The Committee will meet at 10.00 am in Committee Room 1 to consider the following agenda items:

1. **Spending Review 2004:** The Committee will take evidence on the Spending Review 2004 from—
   
   Andy Kerr, MSP, Minister for Finance and Public Services;  
   
   Richard Dennis, Finance Co-ordination Team Leader; and Richard Wilkins, Member, Spending Review Team, Scottish Executive.

2. **School Education (Ministerial Powers and Independent Schools) (Scotland) Bill:** The Committee will take evidence on the Bill’s Financial Memorandum from—
   
   Rachel Edgar, Bill Team Leader, Isla Jack, Bill Team member and Donna Bell, Education Finance Team Leader, Scottish Executive

3. **Breastfeeding etc. (Scotland) Bill:** The Committee will take evidence on the Bill’s Financial Memorandum from—
   
   Elaine Smith, MSP, Member in Charge, Scottish Parliament; and  
   
   Mike Dailly, Govan Law Centre.

4. **Scottish Water:** The Committee will consider correspondence received from the Deputy Minister for the Environment and Rural Development.

5. **Item in private:** The Committee will decide whether to consider a paper on advisers for its Cross Cutting Expenditure Review on Economic Development in private at its next meeting.

Susan Duffy
Clerk to the Committee
The papers for this meeting are:

**Agenda Item 1**
PRIVATE PAPER

**Agenda Item 2**
PRIVATE PAPER

**Agenda Item 3**
Breastfeeding etc (Scotland) Bill, Policy Memorandum and Explanatory Notes
[http://www.scottish.parliament.uk/bills/index.htm#15](http://www.scottish.parliament.uk/bills/index.htm#15)

Paper by the Clerk – written evidence
PRIVATE PAPER

**Agenda Item 4**
Correspondence from the Deputy Minister for the Environment and Rural Development – to follow
Finance Committee

13th Meeting 2004 – Tuesday 27 April 2004

Breastfeeding (Scotland) Bill - Financial Memorandum
Written Submissions

1. In order to assist the Committee in its consideration of the Financial Memorandum of the Breastfeeding (Scotland) Bill, written submissions have been received from the following organisations:
   
   Equal Opportunities Commission (submission to the Health Committee)
   Association of Chief Police Officers in Scotland
   Federation of Small Businesses
   Scottish Executive, Health Department, Women and Children’s Unit
   Elaine Smith, MSP, Member in Charge of the Bill

2. The Committee is invited to consider these submissions.

Emma Berry
April 2004
SUBMISSION FROM THE EQUAL OPPORTUNITIES COMMISSION

The Equal Opportunities Commission (EOC) was set up by the Sex Discrimination Act 1975 (the SDA). Its duties are to work towards the elimination of discrimination between women and men, to promote equality of opportunity between women and men generally, and to keep under review the workings of the Sex Discrimination and Equal Pay Acts. The Equal Opportunities Commission (EOC) is a non-departmental public body, funded through grant-in-aid. Our sponsor department is the Women and Equality Unit at the Department for Trade and Industry. The Equal Opportunities Commission is the leading agency working to eliminate sex discrimination in 21st Century Britain.

The EOC’s statutory responsibility relates specifically to gender equality, and that is where the Commission’s main expertise is. However, issues of gender equality are integral to all other equality groups, including those areas regulated by statute and those identified in Schedule 5 of The Scotland Act.

The Commission welcomes the introduction of the Breastfeeding Bill and commends the Elaine Smith MSP and the Health Committee in advancing this Bill. There is compelling evidence about the benefits of breastfeeding children and it is important that this need is acknowledged and provided for in public places.

Consultation
In reading the report on responses, it is clear that the consultation process has provided a useful range of views and has assisted in identifying some complex issues around balancing individual rights and respecting different views and cultures. While it may be regrettable that legislation has to be introduced in this area, the experience of many women underlines the fact that a voluntary code was not sufficient.

Resources
One of the points we would raise is about resources. The Financial Memorandum suggests that enforcement costs will be minimal and that promotional costs can be accommodated under health programmes. However, consideration could also be given to the costs to service providers in terms of training their staff and also in respect of providing or adapting a space/area to make it suitable for feeding children. Employers/service providers might be faced with balancing the needs of parents and the provision of services to others and may opt to have a designated space. A grant system to encourage provision is worth considering in the initial stages of establishing new practice.
SUBMISSION FROM THE ASSOCIATION OF CHIEF POLICE OFFICERS IN SCOTLAND

I refer to your correspondence dated 25 March 2004, in relation to the above subject, which has been considered by members of the Finance and Best Value Standing Committee and can now offer the following by way of comment.

Members agree that any additional costs to Scottish police forces would be minimal and could be absorbed within force budgets. Furthermore there does not appear to be any significant implications for forces in relation to conditions of service for staff.

I trust that the foregoing is of assistance to you.

Assistant Secretary

SUBMISSION FROM THE FEDERATION OF SMALL BUSINESSES

Basically, the only extra cost on small businesses as a result of the Bill that is immediately apparent to us is the extra training for employees; however, we are unable to quantify the cost of that.

Deputy Parliamentary Officer

SUBMISSION FROM THE WOMEN AND CHILDREN’S UNIT, HEALTH DEPARTMENT, SCOTTISH EXECUTIVE

Annex A

Breastfeeding Funding Details for Financial Years 1999/00-2003/04. (£’s)

<table>
<thead>
<tr>
<th>Year end</th>
<th>CSO 1</th>
<th>SBG 2</th>
<th>NBA 3</th>
<th>Social Justice 5</th>
<th>Total (SE) 6</th>
<th>NHS Health 7</th>
<th>Total (All) 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td></td>
<td>5000</td>
<td>32,000</td>
<td>4000</td>
<td>37,004</td>
<td>35,000</td>
<td>76,000</td>
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<tr>
<td>2001</td>
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<td>32,000</td>
<td>4000</td>
<td>57,840</td>
<td>195,000</td>
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<td>2002</td>
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<td>32,000</td>
<td>2000</td>
<td>60,000</td>
<td>116,227</td>
<td>186,227</td>
</tr>
</tbody>
</table>
p-provisional

This represents research funding allocated by the Chief Scientists Office (CSO) of the Scottish Executive Health Department.

This represents funding allocated by the Scottish Executive Health Department for the work of the Scottish Breastfeeding Group.

This represents funding allocated by the Scottish Executive Health Department for the work of the National Breastfeeding Advisor.

This represents funding given to support breastfeeding through the Section 16b voluntary organisation funding stream.

This represents Social Justice monies given to NHS Ayrshire and Arran.

This represents the total monies spent directly on breastfeeding by the Scottish Executive.

This represents the monies spent by NHS Health Scotland on breastfeeding support and promotion.

This represents the total monies spent on breastfeeding, both directly by the Scottish Executive and through NHS Health Scotland.
Annex B
Further Explanation and Scope of Funding

1. Breastfeeding projects funded by CSO (since 2000)

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Applicant</th>
<th>Amount Funded (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A theoretically based assessment of knowledge and attitudes towards breastfeeding and bottle feeding among secondary pupils in Scotland</td>
<td>Dr Harden Carter, The University of Stirling. 2000</td>
<td>20,836</td>
</tr>
<tr>
<td>Descriptive Study of peer support programmes for breastfeeding in Scotland</td>
<td>Dr Rhona McInnes, The University of Glasgow. 2002</td>
<td>19,394</td>
</tr>
<tr>
<td>Breastfeeding opinions, knowledge, management practices and training of Scottish Midwives</td>
<td>Dr Jane Scott, The University of Glasgow. 2002</td>
<td>19,563</td>
</tr>
<tr>
<td>How can breastfeeding initiation, duration and maternal satisfaction with breastfeeding be improved in Scotland</td>
<td>Dr Pat Hoddinott, The University of Aberdeen. 2004</td>
<td>302,880</td>
</tr>
</tbody>
</table>

2. The Scottish Executive funds and supports the Scottish Breastfeeding Group (SBG). The SBG is a multi-disciplinary group which aims to raise awareness about breastfeeding issues in Scotland and improve the care and support available for breastfeeding mothers and their babies through support for NHS staff in developing and delivering local strategies in support of breastfeeding. There are now 150 breastfeeding support groups across Scotland, and 5 breastfeeding peer support projects. 13 NHS Health Boards have a breastfeeding strategy in place, 1 has a breastfeeding policy and 1 has breastfeeding guidance in place.

3. The Scottish Executive funds and supports the post of National Breastfeeding Advisor (NBA) who actively promotes breastfeeding throughout the country. The NBA works with stakeholders to develop breastfeeding strategies and policies.

4. Two voluntary organisations, the Breastfeeding Network and the National Childbirth Trust, are grant-funded under Section 16 B of the NHS (Scotland) Act 1978, as amended, to support their work in promoting breastfeeding.

5. Mary Mulligan, the then Deputy Minister for Health and Community Care, met with the Scottish Breastfeeding Group and representatives of the NHS Boards' Breastfeeding Strategy Groups at their joint meeting on 4 December 2002. She announced Executive funding of £60,000 to NHS Ayrshire and Arran for the development of peer support projects in areas of multiple disadvantage. The breastfeeding target of 50% of new mothers breastfeeding at 6 weeks by 2005 is a Social Justice milestone.
6. It is important to note that the Executive also funds and supports many initiatives where breastfeeding support and promotion forms part of a larger project or initiative. These initiatives include The Starting Well Demonstration Project, The Have a Heart Paisley Demonstration Project and the Scottish Healthy Choice Awards. It is not possible to quantify the funds which are allocated/spent on breastfeeding in these cases.

7. NHS Health Scotland plays a vital role in encouraging women to breastfeed and to promote positive public attitudes towards breastfeeding. This includes support for Breastfeeding Awareness Week, and all year round activity with production of breastfeeding support materials for mothers/families and training resources for health professionals. NHS Health Scotland also funded a national television advertising campaign Breastmilk- the world’s best food which aimed to promote breastfeeding and importantly to break down cultural barriers by educating women and the public generally. NHS Health Scotland is launching a new breastfeeding campaign for Breastfeeding Awareness Week 2004 consisting of a new television advert and set of posters. NHS Health Scotland has also produced guidelines on breastfeeding and returning to work for public and private employers and separately for mothers returning to work.

SEHD: Women and Children’s Unit
20 April 2004

SUBMISSION FROM ELAINE SMITH, MSP, MEMBER IN CHARGE OF THE BILL

In advance of the Finance Committee’s consideration of the financial memorandum for the Breastfeeding etc. (Scotland) Bill, I have been asked to provide a written submission covering the costs set out in that document.

This submission briefly outlines the origins of the information and hypotheses used to estimate the costs in the financial memorandum. This information is detailed further in the appendix.

Costs on the Scottish Administration

With regards to the provisions imposed by section 4 of the bill, namely introducing section 38A to the National Health Service (Scotland) Act 1978 (c.29), these provisions are proposed with the intention of complementing and enhancing both the current and future work of the Scottish Executive in the area of breastfeeding promotion and support; and as such, any additional expenditure would remain a discretionary matter for the Scottish Executive.

At present, general funding for breastfeeding promotion and support is derived from a number of disparate sources across various government departments. The Chief Scientist's Office research fund, the Health
Improvement Fund and the section 16b voluntary sector funding stream have all been identified as potential funding sources within the Health Department, whilst the Sure Start Initiative and the Changing Children's Services Fund have been deemed appropriate by the Education Department for the same purposes. The Scottish Executive’s Development Department have used Social Justice monies in the support of breastfeeding in recent years.1

With regards to specific Scottish Executive funding for Breastfeeding promotion and support, a sum of £5,000 is ring-fenced annually for the work of the Scottish Breastfeeding Group and £32,000 is allocated on a yearly basis for the work of the National Breastfeeding Adviser. 2

To date, no specific funding has been allocated from the Health Department to NHS Boards in Scotland to support Breastfeeding.3 Since such expenditure is met via each Board’s annual unified budget, or through bidding processes, local approaches towards breastfeeding are likely to be determined by the level of conviction and commitment of individual Health Boards4 in the face of other more immediate demands and, as a result, expenditure varies across Scotland.

The most recent Audit of NHS Health Boards Action on Breastfeeding5 in March 2003 highlighted that fact that since the Scottish breastfeeding target was set in November 1994 for 50% of mothers to be still breastfeeding their babies at six weeks of life by 2005 (NHS MEL 1994) progress has varied throughout the country.

Since 1996 the National Breastfeeding Adviser (NBA) has worked with NHS Boards to stimulate the development of strategies to support breastfeeding. In 2003, 13 out of 15 NHS Boards had developed and begun to implement strategies. Whilst one additional Board indicated plans to commence work on a strategy in May 2003; the remaining NHS Board has retained guidelines which are unlikely to have the necessary influence to bring about changes to promote and support breastfeeding effectively and has not implemented a strategy.6

1. Written Answers, (S2W-5503). 3rd February 2004
2. Written Answers, (S2W- 5498). 26th January 2004
3. Written Answers, (S2W-5498). 26th Jan 2004
The Audit of 2003, and its precursor in 2002, highlighted principal concerns as the:

need to communicate and reaffirm the importance of breastfeeding in the context of funding applications. 7 The importance of breastfeeding may need to be reaffirmed and communicated to those who influence how funding is spent. Those applying for funding may need further support and information about appropriate sources of funding.8

The need for guidance and support on issues surrounding the WHO Code (International Code of Marketing of Breast-milk Substitutes) and the sale of formula milk in NHS premises. 9

It is envisaged that Section 4 of the Bill will work to provide Ministers with sufficient powers to address these concerns. Any additional investment is obviously favourable and would be welcomed; however, this would remain a matter for the Scottish Executive’s discretion. Funding for additional, or the development of, strategies could be found within the existing budgets already detailed, through more efficient deployment and/or ring fencing of monies, dependant on the scope of Scottish Executive action.

At this point it is also significant to note that research has indicated that successful Breastfeeding promotion can produce significant savings for the NHS. The potential savings for the NHS in Scotland following a change in breastfeeding rates have been estimated at £3.82 million annually10.

The cost effectiveness of breastfeeding is clearly also an issue of interest for the Scottish Executive as Researchers at the Highlands and Islands Health Research Institute (HIHRI) have been recently commissioned to undertake a three-year study, which is being funded from awards from the Scottish Executive Health Department (SEHD) Chief Scientist Office, 11to evaluate the clinical and cost effectiveness of breastfeeding support groups in improving breastfeeding initiation, duration and satisfaction.

Should the bill become law, the Scottish Executive may wish to initiate an awareness raising campaign. The scale and nature of any such campaign would obviously be determined by the Scottish Executive and NHS Health


11 Details available on the Chief Scientist’s Office website at: http://www.show.scot.nhs.uk/cso/
Scotland (formerly HEBS). NHS Health Scotland do currently have a responsibility to address national priorities and have utilised funds for the promotion of Breastfeeding in the past. The costs of any necessary awareness campaign could therefore be met by the funds already available to NHS Health Scotland.

Elaine Smith MSP
April 2004

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**SCOTTISH PARLIAMENT**

**WRITTEN ANSWER**

26 January 2004

Index Heading: Health Department

**Elaine Smith (Coatbridge and Chryston) (Lab):** To ask the Scottish Executive what funding it allocated specifically to support and promote breastfeeding in each year since May 1999, expressed also as a percentage of the total health budget in each year.

(S2W-05498)

**Malcolm Chisholm:**

The following table contains information regarding funding the Scottish Executive has allocated specifically to support and promote breastfeeding in each year since May 1999, expressed also as a percentage of the total health budget in each year.

This table only contains information about funding specifically and solely for breastfeeding support and promotion. The Scottish Executive also fund initiatives where breastfeeding support and promotion forms part of a larger project, including the Starting Well Demonstration Project and the Scottish Healthy Choice Awards.

It is also important to note that no specific funding has been allocated to NHS Boards to support breastfeeding. NHS Boards are given an annual unified budget to meet the health care needs of their resident populations. It is for Boards to determine, within the funds available, how to manage and deliver local health care services to meet these needs taking account of national and local priorities.

<table>
<thead>
<tr>
<th>Year end</th>
<th>CSO 1 (£)</th>
<th>SBG 2 (£)</th>
<th>NBA 3 (£)</th>
<th>Other 4 (£)</th>
<th>Total (£)</th>
<th>Total Health Budget (£Billion)</th>
<th>Percentage of Total Health Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>5000</td>
<td>32,000</td>
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<td>0.0007</td>
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<td></td>
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<tr>
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<td>32,000</td>
<td>5.197</td>
<td>0.0009</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2003</td>
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<td>32,000</td>
<td>5.680</td>
<td>0.0008</td>
<td></td>
<td></td>
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<tr>
<td>2004</td>
<td>302,880p</td>
<td>5000</td>
<td>32,000</td>
<td>60,000</td>
<td>7.241</td>
<td>0.0046</td>
<td></td>
</tr>
</tbody>
</table>

- This represents research funding allocated by the Chief Scientists Office (CSO) of the Scottish Executive.
- This represents research funding allocated by the Scottish Executive for the work of the Scottish Breastfeeding Group.

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12 Written Answer, (S2W-5500) 26th January 2004
3. This represents research funding allocated by the Scottish Executive for the work of the National Breastfeeding Advisor.

4. This represents funding given to NHS Ayrshire and Arran for the development of peer support projects in areas of multiple disadvantage, though this was not funded by the Health Department and as such is not included in the total spend or percentage of total health budget.

SCOTTISH PARLIAMENT

WRITTEN ANSWER

26 January 2004

Index Heading: Health Department

Elaine Smith (Coatbridge and Chryston) (Lab): To ask the Scottish Executive what funding it allocated specifically to support breastfeeding in each NHS board area in each year since May 1999. (S2W-05499)

Malcolm Chisholm:

No specific funding has been allocated to NHS Boards to support breastfeeding. NHS Boards are given an annual unified budget to meet the health care needs of their resident populations. It is for Boards to determine, within the funds available, how to manage and deliver local health care services to meet these needs taking account of national and local priorities.

I also refer the member to the answer given to question S2W-05498 for further information about breastfeeding funding. All answers to written PQs are available on the Parliament's website, the search facility for which can be found at http://www.scottish.parliament.uk/webapp/search_wa.

SCOTTISH PARLIAMENT

WRITTEN ANSWER

3 February 2004 (holding reply issued 29 January 2004)

Index Heading: Health Department

Elaine Smith (Coatbridge and Chryston) (Lab): To ask the Scottish Executive which funding streams in each of its departments have been considered as appropriate funding sources to support and promote breastfeeding. (S2W-05503)

Malcolm Chisholm:

The Health, Education and Development Departments within the Scottish Executive all have an interest in the support and promotion of breastfeeding.

Within the Health Department the Chief Scientists Office research fund, the Health Improvement Fund and the Section 16b voluntary sector funding stream, have all been considered as appropriate sources of funding.

Within the Education Department the Sure Start Initiative and the Changing Children's Services Fund have been considered as appropriate sources of funding. Within the
Development Department Social Justice monies have also been used in the support breastfeeding.

SCOTTISH PARLIAMENT
WRITTEN ANSWER

26 January 2004

Index Heading: Health Department

Elaine Smith (Coatbridge and Chryston) (Lab): To ask the Scottish Executive how much funding has been allocated to NHS Health Scotland, and its predecessor organisations, for the promotion of breastfeeding in each year since May 1999.

Malcolm Chisholm:

No funding has been allocated to NHS Health Scotland and its predecessor organisations specifically to promote breastfeeding. It is for NHS Health Scotland to determine how it uses its funding, whilst taking into account national priorities.

The following table shows the funds that NHS Health Scotland and its predecessor organisations have used for the promotion of breastfeeding in each year since year end 2000.

<table>
<thead>
<tr>
<th>Year End</th>
<th>Organisation</th>
<th>Amount (£k)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>Health Education Board for Scotland</td>
<td>35</td>
</tr>
<tr>
<td>2001</td>
<td>Health Education Board for Scotland</td>
<td>195</td>
</tr>
<tr>
<td>2002</td>
<td>Health Education Board for Scotland</td>
<td>426</td>
</tr>
<tr>
<td>2003</td>
<td>Health Education Board for Scotland</td>
<td>70</td>
</tr>
<tr>
<td>2004</td>
<td>NHS Health Scotland</td>
<td>230</td>
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</tbody>
</table>

SCOTTISH EXECUTIVE
Finance Committee

13th meeting 2004 – 27 April 2004

Correspondence regarding Scottish Water

The Committee agreed that a letter which was received from the Deputy Minister for Environment and Rural Development should be considered at this week’s meeting. This letter is attached.

Susan Duffy
Clerk to the Committee
Thank you for your letter of 1st April to Dr. Scott seeking further clarification for the Finance Committee’s investigations into the water industry in Scotland. As Deputy Minister with policy responsibility, I am responding.

As set out in Dr. Scott’s letter to you of 29 March, the borrowing available to Scottish Water has always been within the limits approved by Parliament. In the months immediately preceding the creation of Scottish Water on 1 April 2002, there was considerable uncertainty around the pace at which the substantial efficiencies being demanded of Scottish Water could be achieved. Ministers therefore ensured that £200 million borrowing in addition to the levels suggested at the time of the Strategic Review of Charges would be available to Scottish Water if required over the four year period. This additional borrowing would have been within the limits approved by Parliament and already in the public domain, so formal notification was not made to any of the parties involved. More recent discussions between Scottish Water and the Water Industry Commissioner, during the summer of 2003, concluded that total additional borrowing of up to £610 million over the four year period would be appropriate, ie the full extra £200m would not be required.

You ask whether this could happen again in future. Now Scottish Water has been operating for two years, and it is clear that considerable efficiencies are already being achieved, the level of uncertainty about the borrowing required has been much reduced. As always, if there was any need to exceed the levels of expenditure approved by Parliament, proper process through Budget revisions would be followed.

Yours sincerely,

[Signature]

ALLAN WILSON