The Committee will meet at 9.30 am in Festival Theatre, 13-29 Nicolson Street, Edinburgh, to consider the following agenda items:

1. **Budget Process (in private):** The Committee will consider possible areas of questioning for the Minister for Transport and the Environment and Executive officials, on “Investing in You - The Annual Expenditure Report of the Scottish Executive”.

*Not before 10.00 am*

2. **Subordinate Legislation:** The Committee will consider the following draft affirmative instrument—

   The Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Amendment Regulations 2000

3. **Budget Process:** The Committee will take evidence from the Minister for Transport and the Environment and Executive officials, on “Investing in You – The Annual Executive Report of the Scottish Executive”.

4. **Subordinate Legislation:** The Committee will debate the following motion—

   S1M-804 Nora Radcliffe: Designation of Nitrate Vulnerable Zones (Scotland) Regulations 2000 (SSI 2000/96)—That the Transport and the Environment Committee recommends that nothing further be done under the Designation of Nitrate Vulnerable Zones (Scotland) Regulations 2000 (SSI 2000/96)

5. **Subordinate Legislation:** The Committee will consider the following negative instrument—
The Radioactive Substances (Basic Safety Standards) (Scotland) Regulations 2000 (SI 2000/100)

6. **National Parks (Scotland) Bill (in private):** The Committee will consider a draft report on the general principles of the National Parks (Scotland) Bill.

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The following papers are relevant for this meeting:

<table>
<thead>
<tr>
<th>Paper Description</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extract from Investing in You - The Annual Expenditure Report of the Scottish Executive</td>
<td>TE/00/11/1</td>
</tr>
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<td>Committee note on evidence on the Annual Budget Process received from the Scottish Executive</td>
<td>TE/00/11/2</td>
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<tr>
<td>The Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Amendment Regulations 2000</td>
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<td>Executive covering note on the Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Amendment Regulations 2000</td>
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<td>The Designation of Nitrate Vulnerable Zones (Scotland) Regulations 2000 (SI 2000/96)</td>
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<td>4</td>
<td>Executive covering note on the Designation of Nitrate Vulnerable Zones (Scotland) Regulations 2000 (SI 2000/96)</td>
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<td>Committee covering note on the Designation of Nitrate Vulnerable Zones (Scotland) Regulations 2000 (SI 2000/96)</td>
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<td>The Radioactive Substances (Basic Safety Standards) (Scotland) Regulations 2000 (SI 2000/100)</td>
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TRANSPORT AND THE ENVIRONMENT COMMITTEE

THE ANNUAL BUDGET PROCESS

EVIDENCE FROM THE EXECUTIVE

Background

At a meeting on Wednesday 29 April, the Transport and the Environment Committee considered a draft version of the Scottish Executive’s Departmental Report, and members highlighted particular areas of the Report on which they wished to seek clarification or further information. A list of questions (attached at Annex A) was subsequently drawn up and passed to the Executive’s Finance Department, based on these areas of concern, and on the guidance produced by the Finance Committee for Subject Committees. The Executive’s response to these questions has now been received, and is attached at Annex B.

Representation From Other Committees

The Convener has received representations from the Finance Committee, requesting that Subject Committees consider the differing impact of the Budget proposals on men and women. A paper which was attached to the letter from the Convener of the Finance Committee is attached at Annex C. The Committee has also been requested by the Convener of the Equal Opportunities Committee to take into account the impact of the Budget proposals on various social groups – her letter is attached at Annex D. The Convener has written to both Committees, advising them that the Transport and the Environment Committee will take the matters they raise into account during the Committee’s consideration of the Budget.

Meeting On Wednesday 10 May

At the meeting of the Transport and the Environment Committee on Wednesday 10 May, members will have an opportunity to question the Minister for Transport and the Environment and various Executive officials on the recently published Executive Departmental Report (Investing in You) and on the Executive’s responses to the written questions submitted by the Committee. This report was circulated to members by the Executive. It is proposed that at this meeting, members will be able to pursue with the Minister any specific issues and areas of questioning that are of particular interest to them.

Next Steps

After taking evidence from the Minister and her officials on Wednesday 10 May, members may wish to reach a view on whether any additional evidence-taking is required on the Annual Budget Process. It would be open to members to schedule a further oral evidence session for the Committee meeting on Wednesday 23 May, during which members could take evidence from organisations such as SEPA and SNH. However, if only a limited number of questions or points of clarification arose
from the session with the Minister on 10 May, members might feel it more appropriate for the Committee to seek written, rather than oral, evidence from the organisations concerned.

After taking evidence from the Minister and her officials, members should reach agreement on:

- Whether the Committee wishes to take further evidence on the Annual Budget Process
- Whether this evidence should be in written or oral form
- Which organisations, if any, the Committee wishes to take further evidence from
- On what specific areas does the Committee wish clarification / further information

Following this, the Committee will then report to the Finance Committee, by 1 June 2000, on the Committee’s views (as set out in Committee paper TE/00/6/4).
TRANSPORT AND THE ENVIRONMENT COMMITTEE

THE ANNUAL BUDGET PROCESS

REQUEST FOR CLARIFICATION FROM THE EXECUTIVE

The following questions relate to the areas of the Executive’s Departmental Report covered by the remit of the Minister for Transport and the Environment, and any other areas of the Report relating to transportation and environmental matters i.e.:

- Enterprise and Lifelong Learning: energy efficiency; Scottish Renewables Obligation
- Local Government
- Rural Affairs & Forestry

Questions on Aims and Objectives

- What evaluation framework has the Executive established within which to consider each output and outcome of the Departmental Report?
- Who undertakes the evaluation of the Executive’s outputs and outcomes – the Executive, or another body (or bodies)?
- Who audits the evaluation? How does this auditing process work? When does the audit occur?
- What is the timescale for the evaluation?
- What is the process of setting the aims and objectives which are noted in the Departmental Report?
- How have the particular targets noted in the Departmental Report been identified, and why have they been defined this way?
- To what extent is achieving these targets dependant upon resources or other factors, and what are these other factors?

Questions on Planned Current and Capital Expenditure

What type of spending (capital / revenue) constitutes the expenditure at levels 2 and 3 for each expenditure line? How and to whom is this spending disbursed?

- What elements of expenditure levels 2 and 3 for each expenditure line are particularly subject to inflationary pressures?
• Have any levels of assumed efficiency or ‘re-engineering’ savings been anticipated in the expenditure figures in the Departmental Report?

• Please identify any particular areas within the portfolio where the Executive is ‘investing to save’. Is it possible to identify the timescale by which any of these savings may be achieved?

• What elements of expenditure are allocated centrally and why? The Committee would find it beneficial if it were possible to identify the services (and the concomitent expenditure) that are delivered by central government and its agencies, and those that are delivered by local authorities. In each case, is it possible to explain why this is the case?

• Which elements of expenditure are ring fenced and why?

• For ‘locally’ determined expenditure, to what extent can central government determine the priorities or direct how this is applied?

• In what areas is the Executive pursuing a ‘Research and Development’ approach? Why is this the case? To what extent could, and should, this approach be expanded into other areas?

• How is the investment requirement in Research and Development identified, allocated and prioritised?

• Does the Executive have indicative figures for Research and Development expenditures at levels two and three?

• What pilot schemes is the Executive funding and what provision is there for rolling out these schemes, if they are successful?

• Is it possible to identify where there may be unused resources at the end of the current financial year (2000-01)? How, and by whom, are decisions taken about re-deploying these resources?

• Which policy areas or initiatives cut across more than one Department of the Executive (for example, sustainable development) and how is funding disbursed across the various Departments involved in these areas or initiatives?

• What income streams feed into the Department’s expenditure totals? What amount of income is anticipated year on year? Is there any scope to alter these?

• Table 7.1 – 100m appears to be missing from the figures – is this a typographical error?
Specific Questions: Transport

- Table 7.1 – is the estimate of 37.5 m for other transport programmes in 1999/00 correct?

- Table 7.2 – is the estimate of 29.2 m for new construction and improvement in 2000/01 correct?

- Why is planned spending on Caledonian MacBrayne falling and what is the expected impact? (Table 7.1)

- Why is planned spending on Highlands and Islands Airports Limited falling and what is the expected impact?

- Why is spending on local authority grants falling and what is the expected impact, particularly in relation to SPT? (Table 7.1)

- What is the anticipated impact of the introduction of the Integrated Transport Bill on figures within the Transport Budget, and on local authorities’ transport budgets? (will it lead to additional costs, and how will these be reflected?)

- In the section of the Departmental Report dealing with Structural Repairs to the road network, what are the specific priorities in this area? What is the level of funding these? (Table 7.2)

- With respect to Rural Transport Measures, what are the future plans for the capital modernisation fund and the eligibility criteria for the fund? (Table 7.4)

- What line in the Departmental Report includes figures for Executive’s expenditure on ScotRail? What is the Executive’s planned expenditure on ScotRail each year until 2001-02?

- What line in the Departmental Report includes figures for Executive’s expenditure on Railtrack? What is the Executive’s planned expenditure on Railtrack each year until 2001-02?

Specific Questions: Development

- Where are the relevant figures for planning and building control in the Departmental Report?
Specific Questions: Environment

- Why has there been a decline in real terms in the amount spent on the environment (with the exception of natural heritage expenditure)? Specifically, where would any planned reductions be made? What is the anticipated impact?

- Why is there is a historic and a predicted trend of an underspend existing on the environment?

- What additional obligations are to be placed on SNH and SEPA and how are these reflected in the Departmental Report?

- To what is the increase in expenditure on natural heritage attributed (Table 7.12: 2001/02)?

- Why is the expenditure for SEPA declining and what will be the effect of this? (Table 7.15)

- How were the figures for expenditure on National Parks calculated, and what specifically is it envisaged that this money will be spent on? In particular, where do the new and existing programme costs appear in the Departmental Report figures?

- What are the reasons for the decrease in 'real terms' investment in East and West of Scotland water and the reasons for the increase in North of Scotland Water?

- What does the budget line 'Funds for Inward Investment' in Table 7.13 refer to?

- Why is the sustainable development fund decreasing in real terms and what will be the effect of this decrease?

- Is funding for flood prevention and coastal protection reflected in any other budget lines in addition to the two lines set out in Table 7.17?

- The figures in Table 7.18 appear to be a mix of cash and real terms when compared with the level 2 and 3 tables - are the figures in this table correct?

Specific Questions: Local Government

- How are additional requirements such as the implementation of the Integrated Transport Bill reflected in the figures for Local Authority capital expenditure on roads and transport?

- Why are the figures for roads and transport 2001/02 unavailable? When will these figures be available (Table 8.2)?
• The funding level for roads and transport is declining in real terms – why is this failing and what will the effect of this be?

• Are level 3 figures available for the roads and transport expenditure line?

**Specific Questions: Enterprise and Lifelong Learning**

• Why does spending on energy efficiency increase in 2000-01 but decline in real terms in 2001-02, and what will the effect of this change be?

• Why does spending on the Scottish Renewables Obligation increase in 1999-2000 but decline in real terms thereafter, and what will the effect of this change be?

**Specific Questions: Rural Affairs and Forestry**

• Why is there a decline in spending on structural and agri-environment measures in 2000/01 and an increase in 2001/02? what underpins the general trend – declining? (table 6.1)

• Why is there a decline in real terms of AME in Table 6.3?

• How are the levels of funding for agri-environment measures determined? does the EU set expenditure limits and what scope does the Executive have to set higher levels?

• What is the effect of the Rural Development Regulation in terms of obligations and Executive flexibly in setting levels of expenditure?

• Forestry – what actions are being taken to ensure the 'improved control of woodland grants expenditure'? What impact is expected on spend in real terms and what are the anticipated implications on nature conservation?

• Forestry Commission – why is planned expenditure static in cash terms and declining in real terms? what will the be the impact of this?

• Forestry Commission – the targets appear to be primarily activity / spend based – what are the anticipated outcomes and impacts of expenditure on Forestry Commission activity?

• Forest Enterprise – table 6.9 indicates a slight increase in expenditure on recreation and conservation heritage in cash terms – what is the reason for this increase?

• Forest Enterprise - the targets appear to be primarily activity / spend based – what are the anticipated outcomes and impacts of expenditure on Forestry Commission activity?
TRANSPORT AND THE ENVIRONMENT COMMITTEE

THE ANNUAL BUDGET PROCESS

REQUEST FOR CLARIFICATION FROM THE EXECUTIVE

The Executive’s replies to the Committee’s questions are set out below:

Questions on Aims and Objectives

- What evaluation framework has the Executive established within which to consider each output and outcome of the Departmental Report?

- Who undertakes the evaluation of the Executive’s outputs and outcomes – the Executive, or another body (or bodies)?

- Who audits the evaluation? How does this auditing process work? When does the audit occur?

- What is the timescale for the evaluation?

- What is the process of setting the aims and objectives which are noted in the Departmental Report?

- How have the particular targets noted in the Departmental Report been identified, and why have they been defined this way?

- To what extent is achieving these targets dependant upon resources or other factors, and what are these other factors?

The Executive is preparing a paper for Committees which will set out in full the detail of the evaluation framework and the arrangements for its operation. This will be available shortly.
Questions on Planned Current and Capital Expenditure

- What type of spending (capital/revenue) constitutes the expenditure at levels II and III for each expenditure line? How and to whom is this spending disbursed?

The narrative at level III gives a broad indication of the type of spending covered. At level III, the following lines consist of, or contain an element of, capital expenditure:

Table 7.2 Motorway and Trunk Roads
New Construction and Improvements
Structural Repairs

Table 7.4 Other Transport Programmes
Freight Facilities Grant
Rural Transport Measures
Piers and Harbours Grants
CalMac Piers and Harbours Grants

Table 7.7 Caledonian MacBrayne
Capital

Table 7.10 Highlands and Islands Airports Ltd
Capital Grant

Table 7.11 Grants to Local Authorities
Capital grants

Table 7.13
Water

Table 7.14
Scottish Natural Heritage

Table 7.15
Scottish Environment Protection Agency

Table 7.17
Flood Prevention and Coast Protection

The expenditure is otherwise revenue expenditure. Expenditure not directly at the hand of the Scottish Executive is disbursed by grant or grant-in-aid, or, in the case of water authorities and local authorities, largely through borrowing by authorities, although some expenditure
may be supported by grant.

In addition, the Single Allocation is disbursed to 32 Councils, the Strathclyde Passenger Transport Authority and the Tay Road Bridge Joint Board (the Forth Road Bridge Joint Board receives no allocation from central government since it can fund capital expenditure from tolls). The allocation process is described in the narrative in Chapter 8.

The division between current and capital expenditure is set out systematically in Scotland’s Budget Documents 2000-01, published in February 2000 to accompany the Budget (Scotland) Act 2000.

- What elements of expenditure levels II and III for each expenditure line are particularly subject to inflationary pressures?

There is no particular exposure to inflation over and above normal pressures. Running costs of sponsored bodies are subject to pay inflation, typically about 60% of their direct programme expenditure goes directly or indirectly to pay salary costs.

- Have any levels of assumed efficiency or ‘re-engineering’ savings been anticipated in the expenditure figures in the Departmental Report?

No particular rate of saving is assumed, though sponsored bodies are expected to deliver annual efficiency savings.

SNH has delivered significant efficiency savings and gains over the last few years, averaging over £2 million a year. While efficiency savings and gains continue to be made, they will necessarily be at a lower level reflecting the reduced scope given the action already taken. SNH’s Efficiency Plan forecasts efficiency savings and gains of £0.8m in 2000-01.

The forecasts underlying the Water Industry Commissioner’s review of charging which formed the basis of ministerial decision on charges caps assumes substantial improvements in operating efficiency in each of the 3 water authorities.
• Please identify any particular areas within the portfolio where the Executive is 'investing to save'. Is it possible to identify the timescale by which any of these savings may be achieved?

There are no "invest to save" budgets allocated specifically in the transport or environment programme, but investment generally is expected to improve efficiency. For example, water authorities investment in, and maintenance of, the water and sewerage infrastructure could be defined as "investing to save", since the costs of running an increasingly decrepit network grow over time.

• What elements of expenditure are allocated centrally and why? The Committee would find it beneficial if it were possible to identify the services (and the concomitant expenditure) that are delivered by central government and its agencies, and those that are delivered by local authorities. In each case, is it possible to explain why this is the case?

The Executive will be producing detailed tables with this information (similar to the tables in Appendices 1 and 2 of the former Departmental Report) which will show the division of expenditure on services between central and local government. Generally, except where specifically identified otherwise, the expenditure described in Chapter 7 is spending by central government and its sponsored bodies, while expenditure on transport and environment services by local government is described in Chapter 8.

• Which elements of expenditure are ring fenced and why?

Within the Single Allocation capital provision for local authorities, Public Transport Fund allocations and other specific project allocations (Challenge Fund awards) are ring-fenced. This is to ensure that the allocations are used for the specific purpose for which they were awarded. Where additional resources are identified for a policy initiative, eg Air Quality Monitoring, these allocations may also be ring-fenced.

SNH grant-in-aid currently includes ring-fenced funds (totalling £2.5m in 1999-2000) for the core funding of the Joint Nature Conservation Committee (Scottish share), the Central Scotland Countryside Trust and the Cairngorms Partnership.

The external finance limits for Water Authorities include provision for a number of different types of grant.
• For 'locally' determined expenditure, to what extent can central government determine the priorities or direct how this is applied?

See also spending on flood prevention and coastal protection (below).

Following the CSR, the Government agreed with COSLA shared priorities for capital expenditure on the basis that these should be tempered by local needs and circumstances.

An agreement between the Executive and COSLA for funding flood prevention and coast protection schemes allows for a proportion of non-housing capital expenditure to be top sliced for support of major FP/CP schemes.

With the water authorities, the Quality and Standards process sets out what the authorities are expected to achieve in terms of drinking water and environmental standards, and charges are set to allow the authorities to meet these requirements.

• There is an extensive programme of research on both transport and environment programmes to inform policy decisions. In what areas is the Executive pursuing a 'Research and Development' approach? Why is this the case? To what extent could, and should, this approach be expanded into other areas?

A Report on the Development Department's Research Programme in 2000-01 was recently published. An outline of the focus of research in each policy area is included, along with brief details of new projects which the Department plans to commission during the year, and how contractors interested in undertaking any of the new projects may register their interest.

The Report includes an update on research commissioned from the 1999-2000 programme, details of how recent research has been disseminated, and relevant Departmental contacts. It is the Department's policy to publicise the results of commissioned research. Published reports may be purchased at The Stationery Office Bookshop and are also available on the Scottish Executive website (www.scotland.gov.uk).

In the areas of transport and road safety a comprehensive research programme is
undertaken to support the development and evaluation of the Department's transport and road safety policies and targets, and to inform the intervention strategies of the Scottish Road Safety Campaign.

Transport research, previously funded from a range of Departmental budgets, has been consolidated into a single programme. This programme is themed to reflect the Government's 5 criteria for transport investment: Integration, accessibility, environment, road safety and economic issues, with the addition of specific operational research relating to the trunk road network. (Further details of the programme are available in the Report on the Department's Research Programme in 2000-01.)

The Development Department has a Research Planning Group to co-ordinate the management of transport research. This Group developed the details of the transport research programme for 1999-2000 and established procedures for co-ordinating decisions on research priorities.

As a way of engaging more widely with the transport research community and of eliciting ideas for future transport research, the Transport Research Planning Group organised a major seminar on Transport Research in September 1999. This produced a number of new ideas for future research.

The investment requirement in the Environment Group is identified by sponsor divisions within the Executive and by sponsored bodies. All projects are put forward to a committee which considers the application and funds those that will give most benefit to the policy making process.

The sum earmarked for transport research in 2000-2001 is some
Development expenditures at levels II and III?

£1.3 million.

For the environment, sponsored bodies carry out a significant body of environmental research. A smaller amount of research is commissioned by the Environment Group itself, aimed at developing and supporting policy. Research budgets are agreed on an annual basis. For 2000-01, funds have been allocated as follows:

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Allocation £000</th>
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<tbody>
<tr>
<td>Environment Protection</td>
<td>210</td>
</tr>
<tr>
<td>Countryside &amp; NH</td>
<td>93</td>
</tr>
<tr>
<td>Water Services Unit</td>
<td>52</td>
</tr>
<tr>
<td>Air, Climate &amp; Engineering</td>
<td>70</td>
</tr>
<tr>
<td>Ecological Advisers Unit</td>
<td>21</td>
</tr>
<tr>
<td>Corporate</td>
<td>34</td>
</tr>
</tbody>
</table>

- What pilot schemes is the Executive funding and what provision is there for rolling out these schemes, if they are successful?

In conjunction with DETR, the Development Department is providing funding and input to the *Demonstration of Interoperable Road-user End-to-end Charging and Telematics Systems*. This project involves the piloting of an electronic road user charging system on the M8 at Hermiston Gait near Edinburgh. This trial is being undertaken to:-

- Develop a national standard for interoperable road user charging systems
- Provide assurance that such systems can be implemented successfully in pursuit of policy objectives.
- Provide guidance and assistance to local authorities considering congestion charging schemes in their area.

*The Recycling Markets Development*
Programme (ReMaDe) is a £1 million 3 year programme which aims to foster markets for recycled materials. It is jointly funded by the Scottish Executive, local authorities, SEPA, Scottish Enterprise, Valpak Ltd and landfill tax credits from Shanks Waste Solutions and Viridor. The programme, which is led by the Caledonian Shanks Centre for Waste Management at Glasgow Caledonian University, began in August 1999 and has yet to be evaluated.

- Is it possible to identify where there may be unused resources at the end of the current financial year (2000-01)? How, and by whom, are decisions taken about re-deploying these resources?

The notes to Tables 7.2 and 7.12 indicate that underspends are planned in 2000-01 on the Motorway and Trunk Road and the Water programmes to fund investment planned for 2001-02. Otherwise, it is expected that spending should be in line with the plans in the Annual Report. If in-year monitoring identified the possibility of underspending, Scottish Ministers would in the first instance consider whether it was necessary or appropriate to be carried forward to 2001-02 under end-year flexibility arrangements, for example where there had been slower than expected uptake of grants or where a project had slipped.

- Which policy areas or initiatives cut across more than one Department of the Executive (for example, sustainable development) and how is funding disbursed across the various Departments involved in these areas or initiatives?

The Scottish Executive recognises that progress on many policies will require action across departmental boundaries. Transport can contribute to progress on social justice and on sustainability, with initiatives on rural transport and on concessionary fares examples of measures which can be used. Of particular concern for environmental policies are biodiversity, waste, climate change, renewable energy and of course, sustainable development. In general progress is made by adjustment of priorities and criteria in spending programmes rather than the overall level of spending, although in some cases pump-priming may be needed. These issues will be addressed in the Spending Review.
What income streams feed into the Department's expenditure totals? What amount of income is anticipated year on year? Is there any scope to alter these?

The main income generated by the Transport programme is the VAT recovered from payments from the Motorways and Trunk Road programme to contractors for all work other than new construction. The only scope to influence the amount recovered is through the composition of the programme. There are also revenues from the tolls paid by users of the Erskine Bridge, and income from sales of surplus land or land no longer needed following completion of road schemes. A small amount of VAT is recoverable under research and publicity. This is used to increase resources available to be spent in the respective areas.

Charge income accounts for around half of SEPA's total expenditure. The income is generated in respect of charging schemes, which will, by 1 April 2000 be operating at 100% cost recovery. Under the rules governing fees and charges, any amounts generated in excess of 100% must be returned in the form of reduced charges to the charge payer and cannot be used to fund other expenditure. SNH generates approximately £1.5m of revenue from the sale of goods, fees, etc. This is used to fund expenditure within SNH. The water authorities' external finance is net of their charges revenue.

The Single Allocation for local authority capital spending is net of the resources local authorities can raise at their own hand, mainly capital receipts. Forecasts of the receipts and other resources authorities expect to raise during the course of the year and the outturn of the resources actually raised are available from the Capital Payments forms returned by local authorities. The bulk of the single allocation is allocated at the start of the financial year. The scope to alter the baseline provision is therefore limited. Details of income and capital
- Table 7.1 – 100m appears to be missing from the figures – is this a typographical error?

  Yes. This was corrected in the published version.
Specific Questions: Transport

- Table 7.1 – is the estimate of 37.5 m for other transport programmes in 1999/00 correct?

The estimate for 1999-00 is correct. The figure for that year appears low on account of changes in the way Bus Fuel Duty Rebate is paid. From 1 April 1999 to 31 January 2000 the Department of Environment, Transport and the Regions made payments of £35 million in respect of Bus Fuel Duty Rebate direct to bus operators. From 1 February 2000 payments of Bus Fuel Duty Rebate for local bus services in Scotland are made by the Department of Environment, Transport and the Regions under an agency agreement with the Scottish Executive and are included in the Scottish Executive's budget.

- Table 7.2 – is the estimate of 29.2 m for new construction and improvement in 2000/01 correct?

The estimate for 2000-01 is correct. It appears low because £11.6 million of the 1999-00 provision is to be carried forward to 2000-01 under the end year flexibility rules. When allowance is made for the £5.5 million of the provision for 2000-01 which is expected to be carried forward to 2001-02 under the same arrangements, anticipated expenditure on New Construction and Improvements is £35.3 million for 2000-01, which compares with £32.3 million for 1999-00.

- Why is planned spending on Caledonian MacBrayne failing and what is the expected impact? (Table 7.1)

The figure of £18.5 million for each of 2000-01 and 2001-02 represents the planned provision flowing from the Comprehensive Spending Review. The equivalent figure for 1999-00 was £23.6 million.

The figures represent the External Finance Limit (EFL) for Caledonian MacBrayne.

The CSR assumptions for 1999-2000 included a figure of £10.7 million in respect of capital investment. This expenditure was planned to meet the cost of the 2 new ferries which are currently being built by CalMac. Planned
capital expenditure drops to £6.3 million and £7.0 million in 2000-01 and 2001-02 respectively.

The Committee will note that the CSR provision for 1999-00 was increased to £24.4 million by supplementary estimates, which took account of a number of adjustments throughout the year.

Highlands and Islands Airports Limited’s (HIAL) expenditure provision for 2000-01 reflects the company’s estimate, in the Comprehensive Spending Review, of the resources needed to maintain its operational capabilities. The primary factor affecting the company’s expenditure profile is the requirement to maintain infrastructure, such as runways, at operational standard at its 10 airports. Such expenditure varies from year to year. HIAL’s resources for the current financial year are slightly lower than in 1999-2000 but they reflect the company’s needs as estimated at the time of the Comprehensive Spending Review and remain at a substantially higher level than in earlier years.

For rail services within the Strathclyde Passenger Transport Authority area the level of Special Grant is negotiated on an annual basis and takes into account increased revenue through greater passenger numbers. Should revenue fall, a correction mechanism is activated to provide for the shortfall and ensure there is no reduction in services.

Expenditure priorities were recast in the run up to, and following, publication of the Integrated Transport White Papers of 1998. New Public Transport and Rural Transport Funds were established to help local authorities deliver integrated transport agenda.

Local authorities will have access to these funds, other central government
funds and their own resources for delivering Local Transport Strategies. In addition, the Minister for Transport indicated when she launched the proposals for the Integrated Transport Bill in February that support would be available for authorities committed to developing a charging scheme. Matching financial support will be offered on a case by case basis towards their research and development costs.

In the section of the Departmental Report dealing with Structural Repairs to the road network, what are the specific priorities in this area? What is the level of funding these? (Table 7.2)

The CSR provided additional resources of £30 million over the 3 year period to make good the significant deterioration in parts of the network, particularly where new schemes that would have superseded worn out roads have been cancelled or postponed.

Progress with this has been slower than originally envisaged. Phase 1 of the Edinburgh City Bypass refurbishment has been completed and the contract has now been awarded for Phase 2. Work on that phase is scheduled to start in April. The Department have already spent around £10 million on the bypass, and Phases 2 and 3, which will complete the refurbishment of the earliest section of bypass, will double that. The bypass is heavily used and the works are needed.

The Department is also beginning to investigate options for refurbishing the A8 between Ballieston and Shotts given that the major upgrade to motorway standard is not in the current programme.

The current trunk road maintenance programme is delivered by 8 Units. In the Central Belt there are 3 Operating Companies made up of local authority consortia. They design and supervise structural repair work to a value of £3 million; and carry out all structural repair contracts up to the value of £100,000. Contracts above £100,000 must be put out to competitive tender.
For the remainder of the network there are 5 Management Agents, made up of 3 local authority consortia and 2 private sector bodies. They also design and supervise all structural repair work, but all structural repairs must be put out to competitive tender.

These arrangements will remain in place until 31 March 2001. Thereafter new contracts will be required for the maintenance of the trunk road network. Four operating companies will cover the whole of the network. The operating companies will carry out structural repair contracts up to a minimum value and prepare contracts for work in excess of that for competitive tender. Aggregate budgets are shown for the year 2001-02 as it is not possible at this stage to estimate spend per Unit.

- With respect to Rural Transport Measures, what are the future plans for the Capital Modernisation Fund and the eligibility criteria for the Fund? (Table 7.4)

In the 1999 Budget the Chancellor made available to Scotland an additional £0.727 million for rural transport as part of the Capital Modernisation Fund. This extra funding was for one year only (1999-00).

- What line in the Departmental Report includes figures for Executive’s expenditure on ScotRail? What is the Executive’s planned expenditure on ScotRail each year until 2001-02?

Under the terms of the devolution settlement announced on 31 March 1998 and now incorporated within the UK Transport Bill, introduced on 1 December 1999, Scottish Ministers will assume the powers to fund the ScotRail franchise. It is expected that these powers will be in place for 2001-2002. Until then, the Assigned Budget has provision only for the SPTA element of the franchise paid through the Special Grant Report.
It may be of interest to note the level of the ScotRail Franchise payments from 1997 onwards:

**SCOTRAIL FRANCHISE PAYMENTS**
**1997 – 2004 (£m)**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TOTAL VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>97 – 98*</td>
<td>288.6#</td>
</tr>
<tr>
<td>98 – 99**</td>
<td>280.2#</td>
</tr>
<tr>
<td>99 – 00***</td>
<td>264.6</td>
</tr>
<tr>
<td>00 – 01</td>
<td>248.1</td>
</tr>
<tr>
<td>01 – 02</td>
<td>232.7</td>
</tr>
<tr>
<td>02 – 03</td>
<td>221.0</td>
</tr>
<tr>
<td>03 – 04</td>
<td>213.9</td>
</tr>
</tbody>
</table>

**TOTAL** 1,749.1

#The figures for 1997-98 and 1998-99 include incentive payments to ScotRail

- What line in the Departmental Report includes figures for Executive’s expenditure on Railtrack? What is the Executive’s planned expenditure on Railtrack each year until 2001-02?

The Scottish Executive has no control over Railtrack’s expenditure as it is a private company.

The company’s level of expenditure is set in response to the demands of its customers (the 25 train operating companies and 3 rail freight companies). Under the Public Transport Fund, however, £19 million has been awarded to rail related projects. Nationally, support is available under the Railway Passenger Partnership Fund and Infrastructure Investment Fund, which are administered by the Shadow Strategic Rail Authority and together total £105 million. The UK Transport Bill, when enacted, will provide the Strategic Rail Authority with enhanced powers to invest in railways.

**Specific Questions: Development**

- Where are the relevant figures for planning and building control in the Departmental Report?

They are contained within Chapter 2 (Communities: Miscellaneous) under Publicity & Policy Evaluation (level III Table 2.9, page 35). Outturn for 1998-99
Specific Questions: Environment

- Why has there been a decline in real terms in the amount spent on the environment (with the exception of natural heritage expenditure)? Specifically, where would any planned reductions be made? What is the anticipated impact?

The annual budgetary allocations in table 7.12 do not, as far as water authorities are concerned, reflect planning spending in each year. This is because some of the provision available in 1999-2000 has been earmarked to cover planned spending in subsequent years. It will be rolled forward under the End Year Flexibility arrangements. Over the period 1999-2000 to 2001-02 it is planned that available provision under the Environment programme will be fully utilised. This explains why, in each year, the External Finance Limits shown for the Water Authorities are in Table 7.13 differ from the figures in Table 7.12.

- Why is there a historic and a predicted trend of an underspend existing on the environment?

Generally the environment NDPBs and the water authorities, which constitute the greatest part of the environment programme, spend up to their planned grant-in-aid or external finance limits, with the programme as a result not significantly underspent. In 1999-2000 Scottish Ministers decided to enhance the water programme, but to phase the enhancement across the three years 1999-2000 to 2001-02, giving rise to planned underspends in 1999-2000 and 2000-01 as explained in answer to the previous question. No other underspending is expected.

- What additional obligations are to be placed on SNH and SEPA and how are these reflected in the Departmental Report?

SNH faces additional nature conservation obligations in regard to the Natura 2000 programme and the UK Biodiversity Action Plan. SNH also has a key role to play in delivering the Scottish Executive’s policy objectives on National Parks, greater access to the countryside and a reformed SSSI system. This is reflected in the extra resource provision made for the natural heritage in 2001-02.
A number of new international, European and domestic obligations will fall to SEPA over the coming years. The resources currently identified to allow SEPA to fulfil these obligations are reflected in the Report (through the GIA figures in table 7.15). Additional responsibilities are being addressed in the Spending Review currently in progress.

- To what is the increase in expenditure on natural heritage attributed (Table 7.12: 2001/02)?

The extra expenditure is as a direct result of the extra obligations outlined above.

- Why is the expenditure for SEPA declining and what will be the effect of this? (Table 7.15)

Although the table shows a declining line for grant-in-aid, SEPA’s total expenditure is expected to increase over the next 4 years. This reflects the higher income levels expected to be received by SEPA from its charging schemes, which are now broadly recovering all relevant costs, consistent with the polluter pays principle. Estimated total income available to SEPA is: 2000-01 - £34.2m; 2001-02 - £35.5m; 2002-03 - £35.5m; 2003-04 - £37.1m (figures taken from SEPA’s Corporate Plan).

- How were the figures for expenditure on National Parks calculated, and what specifically is it envisaged that this money will be spent on? In particular, where do the new and existing programme costs appear in the Departmental Report figures?

The figures for expenditure on National Parks were predicated upon the establishment of 2 National Parks at Loch Lomond and the Trossachs and the Cairngorms. They were derived from indicative figures of the likely costs for the first 3 years of each National Park, based upon commissioned work comparing staffing in England and Wales and regional parks in Scotland.

The expenditure allocated to Scottish National Parks will cover functional costs and the cost of staff to implement these functions.

The new and existing programme costs for National Parks do not yet appear in the Annual Report figures as no National Parks exist in Scotland and there are therefore no programme costs at
present. The first National Park is expected to be established in 2001. Therefore, level III Table 7.14 only shows expenditure for new programme costs in relation to National Parks ie figures only start to appear from 2000-01 onwards.

- What are the reasons for the decrease in ‘real terms’ investment in East and West of Scotland water and the reasons for the increase in North of Scotland Water?

There is no decrease in water authorities’ capital expenditure. All 3 water authorities are significantly increasing their capital expenditure programmes over the next few years to meet improved standards of drinking water and wastewater treatment.

It is Water Authorities’ external finance, not their capital investment that currently scores in the Assigned Budget. External Finance Limits (EFLs) support only a proportion of the authorities’ capital programmes, the balance is met by charge revenues. The increased allocation to NoSWA reflects the need for a faster acceleration of the capital programme following a fundamental re-assessment of their capital investment requirements.

- What does the budget line ‘Funds for Inward Investment’ in Table 7.13 refer to?

This reflects the fact that substantial inward investment programmes can involve large expenditures by the water authorities in provision of water and waste water facilities. Since this expenditure is not covered in the core investment programme, additional public expenditure provision has been made.

- Why is the sustainable development fund decreasing in real terms and what will be the effect of this decrease?

The current plan for the Sustainable Action Fund is that it should remain broadly constant. However, it is made up of a number of smaller elements which affect the precise total. The apparent reduction in Table 7.16 is due to roundings on small changes.

- Is funding for flood prevention and coastal protection reflected in any other budget lines in addition to the two lines set out in Table 7.17?

Councils’ non-capital expenditure on flood prevention and coast protection is provided from their revenue expenditure, which is supported by the Executive.
within the Local Government Financial Settlement, as shown in Table 8.2.

Councils’ capital expenditure on flood prevention and coastal protection is reflected in the single allocation (see Table 8.4) £4m per annum is currently top-sliced from the single allocation.

The figures in 7.18 are correct. Differences occur between 7.18 and level III tables for the reasons given in the first 2 specific questions on environment.

Specific Questions: Local Government

- The figures in table 7.18 appear to be a mix of cash and real terms when compared with the level II and III tables – are the figures in this table correct? Real terms tables restate all figures in 1998-9 terms. It follows that the figures for 1998-99 (the base year) will be the same under real terms and cash. In addition, some figures have been updated from the draft, and the final version reflects these changes.

- How are additional requirements such as the implementation of the Integrated Transport Bill reflected in the figures for Local Authority capital expenditure on roads and transport?

The single allocation includes provision of £30 million per annum over the CSR period for a Public Transport Fund. This was established as part of the integrated transport policy to provide discrete resources for the development of public transport alternatives. Local authorities, including the Strathclyde Passenger Transport Authority can submit bids for a share of the resources. Successful bids receive ring-fenced capital allocations. Future plans will be considered in the current Spending Review.

- Why are the figures for roads and transport 2001/02 unavailable? when will these figures be available (table 8.2)?

The figures for roads and transport will not be available until later in the year because these are in part budget influenced services ie the funding is distributed on the basis of past expenditure. The funding for 2001-02 cannot be calculated until the details of local authorities’ expenditure plans for 2000-01 are available.

- The funding level for roads and transport

The funding level for roads and transport
transport is declining in real terms – why is this falling and what will the effect of this be?

• Are level III figures available for the roads and transport expenditure line?

Specific Questions: Enterprise and Lifelong Learning

• Why does spending on energy efficiency increase in 2000-01 but decline in real terms in 2001-02, and what will the effect of this change be?

Provision increases in cash and real terms because of the transfer of responsibility and associated resources from DETR to fund the Energy Saving Trust activities in Scotland. The decline in real terms is due to the projected rates of inflation. The actual effects on outputs – if any – are unquantifiable at this point in time.

• Why does spending on the Scottish Renewables Obligation increase in 1999-2000 but decline in real terms thereafter, and what will the effect of this change be?

In “cash” terms provision appears to increase in 1999-00 because actual “expenditure” in 1998-99 was less than the original provision. The decline in real terms thereafter is due to the projected rates of inflation and the actual effects on outputs – if any – are unquantifiable at this point in time.

Specific Questions: Rural Affairs and Forestry

• Why is there a decline in spending on structural and agri-environment measures in 2000/01 and an increase in 2001/02? what underpins the general trend – declining? (table 6.1)

Spending figures for 1998-99 and 1999-00 include exceptional top-up payments of some £21m under the 1999 and 2000 Hill Livestock Compensatory Allowance (HLCA) schemes. Plans for 2000-01 exclude this exceptional provision – although, as a result of the recently announced further UK package of emergency support to farming, an additional £21m will be made available to Scotland from the UK Exchequer to maintain support for upland farmers at the same level as in 1999 and 2000.

• Why is there a decline in real terms of AME in Table 6.3?

This line has been removed from table 6.3 in the final version of the report, and is shown in Table 6.1 as CAP Accompanying Measures. The real
terms view of this line, in table 6.10, declines because an inflation factor is applied to forward years to state the numbers for these years in 1998-99 terms. As the cash provision is static over the three years in question, the real terms provision (i.e. net of the effects of inflation) will decline as shown.

- How are the levels of funding for agri-environment measures determined? does the EU set expenditure limits and what scope does the Executive have to set higher levels?

EU Member States are obliged to operate agri-environment measures. These are co-funded by the EU from the Guarantee Section of the European Agricultural Guidance and Guarantee Fund (EAGGF), at a rate of between 40% - 50%. Gross spending in any Member State is constrained by the allocation made to it from the EAGGF budget set by the Commission for agri-environment measures. While Member States might incur gross expenditure in excess of that implied by its EAGGF budgetary allocation, any additional gross spending would have to be met entirely from its own resources. Agri-environment support is the only mandatory element of the Rural Development Programmes envisaged by the Rural Development Regulation – although the Regulation requires that such Programmes must contain a reasonable balance of Rural Development measures. It is incumbent on the Executive to keep agri-environment schemes open to a reasonable number of applicants. The Regulation provides also for modulation of on-farm CAP payments and allows EAGGF funds saved in this way to be applied to a range of Rural Development expenditure (including agri-environment measures). The Minister for Rural Affairs has consulted the industry on a proposal to proceed with modulation (from 2001) which, if implemented, would release additional sums of both Guarantee and matching UK Exchequer resources. In principle, such additional resources could be used to support additional spending on Rural Development Programme.

- What is the effect of the Rural Development Regulation in terms of obligations and Executive flexibility in setting levels of expenditure?

AEP00103.050
measures (including agri-environment) – although no final decisions have been taken on modulation or the way in which the resources it would deliver might be used.

In October 1999, the Forestry Commission introduced "capping" arrangements for better cash control of woodland grants expenditure. Under these arrangements, all applicants for woodland expansion grants and some woodland management grants have to specify the financial year in which they wish to claim their grant. Once a particular year’s grant budget has been fully allocated, later applicants are offered grant in a subsequent financial year for which funds are available.

This arrangement will ensure that actual expenditure will remain in line with the budget allocation set out in Table 6.8. The outputs, in terms of area of planting, replanting and managed woodland for example, are expected to remain broadly constant over the period, thanks to careful targeting in a competitive grant scheme.

The effect on nature conservation projects – such as the expansion and restoration of native woodlands – will depend on the value of grant applications received. The area covered by such projects is unlikely to decline significantly but the timescale of some projects may need to be extended.

The planned levels of expenditure were set by the last CSR. Expenditure on the Woodland Grant Scheme has been rising steadily over recent years and the levels of expenditure planned for the coming years continue at this high level. Staff and materials and services costs continue to be affected, of course, by inflationary increases and, as in previous years, we will continue to seek offsetting economies and efficiency savings.
• Forestry Commission and Forest Enterprise – the targets appear to be primarily activity / spend based – what are the anticipated outcomes and impacts of expenditure on Forestry Commission activity?

wherever possible.

Forest Enterprise’s targets include quantified outputs such as volume of timber sold, area covered by Forest Design Plans and area of managed native woodland. While most of the Forestry Commission targets are input based, the expected outputs are given in the text. In both cases, the anticipated outcomes are contained in the Commission’s objectives – to enhance economic value, to conserve and improve bio-diversity etc.

• Forest Enterprise – table 6.9 indicates a slight increase in expenditure on recreation and conservation heritage in cash terms – what is the reason for this increase?

The increase will allow existing public access and visitor facilities in Forest Enterprise woodlands to be maintained and modestly improved.

Scottish Executive Finance
April 2000
SPENDING PLANS FOR SCOTLAND -
Response to the Consultation Document Covering the Financial Plans For 2000-2001 to 2001-02

The Need for a Gender Impact Assessment

Introduction

The following response has been prepared by Engender, an information, research and networking organisation for Women in Scotland. One of our main activities is the annual publication of a Gender Audit, which provides a record of the changing position of women in contemporary Scottish society, along with detailed statistics and accompanying commentary on a range of issues relevant to women. This response, like the Gender Audit, has been prepared by women working on a voluntary basis.

The views expressed in this response are representative of discussions held at a recent seminar, organised by Engender, on Gender Proofing Budgets. Given the importance of mainstreaming gender in all areas of public policy, and the stated priorities of the Scottish Parliament to tackle poverty by promoting social inclusion and equality of opportunity, we believe it is crucial that the Scottish Spending Plan incorporates a gender impact analysis. For this purpose we urge the Minister for Finance to follow the example of the Treasury, which holds meetings with the Women’s Budget Group at an early stage in the Budget planning process. We understand from our discussions with the London based Women’s Budget Group that they have, in turn, dealt primarily with the revenue collection side of government finances, and in terms of spending have limited their focus to income maintenance policy. Although we recognise that such issues are currently outside the scope of the Scottish Parliament, we are aware of the work of women’s budget groups elsewhere, specifically Canada, South Africa and Australia, who are more directly involved in the planning process with regard to overall government spending.

While we welcome the opportunity, raised by the Consultative document, to comment on the Spending Plans for Scotland, we are concerned that we have not had enough time or detailed information to make a thorough response. We therefore propose that the Scottish Executive set in place a mechanism which would allow for a more detailed assessment of particular spending plans with reference to the impact such have on women. On our part, we are prepared to convene a group of Scottish experts who can comment on the gendered nature of the Scottish Spending Plan proposals. We would welcome the opportunity to get involved in regular dialogue with the Scottish Executive on this issue, with a view to establishing a formal process of ensuring that future spending proposals take account of gender differences.

The Need for Gender Sensitive Research
Due to the substantial differences in the life experiences of women and men, policies that appear gender neutral may, in practice, have very distinct outcomes for men and women and in some instances can actually reinforce existing inequalities. In arguing for equality of opportunity and gender mainstreaming it is therefore considered crucial that policy is designed with these differences in mind. However, before this process can begin evidence of existing gender bias must be demonstrated. It is for these reasons that we would like to see a firm commitment on behalf of the Scottish Parliament to initiate a program of gender sensitive research, the results of which would then be employed in the policy design process. Furthermore, we believe that such research should incorporate a localized approach given that the Scottish experience is different both nationally and regionally.

We recognize and welcome existing efforts of the Scottish Executive to produce gender sensitive research where possible. However, in support of our call for more work in this area we drew attention to the fact that all too often research, particularly in health related areas and in studies of labour market behaviour, is based on assumptions about a unified and homogenous population. This population is assumed to be the 'norm' and samples tend to be non-gender specific. Policy is hence designed with this population in mind and therefore does not address the very different life experiences of women as mothers, wives and workers. A relevant example of the negative consequences of not incorporating gender sensitivity into the design process is to be found in recent research evaluating economic regeneration strategies. This research has shown that previous attempts at regeneration have not considered women's needs nor has the impact of programmes on women been evaluated. It has been argued that regeneration policies at national, regional or local levels rarely makes gender a priority and that it is often not covered within guidelines and evaluations. Accepting that men and women have very different experiences of poverty clearly indicates that 'gender-blind' regeneration strategies will lead to differing outcomes for men and women.

Effective policy measures are therefore those which are informed by identifying and distinguishing the particular needs of the population that they are intended to address. We believe, then, that the policy design process must begin with informed debate on possible outcomes and, with this in mind there is a pressing need to engage in research specifically focussed on women.

3 Gender Impact Assessment

With regard to the implementation process we firmly believe that policy proposals should be assessed with reference to the impact that they have on gender inequalities. For this purpose we propose that the Finance Minister establish a framework for assessing current and future spending plans for Scotland in terms of gender differences. A gender impact assessment compares and assesses, according to gender relevant criteria, the current situation, and trend, with the expected development resulting from the introduction of the proposed policy. Without an assessment of the different effects of its spending plans on men and women, the Government will inevitably be handicapped in achieving its objectives.
In preparing this response, we have examined some of the spending priorities from a gender perspective. We have then gone on to comment on specific areas where we believe that little, or no, account has been taken of the different impact the proposed initiatives will have on men and women. We must stress that this does not constitute a full gender impact analysis, as we have had neither the time nor the resources to do this. Nevertheless we believe the response illustrates the sort of analysis that is required if the Government is to achieve its objective of promoting equality of opportunity and community involvement. Furthermore we consider further work of this sort to be essential if the Government is to fulfil its promise to 'spend wisely to deliver a better society for all'.

3 General Comments on "Spending Plans for Scotland"

3.1 Presentation

In order to make consultation more accessible and meaningful, a more detailed breakdown of spending is required, which presents the information in a way that allows an analysis of spending by gender. The “other” categories tend to be too large, these need to be broken down into more specific detail. It would also be helpful to include a diagram showing the proportion of the total budget allocated to each of the spending areas. Where relevant it would be useful to have information on how these areas link with overall UK expenditure. We are concerned to see social inclusion treated solely within the Community section when it should cut across all areas. Each spending area should be demonstrating how it contributes to social inclusion and equity.

3.2 The Process

We would like to see a commitment in future years that Stage 1 involves consultation with groups such as Engender. However we stress the need for more detailed information to be presented in a way that allows for meaningful comments to be made, and a longer time period for effective consultation.

4 Specific Comments on "Spending Plans for Scotland"

4.1 Children and Education

We welcome the sharply increased resources devoted to childcare and to pre-school education in 2000-01 and 2001-02. For each category it would be useful to have an analysis of the family composition of children benefiting, analysed by lone parent, two parent, other and gender.

4.2 Communities

We welcome the rapid rise in resources to Social Inclusion. If Social Inclusion Partnerships and other initiatives are to tackle poverty and exclusion, women's needs
must be addressed. 50% of all households receiving income at or below the income Support level are female-headed, compared with 29.7% of all households. Given the history of inadequate attention to women’s poverty in regeneration initiatives, we urge that the SIP monitoring and evaluation framework is gender sensitive, that is, indicators and targets should examine the relative impact on men and women. In order to assess the gender impact of this expenditure, all recipients of funding should be required to provide a gender breakdown of their beneficiaries.

We are also concerned that the voluntary sector, which provides many essential services to women and children, remains relatively poorly resourced.

Rather than show “equalities” together with the Voluntary Sector, we think it is important to know how much is allocated to promote equality of opportunity. Equal Opportunities is not a wholly devolved responsibility, therefore we would expect relatively less expenditure on it than on an area which is devolved. Even so, “mainstreaming” equality issues is expected to affect all areas of government and public life in Scotland. Of the limited expenditures in the report, only Community Care (Health), the Food Standards Agency (Health) and the Research and Sustainable Action Fund (Environment) have less money spent on them than the Voluntary Sector and equalities. We note that there has been a small increase in resources for voluntary sector and equalities, yet this will reduce again in 2001-2. Does the Parliament expect that there will be less need for the promotion of equal opportunities by that time? Is “community involvement” also expected to need less support and encouragement by 2002?

4.3 Enterprise & Lifelong Learning

With respect to higher education, the monies allocated to Universities should incorporate an element to allow institutions to develop part-time programmes. The development of such programmes is considered essential in widening access, particularly for women with caring responsibilities.

Funding should be earmarked for gender sensitive and localized research as a positive commitment to “mainstreaming”.

With respect to student support, it is unclear whether this includes childcare costs.

Scottish Enterprise and Highlands and Islands Enterprise do not currently monitor the gender impact of the majority of their programmes. Given the low proportion of women in business in Scotland (only 32% of all businesses), and the gender stereotyping of Government funded training, all SE and HIE programmes should be gender mainstreamed. Funding should be allowed to specific positive action initiatives which address gender segregation in enterprise, training and in the labour market. We urge that the gender pay gap i.e. average women’s full time earnings as a percentage of men’s should be measured as a key performance indicator.

We are also unclear whether the reference on p13 to £550m for New Deal expenditure is specifically for the programme for 18-24 year olds. A gender breakdown of this programme would probably find a male participation rate of 80%.
We are concerned that women are not afforded similar access to lifelong learning as their male counterparts. We therefore urge that policies and programmes address the needs of part-time and low-paid workers, and of carers.

4.4 Health

Although the importance of prevention is stressed in the report, the level of expenditure on prevention and health promotion is unclear.

More information is needed on expenditure on screening programmes. Research into methods of funding GPs has shown that screening, particularly cervical smear testing, in local areas witnessing high incidences of poverty is not 'financially attractive'. In terms of promoting women's health some form of spending commitment to screening would be welcomed.

Given the commitment to 'mainstreaming' coupled with the wealth of evidence regarding the health hazards of women's daily lives, we would like to see a definite reference to Women's Health Centres and Clinics.

4.5 Justice

A gender breakdown of Legal Aid spending, and also of recoupment of legal costs, is needed. Access to legal aid is necessary to assert any basic human rights, including the right to liberty, the right to freedom from violence, the right to housing and the right to fair employment conditions.

4.6 Transport

The category 'Motorways and Trunk roads' needs to distinguish between road safety schemes and maintenance, and between new roads and existing roads.

We are concerned that expenditure on roads continues to dwarf spending on public transport, presumably included under 'Other Transport', despite the stated priorities. Due to the fact that women are more frequent users of public transport than men, and have less frequent access to a private car, this balance disproportionately benefits men.

4.7 Environment

We note that this section is the only one with a research heading, but we are unclear whether this is additional to Scottish Executive Secretariat research on Environment.

5 Conclusion

A gender impact analysis of the Spending Plans for Scotland is necessary if the Government seeks to 'spend wisely to deliver a better society for all'. While we welcome the Executive's commitment to listen to people's opinions and to involve people in the process of government, in order for this to be implemented effectively it is essential that

the Executive sets in place a mechanism for analysing the different effects its Spending Plans will have on men and women. We believe this to be a crucial element in the consultative process. Furthermore without a gender impact assessment, the Executive will inevitably be handicapped in achieving its objectives. For these reasons we urge the
Scottish Executive to follow the example of the Treasury in its work with the Women’s Budget Group and to engage with us for more detailed discussions.

Engender
13 Gayfield Square
Edinburgh EH1 3NX

www.engender.org.uk

15/12/99
Dear Andy

Annual Budget Process

The Equal Opportunities Committee is aware that subject committees are currently in the process of scrutinising the annual budget.

When undertaking such scrutiny, the Equal Opportunities Committee asks that the consideration of the effect of spending plans on minority groups be fully taken into account. The Committee asks that subject committees follow the guidance issued by the Finance Committee regarding the need to take account of the different effects of the Executive’s spending plans on men and women, but also take into account the impact on disabled people, ethnic minorities, and the lesbian, gay, bisexual and transsexual community.

I would be grateful if you would respond to the Equal Opportunities Committee outlining the steps your Committee has taken to address these issues within the annual budget process.

Yours sincerely

Kate

Kate MacLean
Convener
Equal Opportunities Committee
Draft Regulations laid before the Scottish Parliament under section 252(4) of the Town and Country Planning (Scotland) Act 1997, for approval by resolution of the Scottish Parliament.

DRAFT SCOTTISH STATUTORY INSTRUMENTS

2000 No.

TOWN AND COUNTRY PLANNING

The Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Amendment Regulations 2000

Made 2000
Laid before the Scottish Parliament 2000
Coming into force 1st June 2000

The Scottish Ministers, in exercise of the powers conferred on them by section 252 of the Town and Country Planning (Scotland) Act 1997(a) and of all other powers enabling them in that behalf, hereby make the following Regulations, a draft of which has, in accordance with sub-section (4) of the said section 252, been laid before, and approved by resolution of the Scottish Parliament:

Citation, commencement, interpretation and application

1.—(1) These Regulations may be cited as the Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Amendment Regulations 2000.

(2) These Regulations shall come into force on 1st June 2000.

(3) In these Regulations "the principal Regulations" means the Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Regulations 1997(b).

(4) These Regulations apply to—
(a) applications referred to at regulation 1(2)(a) of the principal Regulations which are made on or after the day on which these Regulations come into force;
(b) deemed applications for planning permission in connection with an enforcement notice issued on or after the day on which these Regulations come into force.

General increase

2.—(1) The principal Regulations shall be amended in accordance with this and the following regulations.

(2) In regulation 12—
(a) in paragraph (5)(b) for "£90, and on or after 1 October 1997, £95" there shall be substituted "£105"; and
(b) in paragraph (6) from "£180" to "£9,500" there shall be substituted "£210 for each dwellinghouse, subject to a maximum of £10,500";

(a) 1997 c.8. The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46).
(b) SI 1997/110.

SSIO333
(3) In regulation 13(1) for "£33, and on or after 1 October 1997, £35" there shall be substituted "£40"; and

(4) In regulation 14(2) for "£50, and on or after 1 October 1997, £95" there shall be substituted "£105".

3. In the Schedule to the principal Regulations—
   (a) in paragraphs 4(1) and 5(2) and (3)(b) for "£180, and on or after 1 October 1997, £190" there shall be substituted "£210";
   (b) in paragraphs 6 and 7(b) for "£90, and on or after 1 October 1997, £95" there shall be substituted "£105";
   (c) in paragraph 14 for "£180" to "£4,759" there shall be substituted "£210 for each 0.1 hectares of the site area, subject to a maximum of £5,250".

4. In place of Tables I and II of the Schedule to the principal Regulations there shall be substituted the Table contained in the Schedule to these Regulations.

Savings

5. These Regulations shall not affect the principal Regulations in so far as they apply to—
   (a) any application or deemed application referred to at regulation 1(2)(a) of the principal Regulations made before 1st June 2000;
   (b) any deemed application for planning permission in connection with an enforcement notice issued before 1st June 2000.

St Andrew's House,
Edinburgh
2000

A member of the Scottish Executive
**SCHEDULE**

*TABLE*

**SCALE OF FEES ON AND AFTER 1 JUNE 2000**

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
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<tbody>
<tr>
<td>(Category of development)</td>
<td>(Fee Payable)</td>
</tr>
</tbody>
</table>

1. **Operations**

   1. The erection of dwellinghouses (other than development within category 5).

      Where the application is for—

      *(a)* outline planning permission, £210 for each 0.1 hectare of the site area, subject to a maximum of £5,250; or for one dwellinghouse, £210;

      *(b)* other than outline planning permission, £210 for each dwellinghouse to be created by the development, subject to a maximum of £10,500.

2. The erection of buildings (other than buildings coming within category 1, 3, 3A or 5).

      Where the application is for—

      *(a)* outline planning permission, £210 for each 0.1 hectare of the site area, subject to a maximum of £5,250;

      *(b)* other than outline planning permission—

      *(i)* where no floor space is to be created by the development, £105;

      *(ii)* where the area of gross floor space to be created by the development does not exceed 40 square metres, £105;

      *(iii)* where the area of gross floor space to be created by the development exceeds 40 square metres but does not exceed 75 square metres, £210; and

      *(iv)* where the area of gross floor space to be created by the development exceeds 75 square metres, £210 for each 75 square metres, subject to a maximum of £10,500.

3. The erection on land used for the purposes of agriculture, of those works, structures or buildings excluded by virtue of paragraph 2(d) of Class 18 in Schedule 1 to the General Permitted Development Order from that class (other than buildings coming within category 3A).

      *(a)* Where the application is for outline planning permission, £210 for each 0.1 hectare of the site area, subject to a maximum of £5,250;

      *(b)* in all other cases—

      *(i)* where the ground area to be covered by the development exceeds 465 square metres but does not exceed 540 square metres, £210;
<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
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<tbody>
<tr>
<td>(Category of development)</td>
<td>(Fee payable)</td>
</tr>
<tr>
<td>(ii) where the ground area to be covered by the development exceeds 540 square metres, £210 for the first 540 square metres and £210 for each 75 square metres in excess of that figure, subject to a maximum of £10,500.</td>
<td>Where the ground area to be covered by the development exceeds 465 square metres, £1,195.</td>
</tr>
<tr>
<td>3A. The erection on land used for the purposes of agriculture, of glasshouses excluded by virtue of paragraph 2(e) of Class 18 of the General Permitted Development Order 1992.</td>
<td>£210 for each 0.1 hectare of the site area, subject to a maximum of £10,500.</td>
</tr>
<tr>
<td>4. The erection, alteration or replacement of plant or machinery</td>
<td>(a) Where the application relates to one dwellinghouse, £105; (b) where the application relates to 2 or more dwellinghouses, £210.</td>
</tr>
<tr>
<td>5. The enlargement, improvement or other alteration of existing dwellinghouses.</td>
<td>£105.</td>
</tr>
<tr>
<td>6. (a) The carrying out of operations, including the erection of a building, within the curtilage of an existing dwellinghouse, for purposes ancillary to the enjoyment of the dwellinghouse as such. (b) the erection or construction of gates, fences, walls or other means of enclosure along a boundary of the curtilage of an existing dwellinghouse; or (c) the construction of car parks, service roads and other means of access on land used for the purposes of a single undertaking, where the development is required for a purpose incidental to the existing use of the land.</td>
<td>£210 for each 0.1 hectare of the site area, subject to a maximum of £15,750.</td>
</tr>
<tr>
<td>7. The carrying out of any operations connected with exploratory drilling for oil or natural gas.</td>
<td>In the case of operations for—</td>
</tr>
<tr>
<td>8. The carrying out of any operations not within categories 1 to 7.</td>
<td>(a) the winning and working of minerals, £105 for each 0.1 hectare of the site area, subject to a maximum of £15,750; (b) the winning and working of peat, £105 for each hectare of the site area, subject to a maximum of £1,575; (c) any other purpose, £105 for each 0.1 hectare of the site area, subject to a maximum of £1,050.</td>
</tr>
</tbody>
</table>
## II. Uses of Land

<table>
<thead>
<tr>
<th>Category of development</th>
<th>Fee Payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. The change of use of a building to use as one or more separate dwellinghouses.</td>
<td>£210 for each additional dwellinghouse to be created by the development, subject to a maximum of £10,500.</td>
</tr>
<tr>
<td>10. (a) The use of land for the disposal of refuse or waste materials for the deposit of material remaining after minerals have been extracted from land; or (b) the use of land for the storage of minerals in the open.</td>
<td>£105 for each 0.1 hectare of the site area, subject to a maximum of £15,750.</td>
</tr>
<tr>
<td>11. The making of a material change in the use of a building or land, other than a material change of use within category 9 or 10.</td>
<td>£210.</td>
</tr>
</tbody>
</table>
EXPLANATORY NOTE
(This note is not part of the Regulations)

These Regulations amend the Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Regulations 1997 ("the principal Regulations"), which make provision for the payment of fees to planning authorities in respect of:

(a) applications made under Part III of the Town and Country Planning (Scotland) Act 1997 for planning permission for development or for approval of matters reserved by an outline planning permission and in respect of applications for consent for the display of advertisements;

(b) applications for planning permission which are deemed to have been made, by virtue of the provisions of section 133(7) of the 1997 Act, in connection with an appeal against an enforcement notice; and

(c) applications for certificates of lawful use or development made under sections 150(1) and 151(1) of the 1997 Act.

The effect of these Regulations is that all fees currently payable under the principal Regulations are increased by approximately 10% which is to apply on and after 1st June 2000. Replacement scales of fees are set out for the period commencing on 1st June 2000 in the table contained in the Schedule. This table which is substituted for the existing tables in the Schedule to the principal Regulations, no longer includes at paragraphs 3 and 3A fees in respect of buildings of less than 465 square metres.
EXECUTIVE NOTE

The Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Amendment Regulations 2000

The above instrument was made in exercise of the powers conferred by section 252 of the Town and Country Planning (Scotland) Act 1997. The instrument is subject to the affirmative resolution procedure.

Policy Objective

The purpose of the instrument is to restore and maintain the policy target of achieving full recovery of those local authority costs associated with processing planning applications from initial registration to decision stage.

Consultation

The following bodies have been consulted during the preparation, and on a draft, of the instrument (in accordance with standard procedures).

Office of the Solicitor to the Scottish Executive.

Financial Effects

The instrument will have no financial effect on the Scottish Executive in the current financial year but will be reflected in the Grant Aided Expenditure (GAE) calculations in subsequent years. The immediate effect of the instrument is to increase local authority income from planning fees without the commensurate reduction in financial support from the Executive.

Scottish Executive Development Department
April 2000
1. The Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Amendment Regulations 2000 were laid on 5th April 2000 and have been assigned to the Transport and the Environment Committee for consideration (paper TE/00/11/3). The Local Government Committee has been identified as secondary committee.

2. The Regulations are accompanied by an Executive Note (paper TE/00/11/4).

3. The Regulations are laid under an "affirmative procedure" which means that Parliament must approve the instrument before it may come into force. The sponsoring Minister, (Sarah Boyack, Minister for Transport and the Environment) has accordingly lodged a motion that the Transport and the Environment Committee recommend approval of the instrument to Parliament (S1M - 785)

4. Parliament has until 31 May 2000 to deal with the instrument and the Transport and the Environment Committee is required to report on the instrument by 26 May 2000.

5. The purpose of the instrument is to restore and maintain the policy target of achieving full recovery of those local authority costs associated with processing planning applications from initial registration to decision stage. The effect of these regulations is that all fees currently payable under the principal Regulations are increased by approximately 10% to apply on and after 1 June 2000.

6. The Local Government Committee considered the instrument at its meeting on 2 May 2000 and had nothing to report.

7. The Subordinate Legislation Committee considered the instrument at its meeting on 25 April 2000 and requested information from the Executive on the consultation process preceding the laying of the instrument. The Committee considered the Executive response at its meeting on 2 May 2000 and in its 17th Report 2000 the Committee draws the attention of the Parliament to the Executive’s response as providing the information requested (extracts from Annexe C and Appendix B are attached to this paper for information).

**Actions required on 10 May 2000**

8. The Minister and supporting Officials will be attending the meeting of the Transport and the Environment Committee on 10 May to answer any questions members may have on the instrument. The Minister will then move the motion and the Committee may formally debate the motion.
9. Under Rule 10.6 the Committee is required to report to the Parliament with its recommendation on whether to approve the instrument.

Lynn Tullis
Clerk to the Transport and Environment Committee.
May 2000
Annex C

The Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Amendment Regulations 2000, (SSI 2000/draft)

1. The Committee, whilst appreciating that the parent Act imposed no requirement, asked the Scottish Executive whether any outside bodies had been consulted during the drafting of the instrument.

2. The Scottish Executive in its response reprinted at Appendix B, acknowledged that there is no statutory requirement to consult and explained that, in accordance with longstanding standard practice in the case of increase of such fees, no consultation had taken place.

3. The Committee therefore draws the attention of the Parliament to the Executive's response as providing the information requested.

Appendix B

THE TOWN AND COUNTRY PLANNING (FEES FOR APPLICATIONS AND DEEMED APPLICATIONS) (SCOTLAND) AMENDMENT REGULATIONS 2000

On 25 April 2000 the Committee asked–

"The Committee appreciates that the parent Act imposes no requirement for consultation but nonetheless asks whether any outside bodies such as COSLA, the Royal Town Planning Institute and the Society of Directors of Planning in Scotland were consulted during the drafting of this instrument."

The Scottish Executive responds as follows:

The Scottish Executive indicate that in its opinion this question does not relate to a matter which could, in terms of Rule 10.3.1 of the Standing Orders, provide a ground on which the Committee could draw the attention of the Parliament to this instrument.

In any event it is acknowledged that there is no statutory requirement as to consultation. Accordingly, in accordance with longstanding standard practice in the case of increase of such fees no consultation took place. However the Committee might also wish to be aware that planning fees were last increased in 1997 and COSLA have been pressing for an increase for some time.

Date: 27 April 2000

Mike Scott
for Scottish Executive
EXECUTIVE NOTE

The Designation of Nitrate Vulnerable Zones (Scotland) Regulations 2000 (S.I. 2000/156)

The above instrument was made in exercise of the powers conferred by section 2(2) of the European Communities Act 1972. The instrument is subject to negative resolution procedure.

Policy Objectives

This instrument implements the EC Nitrate Directive in respect of the 1997 review of Nitrate Vulnerable Zones (NVZs) by designating the Ythan estuary and catchment as an NVZ.

Background

The 1991 EC Nitrate Directive is intended to limit water pollution caused by nitrates from agricultural sources. Member States are required to identify waters which are or are likely to become polluted by nitrates and waters which are eutrophic or in danger of becoming eutrophic and to designate any land draining to these waters as NVZs. Following designation Member States must introduce mandatory Action Programme measures for farmers to reduce nitrate pollution within the zone. These measures include restrictions on use of fertiliser, limits on the amount of livestock manure applied to land each year and the maintenance of records to demonstrate compliance. Scotland currently has one NVZ at Balmalcolm in Fife.

Ythan NVZ

The proposed designation of the Ythan estuary and catchment as an NVZ is on the basis of criteria set out at Annex IA(3) of the EC Nitrate Directive i.e. that the estuary is "eutrophic or in the near future may become eutrophic. The North East River Purification Board (NERPB) and more recently in 1997 its successor, the Scottish Environment Protection Agency (SEPA), both submitted reports recommending designation of the Ythan estuary on this basis following the application of guidelines which were consulted upon during 1992.

Additional evidence of elevated nitrate levels in the River Ythan and its tributaries was provided by SEPA in its Surface Water Monitoring Report presented to the Scottish Executive during March 1999. Current research will not provide evidence with which to refute SEPA's advice on the condition of the estuary and, in light of recent legal advice that the Scottish Executive should adopt the "precautionary principle" when seeking to implement environmental policy measures, the Scottish Ministers are obliged to designate the Ythan estuary and catchment as an NVZ in order to fulfil their obligations under the EC Nitrate Directive.

*"eutrophication" is defined in the Directive as "the enrichment of water by nitrogen compounds, causing an accelerated growth of algae and higher forms of plant life to produce an undesirable disturbance in the balance of organisms present in the water and to the quality of the water concerned".
Consultation

The Minister for Transport and the Environment, Sarah Boyack announced consultation on the terms of the Ythan NVZ designation on 19th November 1999. Those farming around the boundary of the Ythan NVZ were given the opportunity to comment on its possible line. Thirty-three responses were received during the formal consultation exercise on the designation of the Ythan NVZ: 18 supporting designation and 15 against. The 18 bodies and individuals supporting designation included the RSFB, Scottish Wildlife Trust and SNH. Responses included suggestions about measures which have been adopted elsewhere in the EC to address nitrate leaching, and which could be adapted to Scottish circumstances.

Ten responses were from farmers. All were against NVZ designation for a number of reasons including the cost implications and lack of conclusive evidence of a link between the growth of enteromorpha (a green weed associated with eutrophication) in the estuary and nitrate levels in the Ythan. The remaining objectors included the Scottish Landowners Federation, which understood why designation was happening, but thought that a voluntary approach would be more successful. The Scottish Crop Research Institute challenged the evidence of a link between enteromorpha growth and nitrate concentrations and the effectiveness of action programme measures in reducing nitrate leaching. The National Farmers' Union of Scotland thought that the designation was unjustified and that more research on nitrate leaching and the link with enteromorpha growth was required. They favoured a co-operative rather than a regulatory approach, and emphasised that there must be an exit strategy from the NVZ designation process. The Ythan District Fishery Board thought that designation would not work and supported the approach taken by the **Formartine Partnership. Aberdeenshire Council's response expressed concerns about the designation and the implications for farmers.

Reasoned Opinion: Monitoring for Nitrates

The UK received a Reasoned Opinion during June 1998 from the European Commission (EC) about implementation of the Nitrates Directive. The UK had implemented the monitoring requirements of the Directive in respect of drinking waters only. The Commission asserted that this was wrong and that all waters should be monitored for nitrates. On the basis of its own legal advice, the UK conceded in its formal response of 14 October 1998 that it should have monitored all waters and would take immediate steps to do so. However, the EC announced on 21 January 1999 that it intended to refer the UK to the European Court of Justice over the UK implementation of the Directive. The Commission acknowledged that progress had been made by the UK in extending its monitoring network, but this was insufficient to prevent further action being taken. The ECJ has yet to issue a judgement.

An extended Scottish surface water-monitoring network for nitrates was established last year by SEPA in accordance with the new interpretation of the Directive. A number of catchments with high nitrate levels have been identified by SEPA from the surface water-monitoring network and consultation on these will take place later this year.

**The Formartine Partnership was set up with the object of providing a community based approach to sustainable development of Formartine (an admin area which includes the Ythan catchment). Membership includes the NFUS, The Scottish Landowners Federation, Scotch Ceilidh Heritage (SNH), the Environment Forum, Gordon Rural Action, the Ythan Amenity Trust, The Ythan District Fishery Board and Aberdeenshire Council. The Partnership recently launched a major new initiative called the Ythan Project which aims to achieve the long-term well being of the Ythan catchment as a sustainable environment, and is part funded by SNH.**
SEPA have also established a groundwater monitoring network, and proposals for groundwater NVZs may also be made in due course.

Financial effects

The proposed Regulations designating the Ythan NVZ will impose no costs on any group or individual. No Regulatory Impact Assessment (RIA) has therefore been prepared. Further regulations on the Action Programme measures to limit inputs of nitrates from agricultural activities in the Ythan NVZ will be made in due course. These may have financial implications for farmers and consultation on these regulations will include a full RIA and cost benefit analysis.

A copy of Council Directive 91/676/EEC (the Nitrates Directive) is attached at Annex I, and a map showing the boundaries of the Ythan NVZ is attached at Annex II.

Scottish Executive Rural Affairs Department
March 2000
1. Parliament has assigned the lead committee role on The Designation of Nitrate Vulnerable Zones (Scotland) Regulations 2000 (SI 2000/96) to the Transport and the Environment Committee for consideration (paper TE/00/11/6).

2. The instrument comes into force on 8 May 2000 and was laid under a "negative procedure" which means that the Parliament has power to annul the order by resolution within 40 days, excluding recess. In the case of this order therefore, the time limit for Parliamentary action expires on 26 May 2000. The Transport and the Environment Committee is required to report on the instrument by 22 May 2000.

3. The instrument implements the EC Nitrates Directive in respect of the 1997 review of Nitrate Vulnerable Zones (NVZs) by designating the Ythan Estuary and catchment as an NVZ. Other minor amendments are made to the Protection of Water against Agricultural Nitrate Pollution (Scotland) Regulations 1996.

4. An Explanatory Note from the Scottish Executive is attached as Paper TE00/11/7.

5. The Subordinate Legislation Committee considered this instrument 25 April 2000 and sought further information on the instrument from the Executive. The Committee met to consider the Executive response on 2 May 2000. In its 17th Report 2000 (SP Paper 120) reported the Committee accepted the further explanation of the Executive and drew the attention of the Parliament to the Executive’s response as providing the explanation requested by the Committee (an extract from Annex C and Appendix C of the Committee report is attached to this paper).

6. A motion to annul the instrument S1M-804 has been lodged by Nora Radcliffe (published in the Business Bulletin of 4 May 2000) That the Transport and the Environment Committee recommends that nothing further be done under the Designation of Nitrate Vulnerable Zones (Scotland) regulations 2000 (SSI 2000/96).
Actions required on 10 May 2000

7. The Committee will have an opportunity to question the Minister and Executive Officials on the instrument and, under Rule 10.4, the Committee is required to debate the motion and then report to the Parliament with its decision.

Lynn Tullis
Clerk to the Transport and Environment Committee
May 2000
Annex C

Negative Instruments

The Designation of Nitrate Vulnerable Zones (Scotland) Regulations 2000, (SSI 2000/96)

1. The Committee noted that in the definition of “code of good agricultural practice” in regulation 2(a)(l) reference was made to “those parts of the Code of Agricultural Practice for the Prevention of Environmental Pollution from Agricultural Activity……..which are aimed at reducing pollution by nitrates” and asked the Scottish Executive how the relevant parts of the Code were to be identified.

2. The Executive in its response reprinted at Appendix C explained that the Regulations are part of the implementation of Council Directive 91/676/EEC concerning the protection of waters against pollution caused by nitrates from agricultural sources. In Scotland, the provision has been complied with by means of guidance contained in successive editions of the Code of Good Agricultural Practice for the Prevention of Environmental Pollution from Agricultural Activity.

3. The Executive accepted that reference to the Code in the Regulations and previous legislation is in general terms. The reason given for this was that the code does not have mandatory effect, comprising only of guidance and implemented by farmers voluntarily. It followed that there was no need for the Regulations to identify particular sections of the code.

4. The Committee is aware that the Code of Good Agricultural Practice referred to covers not only pollution of water but also pollution of air and soil. The parts of the code that relate to pollution of water have statutory authority. It is not clear whether it is to these parts that the reference in the Regulations relate. The Committee believes that even if compliance is voluntary the reference to the relevant provisions should be precise.

5. However, in its response, the Executive goes on to explain that the instrument is part of a package of measures designed to implement the Directive in respect of the estuary and catchment area of the Ythan. It intends to bring forward Regulations which will establish an action programme within the time period allowed for that purpose by the Directive. The programme will specify the particular measures from the code relevant and appropriate to the Ythan as the zone designated by the above Regulations.

6. The Committee therefore accepts the further explanation of the Executive and draws the attention of the Parliament to the Executive’s response as providing the explanation requested by the Committee.
Appendix C

THE DESIGNATION OF NITRATE VULNERABLE ZONES (SCOTLAND) REGULATIONS 2000, (SSI 2000/96)

1. On 25 April 2000 the Committee noted that in the definition of “code of good agricultural practice” in regulation 2(a)(i) reference is made to “those parts of the Code of Good Agricultural Practice for the Prevention of Environmental Pollution from Agricultural Activity .... which are aimed at reducing pollution by nitrates” and the Committee wishes to know how the relevant parts of the Code are to be identified.

The Scottish Executive responds as follows:

2. The Regulations are part of the implementation of Council Directive 91/676/EEC concerning the protection of waters against pollution caused by nitrates from agricultural sources. Article 4.1 of the Directive requires Member States to establish a code or codes of good agricultural practice, to be implemented by farmers on a voluntary basis, with the aim of providing for all waters a general level of protection from agricultural nitrate pollution. In Scotland that provision has been complied with by means of guidance about the prevention of nitrate pollution contained in successive editions of the Code of Good Agricultural Practice for the Prevention of Environmental Pollution from Agricultural Activity. It is accepted that the reference to the Code in the above Regulations and previous legislation is in general terms. The reason for this is that the code does not have mandatory effect. It comprises only guidance and is implemented by farmers voluntarily. There is therefore no need for the Regulations to identify particular sections of the code.

3. The Regulations also have the effect of designating an additional Nitrate Vulnerable Zone. As set out in the Directive and as can be seen from the Protection of Water against Agricultural Nitrate Pollution (Scotland) Regulations 1996 (which the above Regulations amend), the process of implementation in this regard is three-fold. Firstly a nitrate vulnerable zone is identified and designated, secondly an action programme in respect of that zone requires to be established and thirdly that action programme requires to be implemented. Regulation 6 of the 1996 Regulations sets out the procedure and timings for establishment and implementation of an action programme, with reference to the date of designation.

4. The above Regulations complete the first of these stages in respect of the estuary and catchment area of the Ythan.

5. Regulations 6 and 7 of the 1996 Regulations provide that an action programme shall give mandatory effect to the provisions described in Schedule 3 to those Regulations (which are taken from the Directive) and provisions embodying the measures contained in the code of good agricultural practice (other than such provisions as have been superseded by the provisions described in Schedule 3 to the Regulations).
6. The Scottish Executive intend to bring forward Regulations (providing the second of these stages). These Regulations will establish an action programme within the time period allowed for that purpose in the Directive. That programme will specify the particular measures from the code relevant and appropriate to the Ythan as the zone designated by the above Regulations.

Date: 27 April 2000                        PAUL CACKETTE
                                              for Scottish Executive
EXECUTIVE NOTE

The Radioactive Substances (Basic Safety Standards) (Scotland) Regulations 2000

The above instrument was made in exercise of the powers conferred by section 2(2) of the European Communities Act 1972. The instrument is subject to negative resolution procedure.

Policy Objectives

This instrument, which applies to Scotland, gives effect to changes to the Radioactive Substances Act 1993 (RSA 93), in order to implement aspects of the Basic Safety Standards Directive (European Directive 96/29/Euratom), concerning the way the Act deals with radioactivity in clocks and watches.

Although the arrangements presently in place ensure compliance with the Basic Safety Standards, some changes were required to ensure transparency of compliance. Implementation of the Directive is to be made in such a way as to ensure no weakening of existing controls, in fact there will be slight strengthening of controls in respect of clocks and watches, but without the need for new regulation beyond that.

The RSA 93 requires all users of radioactive materials to be registered to keep and use such materials, and to be authorised to dispose of them. Currently, under Sections 8 and 15 of RSA 93, the keeping and use of clocks and watches, of any description, containing radioactive luminous material is exempt from registration and authorisation. The exemption does not, however, apply to premises on which clocks or watches are manufactured or repaired by processes involving the use of luminous material because of the potential for a more significant risk of radiation exposure from such processes. The Directive requires that practices that can increase radiation exposure should be reported or notified to the competent authorities. The Directive further requires that any such practice should be authorised in advance. Such authorisation need not be on a case-by-case basis where there is a limited risk of exposure and the practice is undertaken in accordance with conditions laid down in national legislation.

To comply with the Directive, RSA 93 is amended so that the exclusion of clocks and watches awaiting disposal is limited to circumstances where the total radioactivity on the premises at any one time does not exceed the relevant reporting levels set out in column 2 of Table A to Annex 1 of the Directive; or where specified limits on the quantity of radioactive waste and the types of clocks and watches are met. The levels set out in Table B of the Regulations are those allowed by the International Standard document ISO 3157: 1991(E) “Radioluminescence for time measurement instruments - Specifications”. On the basis of dose calculations for the disposal of clocks and watches undertaken as part of a DETR research project the conclusion reached was that the disposal of 5 items of any type defined in the regulations would pose no radiological hazard.

The Directive is being implemented separately in England & Wales, but must be implemented in the UK as a whole by 13 May 2000, or the UK may be subject to infringement proceedings. If Scotland misses the deadline unilaterally, the Scottish Executive will be liable for any fines incurred by successful proceedings taken against the UK.
Consultation

A separate consultation was carried out in Scotland and the bodies consulted on the draft of the instrument are attached at Annex 1.

Financial Effects

The regulations have been drawn up to minimise the effects of being drawn into the regulatory framework and advice received from trade organisations indicates that there will be no significant additional costs.

Other documentation


Scottish Executive Rural Affairs Department
April 2000
CONSULTATION LIST

Action of Churches Together in Scotland
AEA Technology
Argyll and Bute Council
Association of Scottish Chambers of Commerce
Babcock Rosyth Ltd
British Dental Association
British Energy Generation (UK) Ltd
British Energy PLC
British Nuclear Fuels Ltd
BNFL Magnox Generation
Caithness Against Nuclear Dumping
Centre for Environment and Business in Scotland
Chartered Institute of Water and Environmental Management
Clark to the Transport and Environment Committee
Committee on the Medical Aspects of Radiation in the Environment
Confederation of British Industry
Convenion of Scottish Local Authorities
Crowns Estate Office
Cumbernauld Environmental Ltd
Denis Canavan MSP
Department of Environment, NI
DETR
DK Waste Services
DTI
Dumfries and Galloway Council
East Ayrshire Council (Community Services)
East Lothian Council
Effluent Enterprise
Environment Agency
Environmental Assessment Group Ltd
Environmental Law Association
Environmental Services Association
European Commission
Faculty of Advocates
Federation of Small Businesses
Fife Council
Foreign and Commonwealth Office
Forum of Private Business
Freight Transport Association
Friends of the Earth (Scotland)
Greenseas (Scotland)
Health and Safety Executive
Highland Council
Institute of Directors
Institute of Waste Management Centre
Law Officers Department
MAFF
McGrigor Donald Solicitors

Members of the Scottish Small Users Liaison Group
Ministry of Defence
National Assembly for Wales
National Radiological Protection Board
National Support Services in Science, Technology and Safety
Radioactive Waste Management Advisory Committee
Recycling Advisory Group for Scotland
Royal Environmental Health Institute of Scotland
Royal Pharmaceutical Society of Great Britain
Royal Society of Edinburgh
RSK Environment
Scotland Against Nuclear Dumping
Scottish Agricultural College
Scottish Centre for Infection and Environmental Health
Scottish Conservative and Unionist Party
Scottish Consumer Council
Scottish Council (Development and Industry)
Scottish Engineering
Scottish Environment Protection Agency
Scottish Green Party
Scottish Labour Party
Scottish Liberal Democrats
Scottish Parliament Information Centre
Scottish Power
Scottish Power Generation
Scottish National Party
Scottish Natural Heritage
Scottish Pharmaceutical General Council
Scottish Radiation Protection Advisers Group
Scottish Socialist Party
Shell UK
The Law Society of Scotland
The Royal Faculty of Procuators
Total Oil Marine
TransCo Business Unit North Area Office
UKAEA
University of Aberdeen (Aberdeen Royal Hospitals)
University of Dundee (Safety Office)
University of Edinburgh (Radiation Protection Services)
University of Strathclyde (Department of Environment)
Water Authorities (N.E.W.)
West of Scotland Health Boards (Dept of Clinical Physics)
REGULATORY IMPACT ASSESSMENT

Title

This Regulatory Impact Assessment (RIA) is entitled:

THE RADIOACTIVE SUBSTANCES (BASIC SAFETY STANDARDS) (SCOTLAND) REGULATIONS 2000 AND THE RADIOACTIVE SUBSTANCES (BASIC SAFETY STANDARDS) (SCOTLAND) DIRECTION 2000

Purpose and intended effect of the measure

(i) Identify the objective and issue

Objective

The purpose of the Regulations is to amend the Radioactive Substances Act 1993 (RSA 93) in the way that it deals with clocks and watches. The Direction to the Scottish Environment Protection Agency (SEPA) makes into legally binding obligations certain of its current administrative arrangements for undertaking its duties. This is necessary to implement in a transparent manner certain aspects of the revised Basic Safety Standards (BSS) Directive 96/29/Euratom.

Issue

The purpose of this RIA is to consider the benefits and costs resulting from the amendments to existing legislation to implement the BSS Directive. The Directive lays down basic safety standards for the protection of the health of workers and the general public against the dangers arising from ionising radiation. It revises an earlier version bringing it up to date in the light of more recent radiological protection methodology. The Directive is therefore evolutionary rather than revolutionary in nature and its effects are likely to be minimal. The Directive is currently implemented in the UK through several Acts and Regulations including the RSA 93 and this will continue to be the case for the new Directive.

RSA 93, which already contains many of the features of the Directive, covers those aspects concerned with the protection of the public and the environment from the discharge or disposal of radioactive waste. The Directive allows clearance levels to be set which make the disposal, recycling or reuse of radioactive substances above these levels subject to prior authorisation. Clearance levels set a threshold at or below which the levels of radioactivity are small and pose negligible radiological risk, irrespective of the volume or fate of that material. This concept of clearance does not appear explicitly in the current legislation, but there are existing levels which can be used for unconditional clearance of large volumes of material – namely, Schedule 1 of RSA 93 and the Substances of Low Activity Exemption Order (SoLA). These serve, respectively, to provide exclusion and unconditional exemption from the provisions of RSA 93 for certain radioactive substances in low concentrations, and also meet the necessary requirements of the Directive.
Implementing the Directive has required changes to the way that clocks and watches are regulated. Furthermore, administrative arrangements currently used in the application of RSA 93 are being transposed into legal obligations.

(ii) Risk assessment

The revised EU Directive augments the already high standards of radiological protection in Europe. Risks from radiation are kept down by restricting doses to the public to less than the Directive's dose limit of 1 millisievert (mSv) per year, which has been used for many years by the environmental regulators in the UK. The Directive further requires that doses be kept as low as reasonably achievable. This is achieved in the UK by requirements in discharge authorisations to use the best practicable means to reduce discharges. No change to this system of risk minimisation is proposed.

Options

As a result of studies commissioned by DETR on behalf of UK Departments, it was confirmed that the basic structure of RSA 93 met the radiological criteria of the Directive. A UK-wide consultation was undertaken in March 1999 to consider alternatives to the existing regime. Following that consultation, it was decided that no changes should be made to the structure of RSA 93, and that the current values of Schedule 1 of RSA 93 and SoLA should remain the same.

The current exclusion in RSA 93 for clocks and watches is not permitted under the Directive. The exclusion must be limited to circumstances where the total radioactivity of the clocks and watches on premises used for the purpose of an undertaking at any one time does not exceed the relevant reporting levels in the Directive, or where specified limits on the quantity of radioactive waste and the types of clocks and watches are met. The proposed regulations to amend RSA 93 have been drafted to minimise their impact whilst remaining consistent with the Directive.

It is intended that a number of requirements of the Directive, which are currently delivered administratively as a matter of Scottish Executive policy, will, in future, be delivered as legally binding obligations via a Direction to SEPA under Section 40(2) of the Environment Act 1995.

Benefits

The aim of the Directive is to improve the standards of protection of the health of workers and the general public against the dangers arising from ionising radiation. As stated, current legislation and administrative provisions under RSA 93 largely cover the waste aspects of the Directive and any benefits — in terms of reductions of radiation doses — are likely to be minimal. The options presented in the UK-wide consultation paper of March 1999 were equivalent in terms of radiological protection.

Compliance cost for business

The principal businesses affected by the Directive are users of radioactive material such as: nuclear power stations; nuclear fuel production and reprocessing plants; radioactive waste treatment and disposal facilities; industrial plants producing radioactive materials; process
plants utilising radioactive material; facilities producing or repairing consumer goods (including clocks and watches) containing radioactive materials; industrial testing and inspection equipment using radioactive materials; plant and facilities to treat radioactively contaminated land; certain civilian and military research establishments; certain educational establishments and certain hospitals.

Those businesses most likely to be affected by the changes to RSA 93 are premises, repairing or disposing of clocks and watches, which are currently excluded from the provisions of the Act. However, the regulations have been drawn up to minimise the effects of being drawn into the regulatory framework. Advice received from trade organisations indicates that there will be no significant additional costs.

The greatest impact will come from Article 47 of the Directive which requires undertakings responsible for specified practices to involve qualified experts in the discharge of duties. Businesses may find that Radiation Protection Advisers (RPA), as defined in the Ionising Radiations Regulations 1999, can take on that role. It is estimated that duties under Article 47 will require approximately one day's work for a typical undertaking. There are around 400 small-user premises in Scotland authorised under RSA 93. With a typical daily cost of £400, this would amount to a one-off cost of around £160,000 across Scotland. For the nuclear sites in Scotland, where the duties of the qualified expert will be more time-consuming, it is estimated that there would be a total one-off cost of around £33,000.

Impact on small business

With no change proposed to the existing regulatory framework, there will be minimal impact on small users of radioactive materials. The estimated costs are given above.

Any other costs

Other costs resulting from changes required to implement the Directive arise in the legal obligations to be placed on SEPA under the Directive. As already stated, these activities are currently carried out, as part of the administration of RSA 93, as government policy but have no legal basis. The Direction will ensure that exposures resulting from authorisations are as low as reasonably achievable; that dose limits laid down in the Directive are not exceeded; that suitable dose constraints are used; that estimates of doses arising are realistic for the population as a whole and for reference groups of the population; that technical devices used to demonstrate compliance with the conditions imposed in authorisations are fit for the intended purpose and that suitably qualified experts are involved in the discharge of these activities.

The main costs will arise from the need to train inspectors and to communicate with users. This one-off start up cost for training and the promulgation of information is estimated to amount to around £10,000 in the financial year 2000/2001.

Results of consultation

The UK-wide consultation document on the principles of change to RSA 93 was published on 26 March and comments were invited by 25 June 1999. There were 188 responses, of which 18 were from Scotland, from a wide range of organisations including industry; nuclear
industry; health organisations; educational organisations; environmental organisations; learned and technical societies; local government and individuals. An analysis of the responses is available from Tony Brown, Zone 4/E7, DETR, Ashdown House, 123 Victoria street, London, SW1E 0DE; Telephone 0171 890 6275.

Following that, the consultation on the proposed Regulations and Direction was undertaken separately in Scotland, and in England and Wales. In Scotland, there were 23 responses from a wide range of organisations. The only comment of substance on the Regulations was that Table 3 was overly complicated. Since the table was taken directly from the relevant international standard, we have decided to retain it on grounds of transparency.

There were a number of comments on the Direction with many correspondents asking that the requirement to keep doses as low as reasonably achievable was replaced with a requirement to keep doses as low as reasonably practicable. The latter wording appears in the Ionising Radiations Regulations 1999, but it was decided to keep the term ‘as low as reasonably achievable’ since this is the wording in the Directive. The terms are considered to be synonymous.

Many correspondents commented that the qualified expert required by the Directive might very well be an RPA as defined in the Ionising Radiations Regulations 1999 but that the qualified expert need not be necessarily an RPA. We have accepted that point to allow a suitably qualified expert not to be necessarily an RPA.

An analysis of the responses is available from Steven MacGregor, Scottish Executive Environment Protection Unit, Area 1-J(N), Victoria Quay, Edinburgh, EH6 6QQ; Telephone 0131 244 0392.

Summary and recommendation

Implementation of the Regulations and associated Direction is necessary to give statutory effect to the BSS Directive by 13 May 2000. The implementation options are limited and there was a presumption of no change in the March 1999 consultation paper. In the absence of users coming forward with specific practical alternative proposals and their benefits, the Scottish Executive believes that the Directive should be implemented with the minimum of change to RSA 93.

Enforcement, sanctions, monitoring and review

Failure to implement the Directive may lead to infrestyle proceedings and associated fines.

Users of radioactive materials who do not comply with the new Regulations will be subject to the statutory sanctions set out in Section 32 of RSA 93. SEPA is under a duty to comply with the Direction.

Whilst there are no plans to review the Regulations, the impact of the Directive will be considered during the review of Exemption Orders under RSA 93.
The Radioactive Substances (Basic Safety Standards) (Scotland) Regulations 2000 (SI 2000/100)

1. Parliament has assigned the lead committee role on The Radioactive Substances (Basic Safety Standards) (Scotland) Regulations 2000 (SI 2000/100) to the Transport and the Environment Committee for consideration (paper TE/00/11/9).

2. The instrument comes into force on 13 May 2000 and was laid under a "negative procedure" which means that the Parliament has power to annul the order by resolution within 40 days, excluding recess. In the case of this order therefore, the time limit for Parliamentary action expires on 30 May 2000. Any MSP may lodge a motion to propose to the lead committee that the order be annulled. The Transport and the Environment Committee is required to report on the instrument by 22 May 2000. Should an annulment be required, under Rule 10.4, the Transport and Environment Committee will have to debate the issue and then report to the Parliament with its decision.

3. The Regulations extending to Scotland only give effect to changes to the Radioactive Substances Act 1993, in order to implement in part the Basic Safety Standards Directive (European Directive 96/29 Euratom) in relation to the disposal or accumulation of radioactive waste arising from clocks and watches.

4. An Explanatory Note and Regulatory Impact Assessment from the Scottish Executive is attached as Paper TE/00/11/10.

5. The Subordinate Legislation Committee considered this instrument on 25 April 2000 and sought further information from the Executive. The Committee considered the Executive response at its meeting of 2 May 2000. The Committee reported that it will always expect particular justification in the case of provisions to amend primary legislation and for the envisaged parliamentary procedure. The Committee draws the attention of the Parliament to the Executive’s response as providing the explanation requested (extract from the Committee’s 17th Report 2000 – SP Paper 120 are attached to this paper as Annexe C and Appendix D).

Lynn Tullis
Clerk to the Transport and Environment Committee
May 2000
The Radioactive Substances (Basic Safety Standards) (Scotland) Regulations 2000, (SSI 2000/100)

1. The Committee noted that the Regulations achieve their objective by amending primary legislation but that the instrument is subject to negative procedure. The Committee asked the Executive why affirmative procedure was not used in this instance.

2. The Executive explained in its response reprinted in Appendix D that the Regulations make minor amendments to the Radioactive Substances Act 1993 and do not substantially affect the provisions of the Act. The Executive did not therefore consider the amendments sufficiently significant or substantial to justify requiring a debate in Parliament and accordingly did not consider it appropriate to make the instrument subject to the affirmative procedure.

The Committee will always expect particular justification in the case of provisions to amend primary legislation and for the envisaged parliamentary procedure. The Committee draws the attention of the Parliament to the Executive’s response as providing the explanation requested.

Appendix D

THE RADIOACTIVE SUBSTANCES (BASIC SAFETY STANDARDS) (SCOTLAND) REGULATIONS 2000, (SSI 2000/100)

On 25 April 2000 the Committee noted that the Regulations achieve their objective by amending primary legislation but that the instrument is subject to negative procedure. The Committee asked the Executive why affirmative procedure was not used in this instance.

The Scottish Executive responds as follows:

The Radioactive Substances (Basic Safety Standards) (Scotland) Regulations 2000 make minor amendments to the Radioactive Substances Act 1993 in relation to the disposal or accumulation of radioactive waste arising from clocks or watches. These amendments do not substantially affect the provisions of the Radioactive Substances Act 1993. Having had regard to the nature of the amendments concerned, it was not considered that the amendments were sufficiently significant or substantial to justify requiring a debate in the Parliament. Accordingly, it was not considered appropriate to make the instrument subject to the affirmative procedure.