interests are reflected in the development of policy.

During 2006-07, the Scotland Office and the Office of the Advocate General for Scotland have been involved in a range of key government issues. This document provides a report on the work undertaken during the past year, and objectives for the year ahead.

Over the past year, the Scotland Office implemented the secondary legislation connected with the conduct of the May 2007 elections to the Scottish Parliament, which introduced a number of innovations.

The Scotland Office has also continued to work closely with the Scottish Executive and UK government departments on a wide range of issues, including moving towards the final structure of the new Commission for Equality and Human Rights; planning for the introduction of the dedicated digital service for Gaelic medium broadcasting; and work arising from the 2006 energy review, an area where there are complexities in the differentiation between devolved and reserved responsibilities and where Scottish interests impact significantly upon UK policy.

In recognition of the significance of the sector in Scotland, I have joined the Chancellor of the Exchequer's high level group on financial services. Through engagement with representatives of different parts of this important industry, government policy in this area is able to be informed by the experience of companies which are a significant presence in Scotland, and employers of many Scots.

I have taken opportunities throughout the year, as has David Cairns, to get around Scotland and hear the views of the public, Scottish businesses and representative stakeholder bodies, to help inform our approach. The sharing of the insight and experience of many groups and individuals across a range of interests has been of great value.

The Scotland Office and the Office of the Advocate General for Scotland are now part of the Ministry of Justice, as with the previous arrangements as a part of the Department of Constitutional Affairs, for a range of personnel, finance and management matters. Scotland Office staff continue to report to Scotland Office Ministers on policy matters, and they continue to ensure that Scotland's interests are represented at the heart of government.

In my role as Secretary of State, I have that same commitment to continue to represent Scotland at the highest level in the year ahead.

A handwritten signature in black ink, appearing to read 'Douglas Alexander', written in a cursive style.

**The Rt Hon Douglas Alexander MP**  
**Secretary of State for Scotland**

# Chapter 1: Introduction

- 1.1** Devolution is a partnership between the Government and the Scottish Executive. The Scotland Act identifies those matters that are reserved to the UK Parliament and hence by implication all other matters are legislatively devolved to the Scottish Parliament, that is, matters on which the Scottish Parliament can pass primary and secondary legislation. The UK Parliament remains sovereign in the sense that it retains the power to pass primary and secondary legislation on any matter affecting the whole of the UK; but the Government has indicated that it will not normally seek to promote legislation at Westminster in relation to devolved matters without the consent of the Scottish Parliament. This is known as the Sewel Convention<sup>1</sup>.
- 1.2** Scotland's devolution settlement is also flexible enough to enable Scottish Ministers to exercise functions in relation to reserved matters that are outside the competence of the Scottish Parliament to legislate about; this is known as "executive devolution". The Government has made wide use of executive devolution - in primary legislation and through secondary legislation under the Scotland Act - since 1999.

## Department for Constitutional Affairs

- 1.3** The Scotland Office and Office of the Advocate General for Scotland report to the Secretary of State for Scotland and the Advocate General for Scotland respectively. Since 2003, for a range of corporate services, for example, staffing, finance and office services, the two Offices have been part of the Department for Constitutional Affairs (DCA). On 29 March 2007, it was announced that the DCA was to be reconstituted as the Ministry of Justice<sup>2</sup>. This change does not affect the separate accountability of the Offices to their respective Ministers.
- 1.4** The costs of the Offices as well as the provision for the expenditure of the devolved authorities in Scotland form a separate, ring fenced, element of the DCA estimate. Policy responsibility for payment of the grant to the Scottish Executive remains with the Secretary of State for Scotland.
- 1.5** The Offices share a range of common services such as finance, IT, accommodation and human resources. This Annual Report covers the work of both Offices for the year.

<sup>1</sup> The Scottish Parliament's consent is sought through consideration of a motion laid before the Parliament. This was previously known as a "Sewel Motion" but recently the name has been changed to "Legislative Consent Motion".

<sup>2</sup> In this Report, therefore, references to the Department for Constitutional Affairs (DCA) should be interpreted accordingly.

## Ministers

**1.6** The Secretary of State for Scotland, the Rt Hon Douglas Alexander MP, was appointed on 5 May 2006. He is assisted by the Parliamentary Under-Secretary of State for Scotland, David Cairns MP, who was appointed to the Scotland Office on 10 May 2005.



Douglas Alexander



David Cairns

**1.7** The Secretary of State retains overall responsibility for the operation of the Scotland Office and represents Scottish interests at Cabinet level. The Parliamentary Under-Secretary of State is responsible for maintaining close working relations with the Scottish Executive, for liaison with the Scottish Parliament and deputises for the Secretary of State.

**1.8** The Scotland Office spokesperson in the House of Lords is Lord Evans of Temple Guiting CBE.

## Advocate General for Scotland

**1.9** The Advocate General for Scotland, Lord Davidson of Glen Clova QC, was appointed on 21 March 2006.

**1.10** The Advocate General for Scotland is one of the UK Law Officers, the others being the Attorney General and the Solicitor General for England and Wales. As such, he is the senior legal advisor to Government in respect of Scots law. Collectively the Law Officers provide legal advice to the UK Government on any area where there may be a doubt about the law.



Neil Davidson

**1.11** The Advocate General also has statutory functions under the Scotland Act 1998. He is responsible to Parliament for the work of his Legal Secretariat and for overseeing the provision by the Office of the Solicitor to the Advocate General of litigation and advisory services in Scotland to UK Departments and Agencies.

# Chapter 2: Organisation and Forward Objectives: Scotland Office

**Aim:** The aim of the Scotland Office is to foster good relationships between the Scottish Executive and the UK Government

## Functions

**2.1** The primary functions of the Scotland Office are:

- to represent Scottish interests in the formulation of policy in reserved areas
- to carry out constitutional functions under the Scotland Act, including the co-ordination and delivery of subordinate legislation (Scotland Act Orders) and to identify and resolve devolution issues in the UK legislative programme in line with the Government's commitment under the Sewel Convention
- to pay grant to the Scottish Consolidated Fund

## Organisation

**2.2** The Scotland Office has five distinct areas of work:

- Briefing Services Division
- Parliamentary and Constitutional Division
- Private Office
- Press Office
- Finance and Administration Branch<sup>3</sup>

**2.3** The Head of the Scotland Office<sup>4</sup> has overall responsibility for these activities. Briefing Services Division, the Press Office and Finance and Administration are brigaded under a Divisional Head and are based at Melville Crescent, Edinburgh. Parliamentary and Constitutional Division and the Private Office are managed directly by the Head of Office and are based at Dover House, London.

<sup>3</sup> Finance and Administration Branch also provide services to the Office of the Advocate General. In all these areas of activity, much of the work involves liaising with, and often using/buying the resources of, the Scottish Executive and the DCA.

<sup>4</sup> The Head of Office is also the Additional Accounting Officer for both the Scotland Office and Office of the Advocate General

## Staffing

**2.4** The Scotland Office does not directly employ any staff; staff are loaned by the Scottish Executive or the DCA. The number of staff in post in the Scotland Office at 31 March 2007 was 52; Figure 1 shows the breakdown.

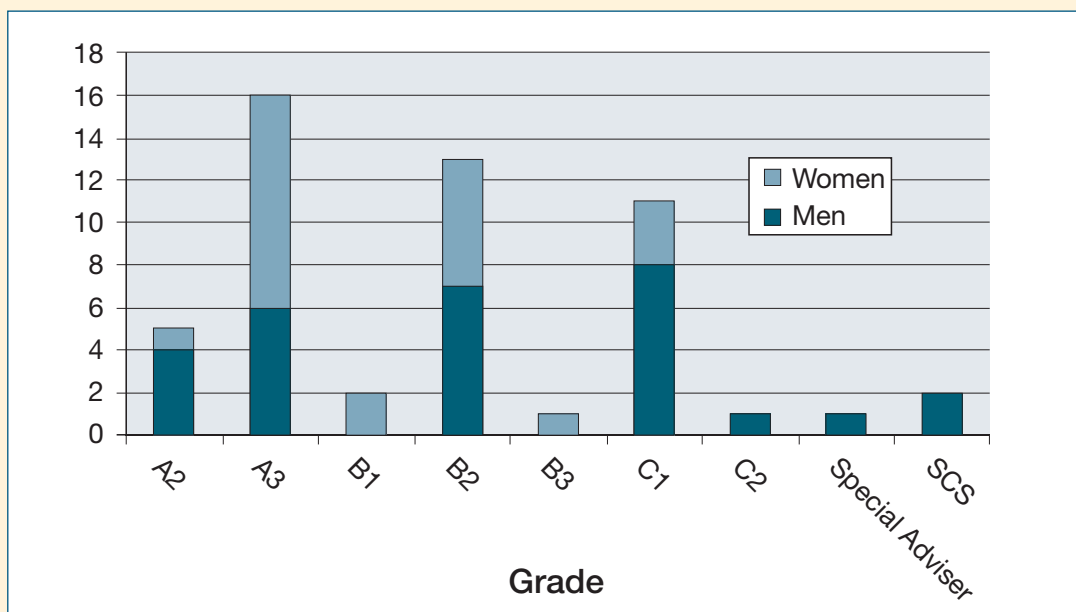
**Figure 1: Number of Staff in the Scotland Office at 31 March 2007 by area of work**

|                                           |           |
|-------------------------------------------|-----------|
| Head of Office and support staff          | 3         |
| Special Adviser                           | 1         |
| Briefing Services Division                | 15        |
| Parliamentary and Constitutional Division | 13        |
| Private Office                            | 7         |
| Press Office                              | 2         |
| Finance and Administration Branch         | 11        |
| <b>Total</b>                              | <b>52</b> |

## Women

**2.5** Women make up 44% of staff in the Scotland Office; the figure below shows the number of women in each grade.

**Figure 2: Gender in the Scotland Office at 31 March 2007**



## Senior Civil Service Salaries

**2.6** In line with the Government's commitment, the Scotland Office is publishing details of the salaries of senior civil servants in the Office.

**Figure 3: Senior Civil Service Salaries in the Scotland Office as at 31 March 2007**

| Annual Salary     | Number of Staff |
|-------------------|-----------------|
| Under £55,000     | -               |
| £55,000 – £59,999 | -               |
| £60,000 – £64,999 | -               |
| £65,000 – £69,999 | 1               |
| £70,000 – £74,999 | -               |
| £75,000 – £79,999 | -               |
| £80,000 – £84,999 | 1               |

## Premises

**2.7** The Office has its headquarters at Dover House in Whitehall, London and also occupies leased premises in Melville Crescent in Edinburgh.

## Objectives for 2007-08

**2.8** Details of the Scotland Office objectives for 2006-07 and performance against them are set out in Chapter 3. The Office has adopted the following objectives for 2007-08:

- to ensure that Scotland's interests in relation to reserved areas are known and represented within the UK Government
- to fulfil all requirements in relation to UK Government and Parliament activities concerning Scotland and in relation to constitutional functions under the Scotland Act
- to handle all financial matters timeously and with propriety – including payments to the Scottish Consolidated Fund

## Briefing Services and Support Division

**2.9** In order to assist in the Office's successful pursuit of the first two objectives in the preceding paragraph, the Division will advise Ministers on a wide

range of issues that affect home, social, business, energy and economic matters which are mainly within the reserved policy sphere but have an impact on Scotland. Among the more substantive tasks facing the Division are the implementation of all relevant secondary legislation connected with the funding and conduct of the May 2007 elections. The Division will focus also upon further delivery of the changes necessary to improve electoral administration as reflected in the Electoral Administration Act 2006. Ministers plan to press ahead with securing higher voter registration levels and also to introduce new safeguards against electoral fraud.

- 2.10** The Division will work with both the Scottish Executive and the Department for Communities and Local Government towards the final structure and membership of the Commission for Equality and Human Rights.
- 2.11** We will continue to work with both the Home Office and the Scottish Executive on asylum and immigration matters, particularly on those matters where joint working across the reserved and devolved policy areas underpins a co-ordinated approach to asylum policy.
- 2.12** The Division will put in place all the necessary arrangements for appointments to the Boundary Commission for Scotland in order to ensure the full complement of Commissioners and Assistant Commissioners for the forthcoming review of Scottish Parliament constituency boundaries scheduled to take place after the May 2007 elections. The Scotland Office will continue to act as the sponsorship body for the Boundary Commission.
- 2.13** Ministers and officials will maintain close working links with key representative bodies in the industrial and commercial world in Scotland, including maintaining Scotland Office participation in joint industry/Scottish Executive groups considering the impact of regulation in Scotland and the wider business environment. The Scotland Office will continue to ensure key Scottish stakeholders are connected to the UK macro economic and fiscal policy framework.
- 2.14** The Scotland Office will continue to participate in work arising from the UK Energy review of 2006. The boundary between reserved and devolved competencies is complex in many aspects of energy policy whilst Scottish interests have a significant bearing on UK policy. The Scotland Office will maintain its commitment to the UK PILOT initiative - the joint industry/government group forum seeking to maximise exploitation of oil and gas reserves in the UK Continental Shelf.
- 2.15** In recognition of the increasing significance of the Financial Services Sector in Scotland and the interdependence between it and the City of London, the Secretary of State is a member of the Chancellor of the Exchequer's High

Level Group on Financial Services. The Secretary of State will work with leaders from Scotland's Financial Services to identify actions to further support this increasingly important part of Scotland's economy.

## **Parliamentary and Constitutional Division**

### *Constitutional Policy matters*

- 2.16** As in 2006-07, the Division will continue to ensure the principles underpinning Scotland's settlement are properly represented in the UK and Scottish legislative programmes and the development of policy.
- 2.17** The identification and resolution of devolution issues in the UK legislative programme in line with the Government's commitments under the Sewel Convention<sup>5</sup> will continue to be a high priority. This will include a cross Government seminar on the Convention for UK Bill teams where we will continue to bed down the recommendations of the Scottish Affairs Select Committee following their Inquiry into the Sewel Convention (see para 3.14 on 2006-07 performance).
- 2.18** The co-ordination and delivery of subordinate legislation continues to be a key part of our business and it is expected that demand will remain steady throughout the reporting year (see Annex 6 for information on instruments made in 2006-07). The provision of advice and guidance to Whitehall Departments on the Scotland Act 1998 will also continue, as will our maintenance of the Scotland Office's interest in the administrative arrangements for devolution (the Memorandum of Understanding and Devolution Guidance Notes)<sup>6</sup>.

### *Security and Parliamentary matters*

- 2.19** The Division has important responsibilities in relation to national security matters and possible emergencies affecting Scotland. In the year ahead, it will continue to perform a role in national security arrangements and in general and specific emergency planning, and will play its part in responding to whatever emergencies may arise. The Division will continue to maintain and manage Dover House, the Scotland Office headquarters building in Whitehall. As well as providing office accommodation for Ministers and officials, Dover House will continue to be made available for a varied programme of hospitality events. The Division will also be involved in the planning and delivery of further activities to commemorate the three hundredth anniversary of the Treaty of Union between England and Scotland.

<sup>5</sup> <http://www.dca.gov.uk/constitution/devolution/guidance/dgn10.pdf>

<sup>6</sup> [http://www.dca.gov.uk/constitution/devolution/pubs/odpm\\_dev\\_600629.pdf](http://www.dca.gov.uk/constitution/devolution/pubs/odpm_dev_600629.pdf)  
<http://www.dca.gov.uk/constitution/devolution/guidance.htm>

**2.20** The Division will continue to perform a liaison function in relation to Parliamentary Select Committees, and to maintain the Scotland Office interest in a number of reserved and devolved policy areas.

## **Finance and Administration Branch**

**2.21** As in previous years, the Branch will endeavour to pay the invoices submitted to the Offices' as quickly as possible and at the latest, within 30 days. We will continue to seek effective and efficient management of the estate. During the year, the Offices will be participating in the DCA's recognition as an Investors In People (IIP) organisation; ensuring that advances to Returning Officers are made expeditiously; and, where possible, arranging for the reimbursement of expenses to Returning Officers quickly after accounts are submitted.

# Chapter 3: Performance in 2006-07: Scotland Office

**3.1** Our objectives for 2006-07 and our progress in achieving them were:

**Objective 1:** To ensure that Scotland's interests in relation to reserved areas are known and represented within the UK Government

**3.2** The Scotland Office's task is to ensure good working relations between Whitehall and the Scottish Executive and to ensure that Scottish and devolved elements are taken into account in the development and management of policy and legislation. Most of this work is carried out behind the scenes, including in Cabinet and in Cabinet Sub-Committees on which Scotland Office Ministers are represented as necessary. In total, Scotland Office Ministers are represented on 22 Committees.

**3.3** In Parliament, Ministers represented the UK Government's position on a range of issues relating to the Scottish devolution settlement and appeared before the Scottish Affairs Select Committee. The Parliamentary Under Secretary of State led for the Government on the Scottish provisions of the Electoral Administration Act 2006 during its passage through the House of Commons.

**3.4** Ministers participated in conferences and seminars relating to devolution and promoted devolution in Ministerial speeches and articles. In addition, Ministers hosted (or supported) a number of events designed to promote Scottish interests at Dover House, London and Melville Crescent, Edinburgh.

## **Briefing Services Division**

**3.5** The Government published its response on the Arbuthnott Commission Report on Boundary Differences and Voting Systems on 22 January 2007. This was the result of close and systematic working, principally with the Scottish Executive and the Electoral Commission, which were also responsible for a number of recommendations in the Arbuthnott Report. The Division continued its joint working with Scottish Executive and Electoral Administrators in the detailed preparatory planning for the May 2007 elections. This culminated in the successful parliamentary passage of the Scottish Parliament (Elections etc.) Order 2007 and the Representation of the People (Scotland) (Amendment) Regulations 2007 which secured

parliamentary approval on 7 March 2007. As part of his statutory responsibilities for the funding and conduct of the Scottish Parliament elections, the Secretary of State agreed that electronic counting of Scottish Parliament ballots would be introduced to contribute towards the improved administration arrangements for the elections.

- 3.6** The Division continued to link with the Department for Culture Media and Sport, Gaelic Media Services and the Scottish Executive in the planning for the introduction of the dedicated digital service for Gaelic medium broadcasting. The Secretary of State has a statutory role in approval of appointments to the Gaelic Media Service Board.
- 3.7** The Division supported both the Secretary of State and David Cairns in a series of meetings and engagements with key players in the industrial and economic sectors in Scotland, including representative bodies and visits to a number of significant businesses across many sectors, including manufacturing, financial services and energy. This contributed to Scotland Office Ministers' representing both Scottish interests in the UK context, but also in helping to represent the continuing role of Westminster to Scotland. For example, the Division organised the annual pre-budget report seminar hosted in our Edinburgh Office by the Chief Secretary to the Treasury, Stephen Timms, MP and the Scottish Executive Minister for Finance and Public Service Reform, Tom McCabe, MSP.
- 3.8** The Division started the formal process of arranging for new appointments to the Boundary Commission for Scotland, which is the sponsored Non-Departmental Public Body within the Scotland Office's responsibility.

## **Parliamentary and Constitutional Division**

### *Security and Parliamentary matters*

- 3.9** The Division has continued to represent the Scotland Office interest in national security arrangements and in general and specific emergency planning. It continued to maintain and manage Dover House; and as part of that responsibility, it delivered a varied programme of 30 hospitality events in the building during the course of the year. The hospitality programme included a Scotland Office reception on the day of HM The Queen's Birthday Parade (Trooping the Colour), a Scotland Office lunch for the Moderator of the General Assembly of the Church of Scotland and the Earl Haig Fund's London launch of the Scottish Poppy Appeal, all of which are annual events. The programme also included a special event in January 2007 to launch the Royal Mint's commemorative coin for the three hundredth anniversary of the Treaty of Union between England and Scotland. (This coin is represented on the cover of this Report).

**3.10** The Division continued to perform a liaison function in relation to Parliamentary Select Committees, and to maintain the Scotland Office interest in a number of reserved and devolved policy areas.

**Objective 2:** To fulfil all requirements in relation to UK Government and Parliament activities concerning Scotland and in relation to constitutional functions under the Scotland Act

**3.11** The identification and resolution of devolution issues in the UK legislative programme and the co-ordination and delivery of subordinate legislation has continued to be a key part of the Scotland Office's business in 2006-07.

**3.12** We have had extensive involvement in the development of Government Bills, offering advice and guidance to the main Whitehall Departments, particularly on those Bills triggering the Sewel Convention (Consumers, Estate Agents and Redress Bill, Further Education and Training Bill, Serious Crime Bill, Statistics and Registration Service Bill, Tribunals, Courts and Enforcement Bill). The relevant Legislative Consent Motions have all completed their passage through the Scottish Parliament.

**3.13** We have sought to embed the recommendations of the Scottish Affairs Select Committee following their Inquiry into the Sewel Convention. This has led to improvements in Explanatory Notes to Bills, particularly the Further Education and Training, Consumers, Estate Agents and Redress and Serious Crime Bills.

## **Statutory Instruments**

**3.14** A list of subordinate legislation made under the Scotland Act is available at Annex 6.

**3.15** The Scotland Office delivered 18 pieces of subordinate legislation. As in 2005-06, these covered a wide variety of policy matters. The most common power used was that at section 104 of the Scotland Act 1998, which allows for necessary or expedient amendments to be made to the law in consequence of Acts of the Scottish Parliament. The power was used, among other things, to ensure a disqualification order made by the Scottish courts under the Animal Health and Welfare (Scotland) Act 2006 could be enforced in England and Wales.

**3.16** The power at section 63 of the Scotland Act was also used, among other things, to transfer to Scottish Ministers certain functions concerning the Department of Health's Healthy Start Scheme<sup>7</sup>, which concerns the provision of milk, fresh fruit, fresh vegetables and infant formula milk to children of certain low income families.

<sup>7</sup> <http://www.healthystart.nhs.uk/>

- 3.17** The Scotland Office was heavily involved in the successful passage of the Scottish Parliament (Disqualification) Order 2007<sup>8</sup>, which provides that Her Majesty may specify by Order in Council (powers at section 15 of the Scotland Act) those office-holders who are to be disqualified from being a member of the Scottish Parliament.
- 3.18** Powers at section 93 – which allow for agency arrangements between a Minister of the Crown and Scottish Ministers – and section 111 – which allow Her Majesty by Order in Council to make provision for the conservation, management and exploitation of salmon, trout, eels and freshwater fish in the Border rivers – were also used.
- 3.19** Further information, including the Explanatory Memorandum for each Instrument, is available on the website of the Office of Public Sector Information<sup>9</sup>.
- 3.20** The successful delivery of this legislation is part of the Scotland Office's ongoing management of the devolution settlement and reflects the Government's desire to continue to work in partnership with the Scottish Executive.

**Objective 3:** To handle all financial matters timeously and with propriety – including payments to the Scottish Consolidated Fund

## **Paying the Grant**

- 3.21** Government funding for the Scottish Executive's budget is prescribed by the United Kingdom Parliament. The Secretary of State makes the grant each year to the Scottish Consolidated Fund to meet expenditure by the Scottish Parliament and the Scottish Executive. The grant made in 2006-07 was £21.752 billion.

## **Finance and Administration Branch**

- 3.22** The Branch organised the transfer of the processing of election accounts from Glasgow to Edinburgh and surrendered our share of Meridian Court, Glasgow, to the Scottish Executive. The Finance Section also initiated a programme of improvements to the processing of such accounts and made significant efforts to clear the backlog of accounts in consultation with local authorities.
- 3.23** During the year, staff actively assisted with the pre-construction stage of the major roof work for Dover House although this work has now been

<sup>8</sup> <http://www.opsi.gov.uk/si/si2007/20070285.htm>

<sup>9</sup> <http://www.opsi.gov.uk/stat.htm>

postponed to the next financial year. An ongoing process has been the need to liaise with HR Divisions of both the DCA and Scottish Executive about the loan of staff to the Offices as well as the interpretation of DCA and Scottish Executive terms and conditions on a group and individual basis. The Branch also ensured that the relevant health and safety regimes were in place in Melville Crescent and Dover House.

# Chapter 4: Organisation and Forward Objectives: Office of the Advocate General for Scotland

**4.1** The Office of the Advocate General for Scotland comprises the Office of the Solicitor to the Advocate General and the Legal Secretariat to the Advocate General, which also includes the Ministerial Private Office.

## Office of the Solicitor to the Advocate General

### *Functions*

**4.2** The primary functions of the Office of the Solicitor are:

- To provide Scots law advice to UK government departments
- To act for UK Ministers in court cases in Scotland as well as considering all court cases involving disputes about devolved legislative or executive competence
- To provide effective support to the Advocate General in the performance of his statutory functions under the Scotland Act and in relation to the Human Rights Act

**4.3** The Office of the Solicitor to the Advocate General (OSAG) was established in 1999 to provide, or to ensure the provision by others of, legal services in Scotland to United Kingdom Government Departments. The Office provides legal advice in relation to Scots Law, instructs UK legislation applying to Scotland and represents Departments in litigation in the Scottish courts<sup>10</sup>. The Office also provides support to the Advocate General in carrying out his statutory functions under the Scotland Act.

## Legal Secretariat to the Advocate General

### *Functions*

**4.4** The primary functions of the Legal Secretariat are:

- To support to the Advocate General in his Ministerial capacity as a UK Law Officer, including the exercise of statutory functions under the Scotland Act

<sup>10</sup> The Office of the Solicitor is split between two divisions; Division A provides legal advice to DWP, FCO, HO, DEFRA and the Scotland Office; Division B provides advice to CO, DfT, DfID, DoH, DfES, DTI, HMT, OFT, ODPM and DCA

- To liaise effectively with the Solicitor's Office where appropriate
- To support the Advocate General's Ministerial responsibilities in carrying out the duties of the post, including supporting him as a member of Cabinet sub-committees and as a Member of the House of Lords

**4.5** The Legal Secretariat provides support to the Advocate General in relation to his functions as a UK Law Officer. In that regard, the Advocate General acts with the Attorney General and the Solicitor General for England and Wales in the provision of legal advice to the Government. Many of the problems referred to the Law Officers by Government Departments relate to Great Britain, or to the United Kingdom as a whole. In any event, the Advocate General advises on the law as it applies to Scotland.

**4.6** The Legal Secretary oversees the work of the Secretariat which is comprised of a small team of lawyers, as well as the Ministerial Private Office. The Private Office is responsible for providing direct support to the Minister, handling Parliamentary business and the management of Ministerial correspondence.

## Staffing

**4.7** The Office of the Advocate General does not directly employ any staff; staff are loaned by the Scottish Executive or the Department for Constitutional Affairs. The number of staff in post in the Office on 31 March 2007 was 32; Figure 4 shows the breakdown.

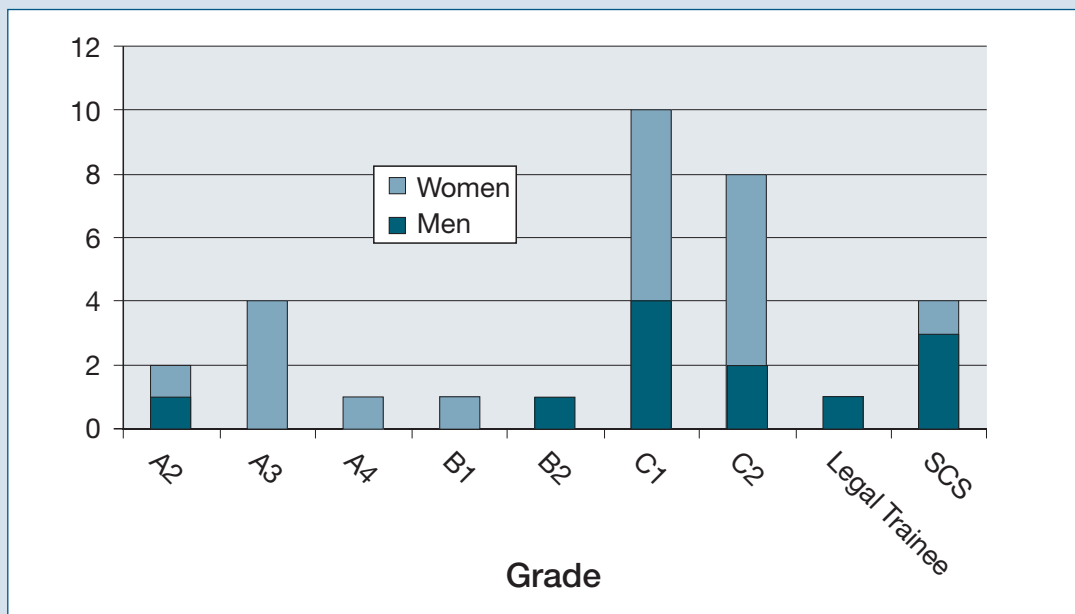
**Figure 4: Number of staff in Office of the Advocate General at 31 March 2007**

|                                                 |           |
|-------------------------------------------------|-----------|
| Ministerial Private Office                      | 2         |
| Legal Secretariat to the Advocate General       | 4         |
| Office of the Solicitor to the Advocate General | 26        |
| <b>Total</b>                                    | <b>32</b> |

## Women

**4.8** Women make up 63% of staff in the Office of the Advocate General; the figure below shows the number of women in each grade.

**Figure 5: Gender in the Office of the Advocate General at 31 March 2007**



## Senior Civil Service Salaries

**4.9** In line with the Government's commitment, the Office of the Advocate General is publishing details of the salaries of senior civil servants in the Office.

**Figure 6: Senior Civil Service Salaries in the Office of the Advocate General as at 31 March 2007**

| Annual Salary     | Number of Staff |
|-------------------|-----------------|
| Under £55,000     | -               |
| £55,000 – £59,999 | 1               |
| £60,000 – £64,999 | -               |
| £65,000 – £69,999 | 2               |
| £70,000 – £74,999 | -               |
| £75,000 – £79,999 | -               |
| £80,000 – £84,999 | 1               |

## Premises

**4.10** The Legal Secretariat and the Ministerial Private Office are located at the Advocate General's headquarters in Dover House, Whitehall. They also share accommodation with the Scotland Office at Melville Crescent, Edinburgh. The Office of the Solicitor to the Advocate General is based at Victoria Quay in Leith, Edinburgh.

## Objective for 2007-08

**4.11** Details of the Office of the Advocate General's objective for 2006-07 and performance against it are set out in Chapter 5. The Office has adopted the following objective for 2007-08:

**Objective:** Providing legal advice and services relating to Scots Law and the Scottish devolution settlement to UK Government Departments and supporting the Advocate General for Scotland in his statutory functions under the Scotland Act and in relation to his functions as a UK Law Officer

## Particular Business Objectives

### Office of the Solicitor to the Advocate General

**4.12** The Office of the Solicitor to the Advocate General will continue to provide an efficient and responsive, high quality, legal service to United Kingdom Departments in relation to litigation in Scotland and legislation affecting Scotland, and to give effective, high quality, legal advice in relation to Scots Law generally. It will also ensure that the Advocate General receives effective support in carrying out his statutory functions under the Scotland Act and his functions in relation to the Human Rights Act.

### Legal Secretariat to the Advocate General

**4.13** The Legal Secretariat to the Advocate General, including his Private Office, will continue to provide an efficient, responsive, high quality legal and administrative service to the Advocate General in supporting him in the performance of his functions as a UK Law Officer, and in relation to his statutory functions, as well as in respect of his work on Cabinet sub-committees and in the House of Lords.

# Chapter 5: Performance in 2006-07: Office of the Advocate General for Scotland

**Objective:** Providing legal advice and services relating to Scots Law and the Scottish devolution settlement to UK Government Departments and supporting the Advocate General for Scotland in his statutory functions under the Scotland Act and in relation to his functions as a UK Law Officer

**5.1** During 2006-07, the Office of the Solicitor to the Advocate General (OSAG) provided legal services to a wide range of UK Government Departments, including general legal advice, work on primary and subordinate legislation and civil litigation. During that period, the Legal Secretariat to the Advocate General provided the Advocate General with support in the performance of his functions as a UK Law Officer.

## General Legal Advice

**5.2** OSAG's range of legal services includes the provision of general legal advice on Scots Law and advising UK Departments and Agencies on the Scots Law aspects of the operation of the reserved law for which they are responsible. The Office had a key role in advising on the devolution aspects of UK Government policies, and on the implications for UK Departments of proposals by the Scottish Executive and also of Bills introduced into the Scottish Parliament by Members, Committees, and by private promoters. OSAG provided a wide range of advice to many Departments, including the Home Office, the Department for Work and Pensions, the Department for Constitutional Affairs, the Department for Education and Skills, the Department for International Development, the Treasury, the Department of Health, the Department for the Environment, Food and Rural Affairs, the Department of Trade and Industry and the Department for Transport. It also advised agencies and other organisations including the Patent Office, the Registrar of Companies, and the Office of Fair Trading. The Office supplied regular advice to the Scotland Office on such matters as elections, electoral boundaries, betting and gaming, firearms and emergency powers.

## Primary and Subordinate Legislation

**5.3** OSAG instructs the Scottish Parliamentary Counsel (UK) in the drafting of provisions for Scotland in Bills before the UK Parliament and drafts subordinate legislation on behalf of UK Departments.

- 5.4** A full list of UK Government Bills that were introduced in the relevant period and which OSAG was involved in instructing is included at Annex 7. So far as subordinate legislation is concerned, OSAG was responsible for the drafting of the Representation of the People (Scotland) (Amendment) Regulations 2006, The Scottish Parliament (Elections etc.) Order 2007, the Representation of the People (Scotland) (Amendment) Regulations 2007, and for advising on the Scotland Act Orders listed in Annex 6. OSAG also contributed to the preparation of a wide range of secondary legislation prepared by UK Departments.

## **Support to the Advocate General**

- 5.5** OSAG was responsible for advising the Advocate General with respect to his functions under the Scotland Act 1998 in relation to the assessment of the legislative competence of Bills introduced into the Scottish Parliament, and in relation to his powers to intervene in devolution issues under Schedule 6 to that Act. A list of the Scottish Parliament Bills scrutinised during 2006-07 is given in Annex 8. OSAG continued to support the Advocate General in his investigative role in the re-opened Formal Investigation at Aberdeen Sheriff Court into the sinking of the fishing vessel Trident in 1974, following on the discovery of the wreck.

## **Litigation**

- 5.6** During 2006-07, 699 devolution issue minutes were intimated; a decrease of 22% over the previous year. The Advocate General intervened in 12 cases during 2006-07.
- 5.7** Immigration litigation is a major area of work for OSAG. During 2006-07, 153 petitions for judicial review and appeal cases were raised in the Court of Session against the Home Office. One judicial review was appealed to the House of Lords and was heard in July 2006. The appeal related to the territorial extent of the Court of Session's supervisory jurisdiction.
- 5.8** Another substantial area of work is social security litigation. In 2006-07, OSAG appeared for the Secretary of State for Work and Pensions in one appeal before an Appeal Tribunal and in 37 appeals to the Child Support and Social Security Commissioners, including one Tribunal of Commissioners. The Tribunal of Commissioners (a body comprised of three Social Security Commissioners) sat in Edinburgh to consider the status of statutory amendments to a points scheme used to determine benefit eligibility.
- 5.9** One judicial review was dealt with in the Court of Session on behalf of DWP. Other cases involved acting on behalf of the Criminal Injuries Compensation Appeals Panel (CICAP). An appeal in one CICAP case was concluded in

November 2006, the outcome of which is still awaited. OSAG also represented the Medicines and Healthcare Products Regulatory Agency in a second judicial review petition relating to the classification of an ophthalmic product.

## **Legal Secretariat to the Advocate General**

- 5.10** The Legal Secretariat co-ordinates with the Office of the Attorney General on submissions for legal advice received from UK Departments. This work results in formal advice, as agreed between the UK Law Officers, which is transmitted to the Departments concerned.
- 5.11** It is a long standing convention that neither the Law Officers nor the Government disclose whether, or in what circumstances, the Law Officers have given advice, let alone what the content of such advice may have been. Accordingly, no details of this significant aspect of this advisory work are disclosed in this Report.
- 5.12** The Legal Secretariat also supported the Advocate General in respect of his work on Cabinet Committees and in answering Parliamentary Questions. Further, in relation to the Advocate General's functions under section 33 of the Scotland Act, the Legal Secretariat consulted Government Departments regarding whether, in their view, Bills passed by the Scottish Parliament were within legislative competence. Under Section 33, the Advocate General may refer to the Judicial Committee of the Privy Council the question of whether a Bill, or any provision of a Bill, would be within the legislative competence of the Scottish Parliament.

# Chapter 6: Scotland Office and Office of the Advocate General for Scotland: Performance Targets for dealing with the public

## Performance Targets

**6.1** For 2006-07, the Scotland Office and the Office of the Advocate General set three main targets aimed at ensuring the provision of high quality and efficient services in dealings with the public:

### Performance Targets in 2006-07 for Dealing with the Public

| Target                                                                                                                                                                                                                   | Indicator                                               | Performance                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| We will reply to Ministerial correspondence within 15 working days of receipt; or we will send an interim reply explaining the reasons for the delay and indicating when a full reply will be sent.                      | Percentage of correspondence replied to within 15 days. | <ul style="list-style-type: none"> <li>The Scotland Office replied to 91.1% of ministerial correspondence within the target time.</li> <li>Owing to administrative difficulties, this figure is not available for the Office of the Advocate General.</li> </ul> |
| We will reply to FOI requests within 20 working days of receipt or with permitted extension or we will send an interim reply explaining the reasons for the delay and indicating when a full reply will be sent.         | Percentage of correspondence replied to within 20 days. | <ul style="list-style-type: none"> <li>The Scotland Office replied to 90.1% of FOI requests within 20 working days.</li> <li>The Office of the Advocate General replied to 83% of FOI requests within 20 working days.</li> </ul>                                |
| We will ensure that accounts are paid promptly. Where a contract applies, we will make payment in accordance with the applicable timetable. We will otherwise pay accounts within 30 days of receipt of a valid invoice. | Percentage of payments made within target times.        | The payment target was met in 97.25% of payments.                                                                                                                                                                                                                |

**6.2** The Scotland Office has decided upon the following targets for 2007-08:

### **Performance Targets in 2007-08 for Dealing with the Public**

| <b>Target</b>                                                                                                                                                                                                            | <b>Annual Indicator</b>       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| We will reply to Ministerial correspondence within 15 working days of receipt or we will send an interim reply explaining the reasons for the delay and indicating when a full reply will be sent.                       | Percentage of correspondence. |
| We will reply to FOI requests within 20 working days of receipt.                                                                                                                                                         | Percentage of correspondence. |
| We will ensure that accounts are paid promptly. Where a contract applies, we will make payment in accordance with the applicable timetable. We will otherwise pay accounts within 30 days of receipt of a valid invoice. | Percentage of payments made.  |

**6.3** These targets are monitored on a regular basis by the Joint Management Board (see para 8.5).

### **Freedom of Information**

**6.4** As public bodies, both the Scotland Office and the Office of the Advocate General are required to respond to written requests for information within 20 working days under the Freedom of Information Act 2000. Information released and considered to be in the wider public interest is placed on the Scotland Office's internet site<sup>11</sup> and recorded in the Office's disclosure log. In addition, the Scotland Office has an Agreement with the Scottish Executive on the handling of information contained in the pre-devolution records of the former Scottish Office.

**6.5** The Scotland Office received 65 requests and OAG dealt with 6 requests under Freedom of Information legislation.

### **Complaints Procedure**

**6.6** The Offices have a formal complaints procedure. This is included in the Scotland Office Charter, which can be viewed on our website at [www.scotlandoffice.gov.uk](http://www.scotlandoffice.gov.uk). No complaints were received in 2006-07.

<sup>11</sup> [www.scotlandoffice.gov.uk](http://www.scotlandoffice.gov.uk)

# Chapter 7: Government Expenditure in Scotland

## Funding

- 7.1** Responsibility for fiscal policy, macroeconomic policy and public expenditure allocation across the United Kingdom remains with the Treasury, and the Scottish Executive's budget continues to be determined within the framework of public expenditure control in the United Kingdom. The financial relationship is set out in the *Statement of Funding Policy*<sup>12</sup>.
- 7.2** The Scottish Executive's budget is determined by means of a population-based formula (the 'Barnett' formula). The UK Parliament votes the necessary provision to the Secretary of State, who, in turn, makes grants to the Scottish Executive as set out in the Scotland Act 1998. Provision for the costs of the Scotland Office, OAG and Scottish Parliament Elections are found from within these resources.
- 7.3** The Executive makes its own spending decisions on devolved programmes within the overall totals, subject to approval by the Scottish Parliament.

## Spending Review 2004

- 7.4** The Scottish Executive received large increases in spending in the 2004 spending review, with spending planned to be £4.2 billion higher by 2007-08 compared to 2004-05.

## Budget 2007

- 7.5** The Chancellor of the Exchequer announced in his Budget of 21 March 2007, an extra £1,835 million for the Scottish Executive as a consequence of spending increases for UK Government Departments (mostly education) , mainly for the period 2008-09 to 2010-2011. It is for Scottish Ministers to decide how these monies will be spent in Scotland. Copies of the full Budget details are available on the Treasury website at [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk).

## Spending by the Scotland Office and Office of the Advocate General

- 7.6** Details of planned Scotland Office and Office of the Advocate General expenditure are contained in Annex 1. The combined provision for the net administration costs for the two Offices is planned to be £6.468 million in 2007-08.

<sup>12</sup> the most recent edition was published in July 2004

## Scottish Executive Budget

- 7.7** The Scottish Executive has published details of how it has allocated its budget for 2007-08. These are contained in Scotland's Budget Documents 2007-08, which can be accessed at [www.scotland.gov.uk](http://www.scotland.gov.uk).
- 7.8** Annex 2 shows changes in Scottish Executive Departmental Expenditure Limit (DEL) between Public Expenditure Statistical Analyses<sup>13</sup> (PESA) 2006 and 2007. This DEL no longer includes the expenditure of the Scotland Office and OAG.

## Government Expenditure and Revenue in Scotland

- 7.9** The Scottish Executive published the report, Government Expenditure and Revenue in Scotland 2004-2005 on 11 December 2006<sup>14</sup>, which provides an analysis of the public finances in Scotland. This was the thirteenth edition of the report (reports before July 1999 were published by the Scottish Office). This latest report presented data for the 2004-05 fiscal year, the latest year for which information on Government expenditure and revenue was available for Scotland.

## Resource Accounting and Budgeting (RAB)

- 7.10** RAB provides an accurate measure of Departmental expenditure by matching costs to time, measuring the full resource cost of Government activity, including non-cash expenditure such as depreciation, cost of capital charges and provisions.
- 7.11** The aim of the tables in this Report is to provide a detailed analysis of Departmental expenditure plans in resource terms, showing resource consumption and capital investment; voted and non-voted expenditure; expenditure in three year Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME).
- 7.12** Following the decision to introduce resource budgeting in two stages, the major non-cash items – depreciation, cost of capital charges and provisions – scored in AME for the 2000 Spending Review years. From 2003-04, with the introduction of the 2002 Spending Review and Stage 2 resource budgeting, these items score in DEL.

<sup>13</sup> PESA is a compendium that brings together recent outturn data, estimated outturns for the latest year and budgetary plans over the whole range of UK public expenditure. It is published annually as a Command paper alongside the Supply Estimates and Departmental Reports. It includes an analysis of public spending by country and region, spending by function and economic category of expenditure, and full details of spending by Department and grouped by budgetary control aggregates. The most recent edition of PESA, which was published on 15 May 2006, is available at [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk).

<sup>14</sup> This publication can be found at <http://www.scotland.gov.uk/Resource/Doc/159996/0043602.pdf>

## Whole of Government Accounts (WGA)

**7.13** The Scotland Office continues to participate in the WGA project, which is being conducted by HM Treasury. WGA will comprise a consolidation of the individual accounts of all of the public bodies that are designated under the Government and Resource Accounts Act 2000, and also public bodies governed by the Public Finance (Scotland) Act 2000. A staged approach has been adopted to produce a WGA starting with a 'dry run' consolidation in 2001-02 of central government bodies, which included departments, their agencies and non-departmental public bodies, and funds. In 2004-05, health and local government bodies, and public corporations were included in the 'dry run' consolidation. The Scotland Office has been involved since the inception of the project, providing data for 'dry runs' since 2001-02 and assisting with the development of systems. The process will result in the publication of WGA for 2008-09. These accounts will be based on international financial reporting standards (IFRS).

# Chapter 8: Delivering Efficient Government

## Efficient Use of Resources

- 8.1** Delivering efficient public services is a central plank of the Government's agenda for improving productivity. Over the 2004 Spending Review period, the budget of the Scotland Office and the Office of the Advocate General has been flat in nominal terms. They are committed to achieving efficiency and effectiveness in all areas of their activities.
- 8.2** The Scotland Office's executive functions relate only to the conduct of elections and to the delivery of subordinate legislation and certain other functions under the Scotland Act. However, the Office plays a key role in helping to facilitate exchanges and co-ordination between the UK Government and the Scottish Executive. It advises Ministers across the whole range of reserved policy matters.
- 8.3** Programme expenditure is small (£0.5m) and relates to the Boundary Commission for Scotland. The bulk of the costs of the Scotland Office and the Office of the Advocate General therefore relate to staffing and associated expenditure linked to the advisory and support function for Ministers.

## Corporate Governance

- 8.4** The Head of the Scotland Office is an Additional Accounting Officer within the overall responsibility of the Accounting Officer of the DCA. His responsibilities cover both the Scotland Office and the Office of the Advocate General.
- 8.5** The Offices have a Joint Management Board which oversees both organisations. The Head of the Scotland Office chairs that Board. This Board normally meets bi-monthly and considers a wide range of issues, from the overall complement of the Offices to the budgeting allocations within the Offices. The Board's non-executive member is an official of the DCA and the Additional Accounting Officer is satisfied that he will be able to give the Board independent advice.
- 8.6** In addition, the Joint Management Board has two sub-committees; Audit (described in paragraph 8.7) and the OAG Management Board. The latter deals with operational matters in the Office of the Advocate General.

## Audit Committee

- 8.7** The Offices have a single Audit Committee whose remit is to evaluate and challenge the activities of the SO and OAG but is not responsible for the wider DCA organisation. It may, however, if it considers this necessary, report issues to the corporate Audit Committee of the DCA.
- 8.8** During 2006-07, the Committee was re-constituted to meet the guidance in the *Audit Committee Handbook* and to reflect the *Corporate Governance in Central Government Departments: Code of good practice*. The Committee now has three members, two external and one a private individual. The Chairman of the Committee is a non-executive Member of the Joint Management Board. The new Committee met 3 times in the year and discussed a range of subjects, particularly the audit relationship with the Scottish Executive and the Offices' expenditure plans.

## Services provided by the Scottish Executive and the DCA

- 8.9** Both the Scottish Executive and DCA provide help and support to the Offices including information and communications technology, financial systems, personnel and accommodation.

## Information Technology

- 8.10** The Scotland Office and the Office of the Advocate General do not provide executive services directly to the public but nonetheless need modern information systems for dealing with intra-Government contacts, explaining UK policies and reporting the activities of Ministers. The Offices have staff based in Edinburgh and London and make extensive use of communications technology including e-mail, scanning and video conferencing. The Offices regularly update their internet and intranet sites. The relevant internet sites are:

- <http://www.scotlandoffice.gov.uk/>
- <http://www.oag.gov.uk/>
- <http://www.dca.gov.uk/>

## Sustainable Development

- 8.11** The Scotland Office manages its buildings and resources in accordance with the Government's sustainable development strategy. David Cairns, Parliamentary Under-Secretary of State, serves as a member of the Ministerial Sub-Committee on Energy and the Environment (Sustainable Development in Government), whose purpose is to consider the impact of

Government policies on sustainable development and to continue to improve the performance of Departments in sustainable development terms.

## Health and Safety

**8.12** The Offices aim to provide a safe and healthy working environment for all staff and have procedures in place, where possible, which will ensure that all equipment, plant and premises are safe and free from adverse effects to health. The Offices have 5 staff trained in Health and Safety management who undertake regular workplace inspections and conduct risk assessments, including Display Screen Equipment assessments. The Offices recognise environmental protection as an integral element of efficient business management and the aim is to protect, maintain and, where possible, improve the environment.

## Recruitment of Staff

**8.13** Most of the staff in the Office of the Advocate General, and almost half of the staff in the Scotland Office, are loaned from the Scottish Executive. They are mainly based in Edinburgh. The remaining staff are employees of the DCA and are based in London. Both the Scottish Executive and the DCA recruit staff in accordance with the Civil Service Order in Council 1995. Every individual appointed is selected on merit on the basis of fair and open competition, apart from cases where exceptions are permitted under Articles 6 and 7 of the Order. To this end:

- Prospective candidates are given equal and reasonable access to adequate information about the job and its requirements and about the selection process
- Applicants are considered equally on merit at each stage of the selection process
- Selection is based on relevant criteria applied consistently to all candidates
- Selection techniques are designed to be reliable and guard against bias
- Equal opportunities policies apply throughout the recruitment process

**8.14** Annex 9 sets out the staffing of the Scotland Office and OAG since 2003-04, and the Offices' plans up to 2008-09.

## Ethnic Minorities

**8.15** Information on the ethnic origin of civil servants is collected using a voluntary, confidential questionnaire. To protect the identity of individual staff, data relating to fewer than five people is not disclosed in equal

opportunities monitoring. Action is being taken across the Civil Service to address the under-representation of ethnic minorities. Diversity awareness training is mandatory for all Scotland Office and OAG staff.

## **People with Disabilities**

**8.16** The Scotland Office and OAG have a small number of staff with disabilities; for privacy reasons, the actual numbers are considered confidential. The Offices are aware of their responsibilities under the Disability Discrimination Act 1995 and, with this in mind, have provided an external stair lift at its premises in Melville Crescent and also an internal lift.



## ANNEX 2

### Changes to Scottish Executive Departmental Expenditure Limit for 2004-05 to 2007-08 since PESA 2006

|                                                                                           | 2004-05<br>£m<br>Outturn | 2005-06<br>£m<br>Outturn | 2006-07<br>£m<br>Estimated<br>Outturn | 2007-08<br>£m<br>Plans |
|-------------------------------------------------------------------------------------------|--------------------------|--------------------------|---------------------------------------|------------------------|
| Position at publication of PESA 2006<br>(Table 1.12) net of Depreciation &<br>impairments | 21,089                   | 22,865                   | 24,805                                | 26,194                 |
| Depreciation & Impairments                                                                | 417                      | 369                      | 340                                   | 355                    |
| <b>Scottish Executive DEL</b>                                                             | <b>21,506</b>            | <b>23,234</b>            | <b>25,145</b>                         | <b>26,549</b>          |
| Outturn adjustments                                                                       |                          | -210                     | -142                                  |                        |
| Take up of End Year Flexibility                                                           |                          |                          | 166                                   |                        |
| Budgeting Changes                                                                         | 10                       | 29                       | 38                                    | 45                     |
| PBR 2006                                                                                  |                          |                          |                                       | 16                     |
| Budget 2007                                                                               |                          |                          |                                       | 1                      |
| Inter-Departmental Transfers                                                              |                          |                          | 4                                     | 8                      |
| Council Tax Benefit                                                                       |                          |                          | 57                                    |                        |
| Police Safety Cameras                                                                     |                          |                          |                                       | 9                      |
| <b>Subtotal</b>                                                                           | <b>10</b>                | <b>-181</b>              | <b>123</b>                            | <b>79</b>              |
| <b>Scottish Executive DEL</b>                                                             | <b>21,516</b>            | <b>23,053</b>            | <b>25,268</b>                         | <b>26,628</b>          |
| Less Depreciation & Impairments                                                           | 418                      | 331                      | 462                                   | 357                    |
| Position at publication of PESA 2007<br>(Table 1.12) net of Depreciation &<br>Impairments | 21,098                   | 22,722                   | 24,806                                | 26,271                 |

## ANNEX 3

### Grant Paid to the Scottish Consolidated Fund 2005-06: Provision and Outturn

| £ million                                                              | Original Provision | Final Provision | Estimated Outturn     |
|------------------------------------------------------------------------|--------------------|-----------------|-----------------------|
| Expenditure Classified as DEL                                          | 23,306             | 23,517          | 23,053 <sup>(1)</sup> |
| Expenditure Classified as AME                                          | 2,395              | 2,715           | 2,361 <sup>(1)</sup>  |
| Non Domestic Rates                                                     | 2,009              | 1,897           | 1,897                 |
| <b>Total Managed Expenditure</b>                                       | <b>27,710</b>      | <b>28,129</b>   | <b>27,311</b>         |
| <b>Adjustments to cash requirement</b>                                 |                    |                 |                       |
| Depreciation and Impairments                                           | -316               | -359            | -331                  |
| Other Cash to accruals adjustments                                     | -2,343             | -2,621          | -3,077                |
| Non Domestic Rates Income                                              | -2,009             | -1,897          | -1,897                |
| National Insurance Fund Payments towards Scottish NHS                  | -1,406             | -1,503          | -1,501                |
| Other items including LA supported borrowing and non voted expenditure | -357               | -357            | -431                  |
| Net balance in Scottish Consolidated Fund                              |                    |                 | 792                   |
| <b>Grant paid to Scottish Consolidated Fund</b>                        | <b>21,279</b>      | <b>21,392</b>   | <b>20,866</b>         |

<sup>(1)</sup> Takes into account Budgeting Changes as detailed in Annex 2.

## ANNEX 4

### Grant Paid to the Scottish Consolidated Fund 2006-07: Provision and estimated Outturn

| £ million                                                              | Original Provision | Final Provision | Estimated Outturn     |
|------------------------------------------------------------------------|--------------------|-----------------|-----------------------|
| Expenditure Classified as DEL                                          | 25,145             | 25,372          | 25,268 <sup>(1)</sup> |
| Expenditure Classified as AME                                          | 2,566              | 2,603           | 2,530 <sup>(1)</sup>  |
| Non Domestic Rates                                                     | 1,884              | 1,884           | 1,884                 |
| <b>Total Managed Expenditure</b>                                       | <b>29,595</b>      | <b>29,859</b>   | <b>29,682</b>         |
| <b>Adjustments to cash requirement</b>                                 |                    |                 |                       |
| Non-budgetary cash items including Housing Stock Transfers             | 10                 | 132             | 156                   |
| Depreciation and Impairments                                           | -395               | -461            | -461                  |
| Other Cash to accruals adjustments                                     | -2,958             | -2,980          | -2,839                |
| Non Domestic Rates Income                                              | -1,884             | -1,884          | -1,884                |
| National Insurance Fund Payments towards Scottish NHS                  | -1,406             | -1,632          | -1,799                |
| Other items including LA supported borrowing and non voted expenditure | -309               | -309            | -309                  |
| Net balance in Scottish Consolidated Fund                              |                    |                 | -794                  |
| <b>Grant paid to Scottish Consolidated Fund</b>                        | <b>22,653</b>      | <b>22,725</b>   | <b>21,752</b>         |

<sup>(1)</sup> Takes into account Budgeting Changes as detailed in Annex 2.

## ANNEX 5

### Reconciliation of Grant Payable to the Scottish Consolidated Fund with Total Managed Expenditure in Scotland: 2007-08

|                                                                        | Original Provision<br>£m |
|------------------------------------------------------------------------|--------------------------|
| Expenditure Classified as DEL                                          | 26,628                   |
| Expenditure Classified as AME                                          | 3,489                    |
| Non Domestic Rates                                                     | 1,860                    |
| <b>Total Managed Expenditure</b>                                       | <b>31,977</b>            |
| <b>Adjustments to cash requirement</b>                                 |                          |
| Non-budgetary cash items                                               | 25                       |
| Depreciation and Impairments                                           | -357                     |
| Other Cash to accruals adjustments                                     | -3,449                   |
| Non Domestic Rates Income                                              | -1,860                   |
| National Insurance Fund Payments towards Scottish NHS                  | -1,406                   |
| Other items including LA supported borrowing and non voted expenditure | -317                     |
| <b>Grant payable to Scottish Consolidated Fund</b>                     | <b>24,613</b>            |

## ANNEX 6

### Scotland Act Orders

| <b>SI Number</b> | <b>Title</b>                                                                                                                                                                               |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2006/1040        | The Scotland Act 1998 (Transfer of Functions to the Scottish Ministers etc. (No.2) Order 2006                                                                                              |
| 2006/1054        | The Water Environment and Water Services (Scotland) Act 2003 (Consequential Provisions and Modifications) Order 2006                                                                       |
| 2006/1055        | The Management of Offenders etc. (Scotland) Act 2005 (Consequential Modifications) Order 2006                                                                                              |
| 2006/1056        | The Smoking, Health and Social Care (Scotland) Act 2005 (Consequential Modifications) (England, Wales and Northern Ireland) Order 2006                                                     |
| 2006/1115        | The Smoking, Health and Social Care (Scotland) Act 2005 and the Prohibition of Smoking in Certain Premises (Scotland) Regulations 2006 (Consequential Provisions) Order 2006 <sup>15</sup> |
| 2006/1251        | The Scotland Act 1998 (Agency Arrangements) (Specification) Order 2006                                                                                                                     |
| 2006/2913        | The Scotland Act 1998 (River Tweed) Order 2006                                                                                                                                             |
| 2006/3248        | The Scotland Act 1998 (Agency Arrangements) (Specification) (No.2) Order 2006                                                                                                              |
| 2006/3258        | The Scotland Act 1998 (Transfer of Functions to the Scottish Ministers etc.) (No.3) Order 2006                                                                                             |
| 2006/3338        | The Scotland Act 1998 (Agency Arrangements) (Specification) (No.3) Order 2006                                                                                                              |
| 2006/3407        | The Animal Health and Welfare (Scotland) Act 2006 (Consequential Provisions) (England and Wales) Order 2006                                                                                |
| 2007/285         | The Scottish Parliament (Disqualification) Order 2007                                                                                                                                      |
| 2007/286         | The Scotland Act 1998 (Agency Arrangements) (Specification) Order 2007                                                                                                                     |
| 2007/772         | The Planning etc. (Scotland) Act 2006 (Business Improvement Districts Levy) Order 2007                                                                                                     |
| 2007/931         | The Local Electoral Administration and Registration Services (Scotland) Act 2006 (Consequential Provisions and Modifications) Order 2007                                                   |
| 2007/937         | The Scottish Parliament (Elections etc.) Order 2007                                                                                                                                        |
| 2007/1098        | The Police, Public Order and Criminal Justice (Scotland) Act 2006 (Consequential Provisions and Modifications) Order 2007                                                                  |
| 2007/1103        | The Tourist Boards (Scotland) Act 2006 (Consequential Modifications) Order 2007                                                                                                            |

<sup>15</sup> Made by the Secretary of State for Transport

## ANNEX 7

### UK Government Bills

|                                                     |                                                  |
|-----------------------------------------------------|--------------------------------------------------|
| Animal Welfare Bill                                 | Legal Services Bill                              |
| Armed Forces Bill                                   | Legislative and Regulatory Reform Bill           |
| Charities Bill                                      | Mental Health Bill                               |
| Civil Aviation Bill                                 | National Health Service Bill                     |
| Climate Change and Sustainable                      | National Insurance Contributions Bill            |
| Corporate Manslaughter and Corporate Homicide Bill  | National Lotteries Bill                          |
| Companies Bill                                      | Northern Ireland (St Andrew's Agreement) Bill    |
| Concessionary Bus Travel Bill                       | Northern Ireland (Miscellaneous Provisions) Bill |
| Consumers, Estate Agents and Redress Bill           | Offender Management Bill                         |
| Crossrail Bill                                      | Parliamentary Costs Bill                         |
| Crown Employment (Nationality) Bill                 | Pensions Bill                                    |
| Digital Switchover (Disclosure of Information) Bill | Planning-Gain Supplement (Preparations) Bill     |
| Electoral Administration Bill                       | Police and Justice Bill                          |
| European Union (Accessions) Bill                    | Road Safety Bill                                 |
| Fraud Bill                                          | Safeguarding Vulnerable Groups Bill              |
| Fraud (Trials without jury) Bill                    | Serious Crime Bill                               |
| The Further Education and Training Bill             | Statistics and Registration Service Bill         |
| Government of Wales Bill                            | UK Borders Bill                                  |
| Greater London Authority Bill                       | Violent Crime Reduction Bill                     |
| Health Bill                                         | Wireless Telegraphy Bill                         |
| Justice and Security (NI) Bill                      | Work and Families Bill                           |

## ANNEX 8

### Scrutiny of Scottish Parliament Bills

In connection with advising the Advocate General on his functions under Section 33 of the Scotland Act, the Office of the Solicitor to the Advocate General considered the legislative competence of the following Bills before the Scottish Parliament in 2006-07.

|                                                                          |
|--------------------------------------------------------------------------|
| Adult Support and Protection (Scotland) Bill                             |
| Airdrie – Bathgate Railway and Linked Improvements Bill                  |
| Animal Health and Welfare (Scotland) Bill                                |
| Bankruptcy and Diligence etc. (Scotland) Bill                            |
| Budget (Scotland) (No.4) Bill                                            |
| Cairngorms National Park Boundary Bill                                   |
| Christmas Day and New Year’s Day Trading (Scotland) Bill                 |
| Commissioner for Older People (Scotland) Bill                            |
| Criminal Proceedings etc. (Reform) (Scotland) Bill                       |
| Crofting Reform etc. Bill                                                |
| Custodial Sentences and Weapons (Scotland) Bill                          |
| Edinburgh Airport Rail Link Bill                                         |
| Education (School Meals etc.) (Scotland) Bill                            |
| Glasgow Airport Rail link Bill                                           |
| Home Energy Efficiency Targets (Scotland) Bill                           |
| Interests of Members of the Scottish Parliament Bill                     |
| Legal Profession and Legal Aid (Scotland) Bill                           |
| Local Electoral Administration and Registration Services (Scotland) Bill |
| Planning etc. (Scotland) Bill                                            |
| Police, Public Order and Criminal Justice (Scotland) Bill                |
| Prostitution (Public Places) (Scotland) Bill                             |
| Protection of Vulnerable Groups (Scotland) Bill                          |
| Rights of Relatives to Damages (Mesothelioma) (Scotland) Bill            |
| Schools (Health Promotion and Nutrition) (Scotland) Bill                 |
| Scottish Commission for Human Rights (Scotland) Bill                     |
| Scottish Schools (Parental Involvement) Bill                             |
| St Andrew’s Day Bank Holiday (Scotland) Bill                             |
| Transport and Works (Scotland) Bill                                      |
| Treatment of Drug Users (Scotland) Bill                                  |

# ANNEX 9

## Staffing

|                 | 2003-04    |        | 2004-05 |        |      |        | 2005-06 |        |      |        | 2006-07 |        |      |        | 2007-08 |        | 2008-09 |        |
|-----------------|------------|--------|---------|--------|------|--------|---------|--------|------|--------|---------|--------|------|--------|---------|--------|---------|--------|
|                 | SO and OAG |        | SO      |        | OAG  |        | SO      |        | OAG  |        | SO      |        | OAG  |        | SO      |        | OAG     |        |
|                 | Comp       | Actual | Comp    | Actual | Comp | Actual | Comp    | Actual | Comp | Actual | Comp    | Actual | Comp | Actual | Comp    | Actual | Comp    | Actual |
| Permanent staff | 130        | 101    | 65      | 56     | 35   | 28     | 60      | 51     | 32   | 30     | 54      | 48     | 32   | 30     | 55      | 32     | 55      | 32     |
| Casual staff    |            |        |         |        |      | 1      |         |        |      | 1.5    |         | 0.3    |      | 1.9    |         |        |         |        |
| Overtime        |            | 2      | 1       | 1      | 1    | 1      | 1       | 0.5    | 1    | 0.5    |         | 1.3    |      | 0.6    |         |        |         |        |
| Total           | 130        | 103    | 66      | 57     | 36   | 30     | 61      | 51.5   | 33   | 32     | 54      | 49.6   | 32   | 32.5   | 55      | 32     | 55      | 32     |

Notes:

1. "Comp" refers to the complement of staff agreed by the Offices' Joint Management Board at the beginning of each financial year.
2. Separate complement figures for 2003-04 are not available
3. The "actual" figures show the average number of staff in post throughout the year and thus reflect fluctuations in staffing due to transfers, vacancies, retirements etc.



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