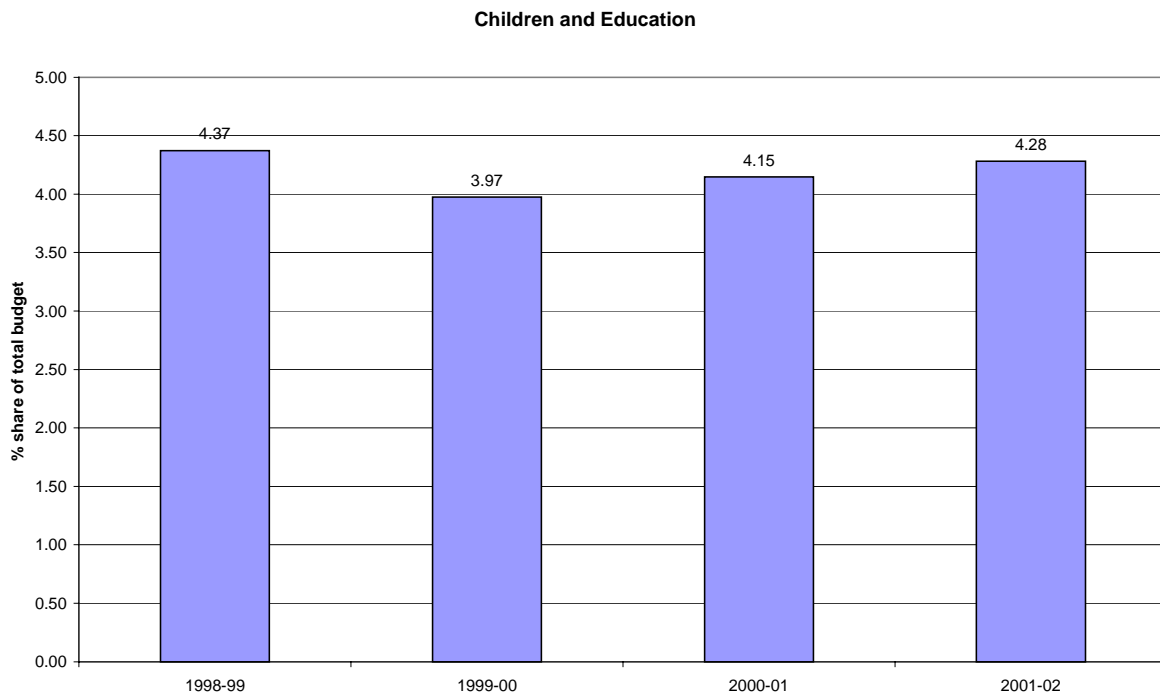


% SHARE OF TOTAL BUDGET PER MINISTERIAL PORTFOLIO¹

Children and Education

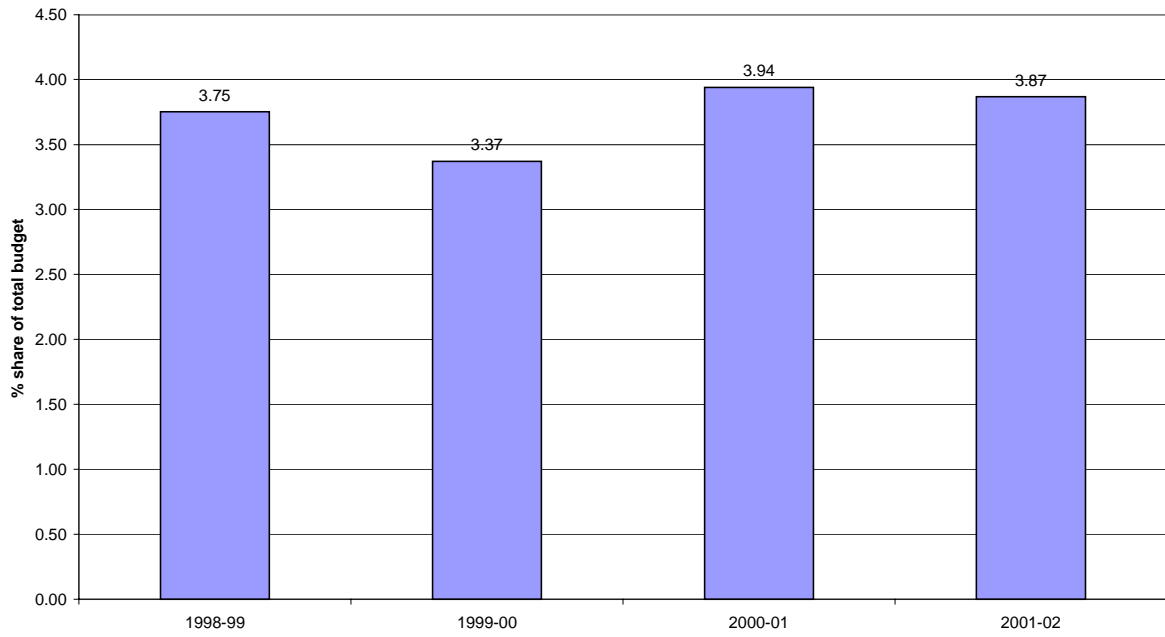


Communities

1. _____

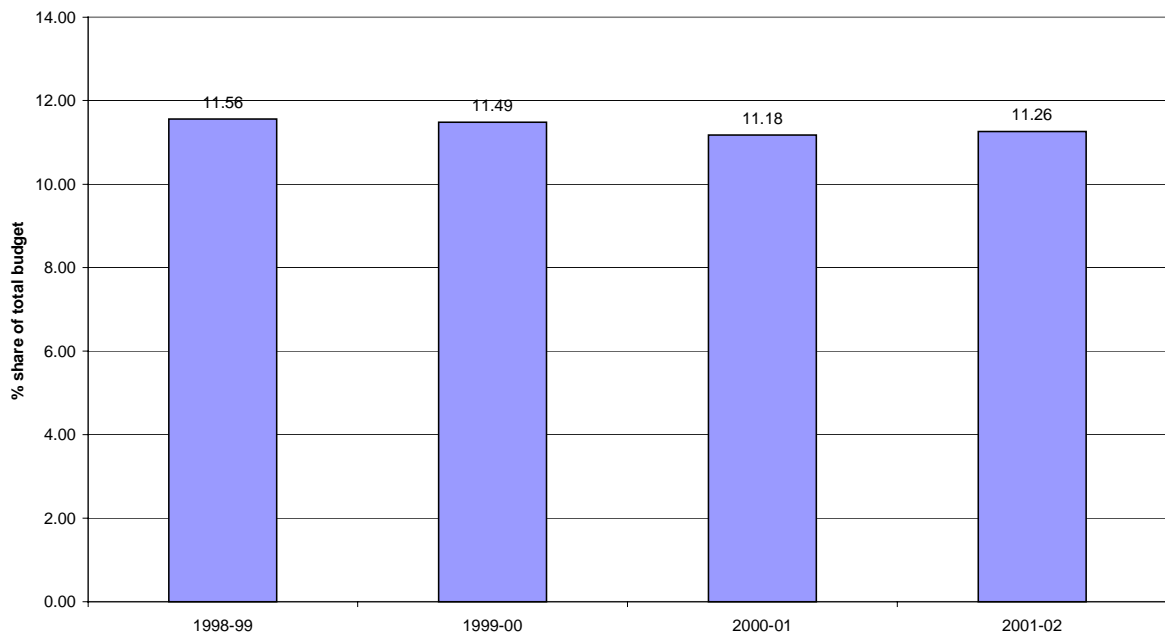
¹ Source: Scottish Executive (2000) *Investing in You: The Annual Expenditure Report of the Scottish Executive*. Table 1, page 6. NB. The additional expenditure for education, justice and transport (following the Budget and listed in Table 2 of the Expenditure Report) is not included here. The document states that decisions on the allocation of these monies between central and local government will 'be taken in due course'

Communities



Enterprise and Lifelong Learning

Enterprise

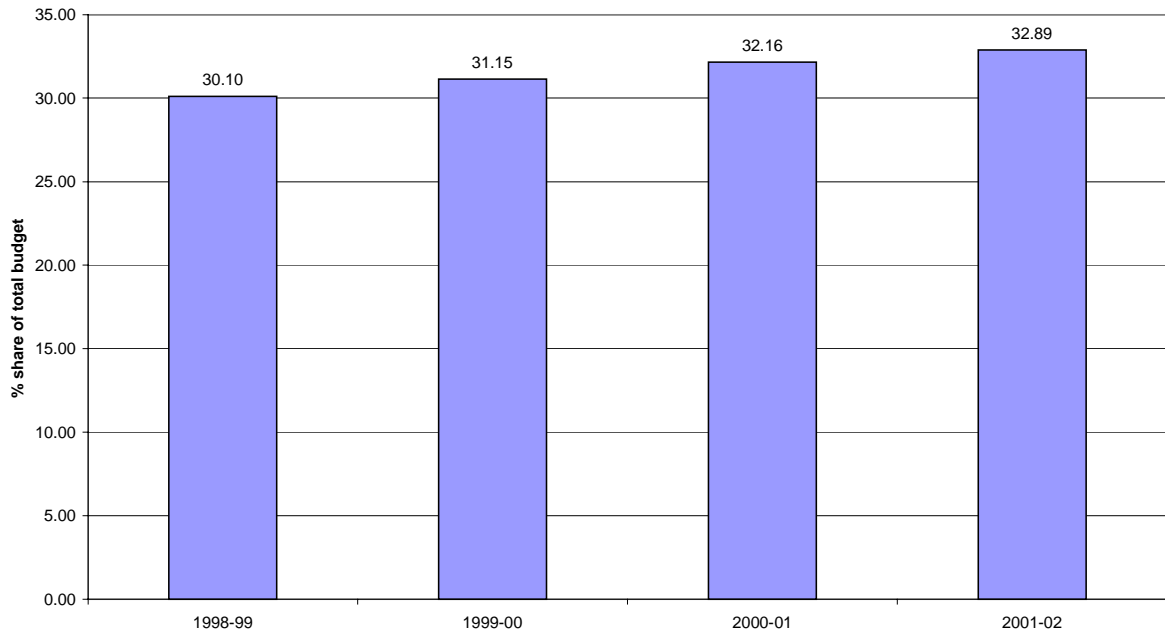


Health and Community Care²

1. _____

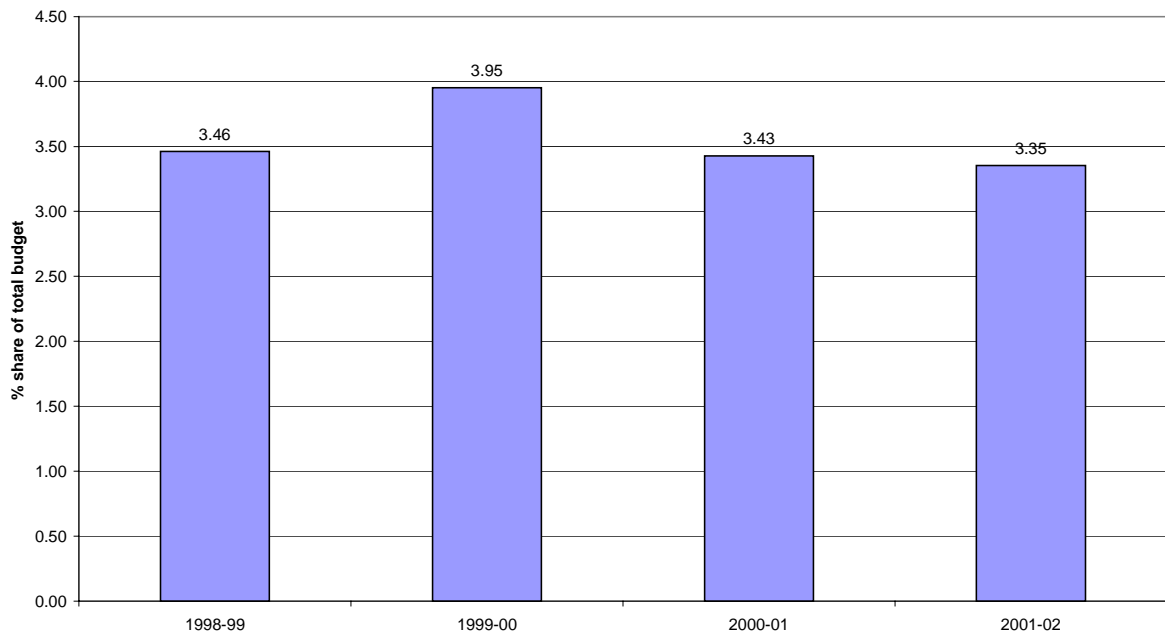
² Includes Food Standards Agency

Health and Community Care (inc Food Standards Agency)



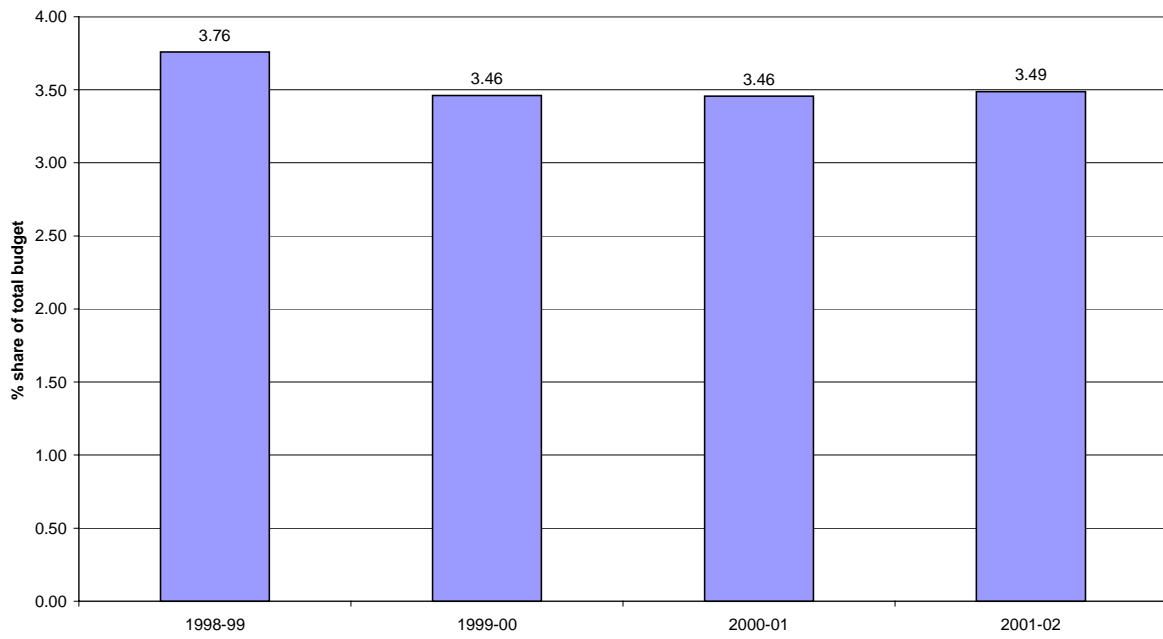
Justice Department and Crown Office

Justice and Crown Office



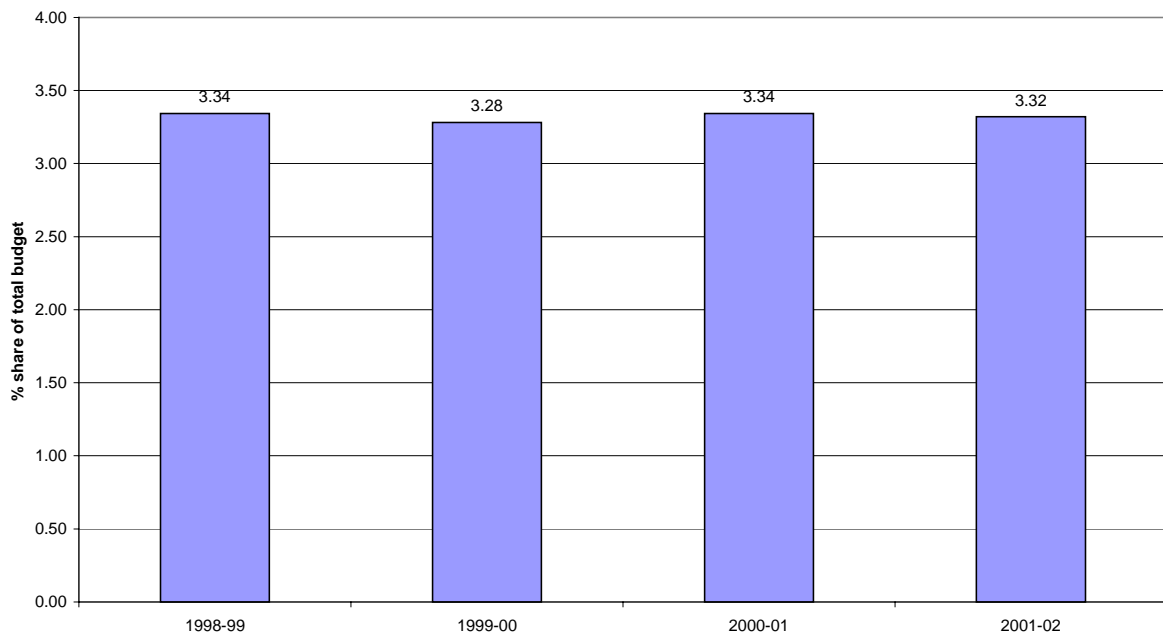
Rural Affairs and Forestry

Rural Affairs and Forestry



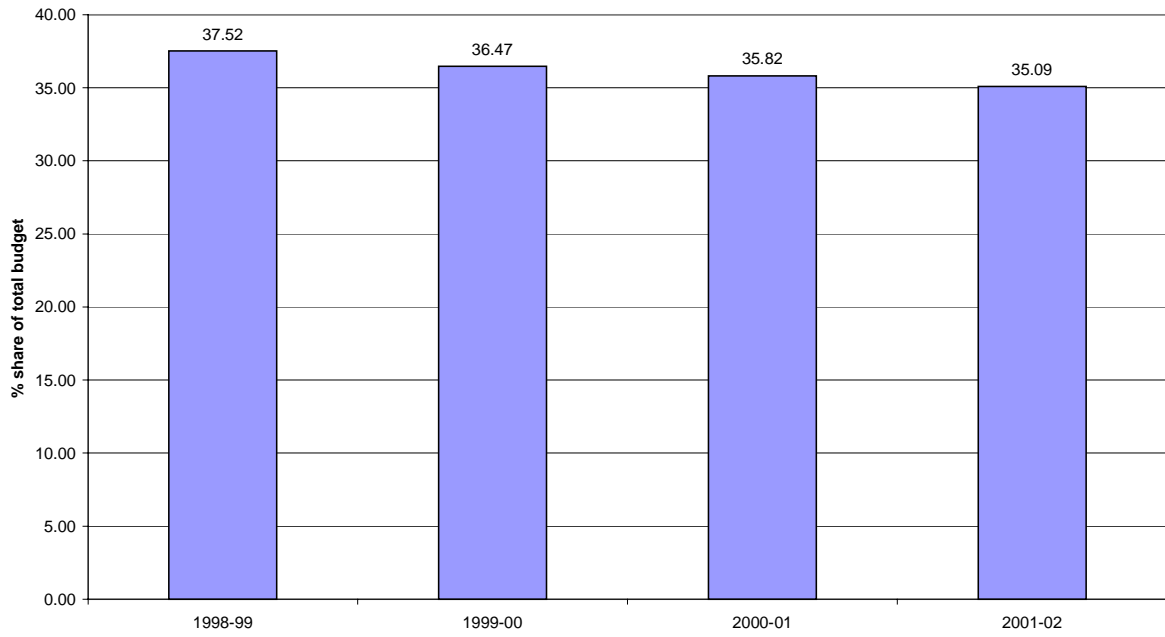
Transport and Environment

Transport and Environment



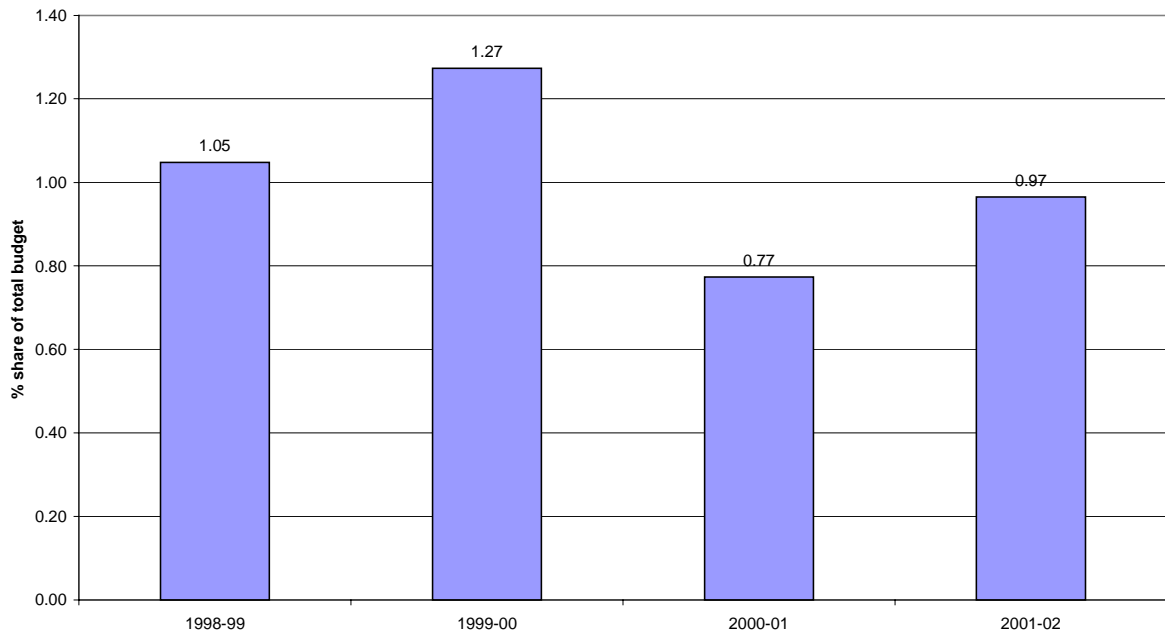
Local Government

Local Government



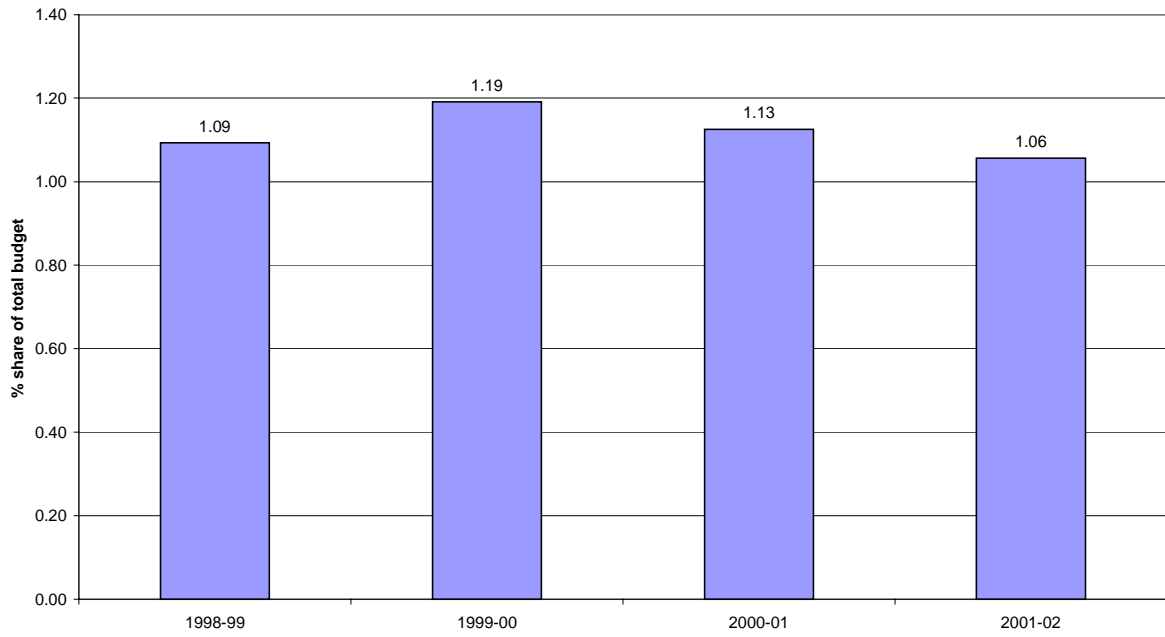
European Structural Funding

European Funds



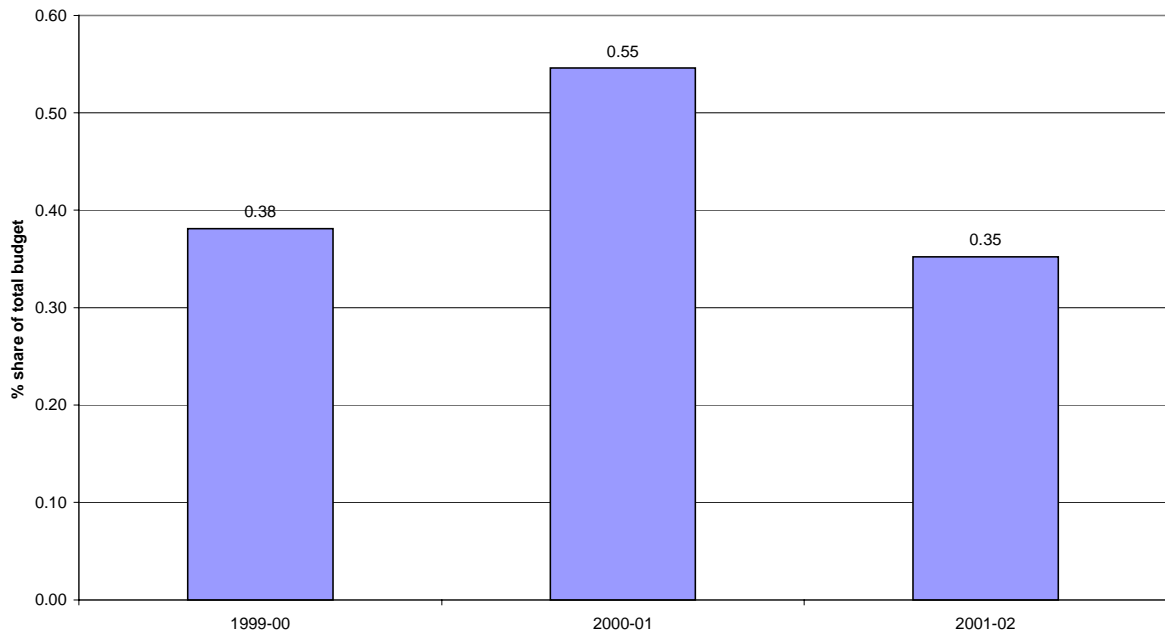
Central Services

Central Services

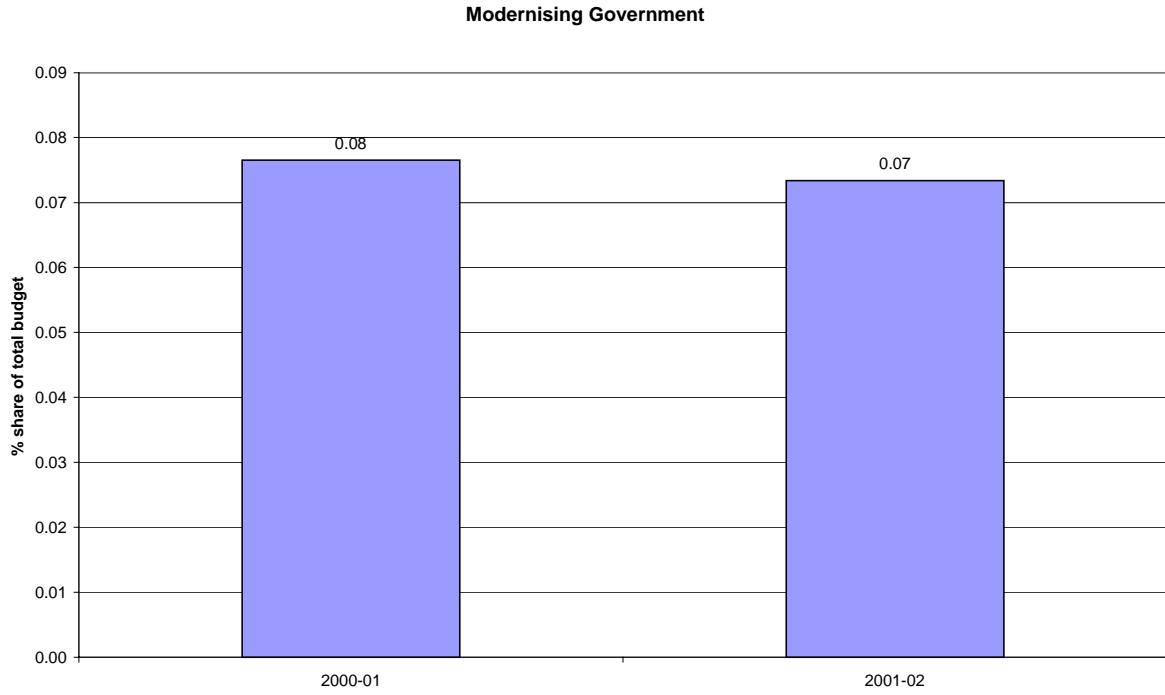


Scottish Parliament and Audit Scotland

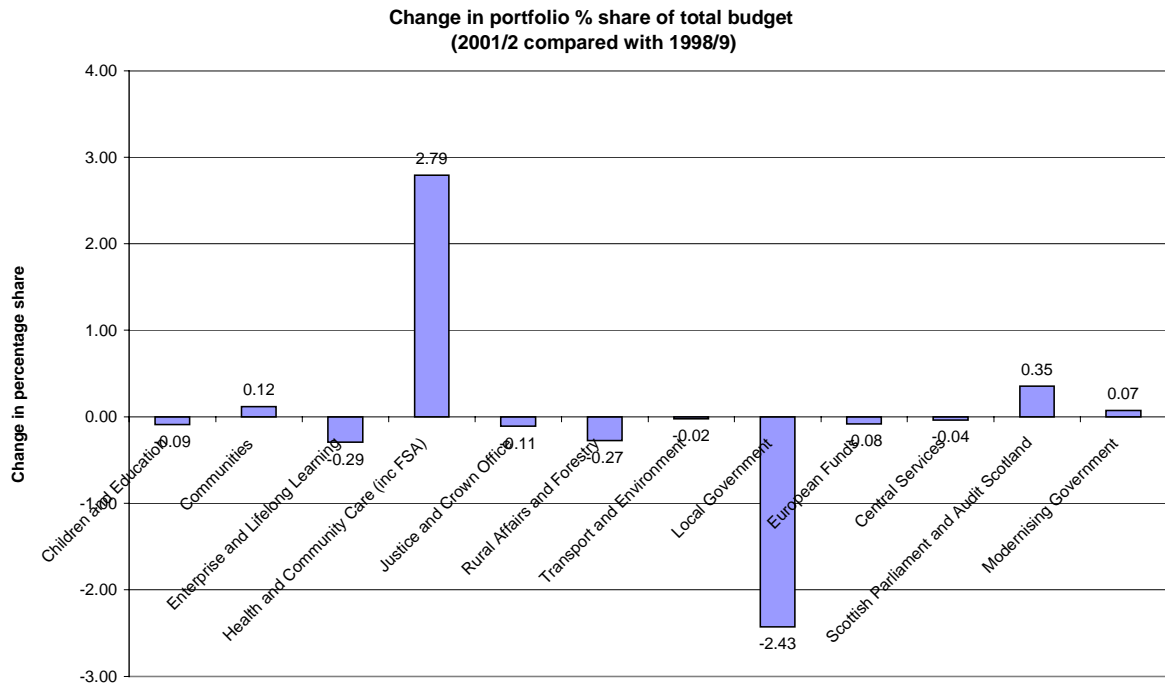
Parliament and Audit Scotland



Modernising Government



Change in portfolio % share of total budget (2001/2 compared with 1998/9)



BUDGET 2000/2001: STAGE 1

This report should be completed and returned to the Clerk to the Finance Committee no later than 2 June

Committee:

Questions in each section should be read in conjunction with the relevant chapters of the Scottish Executive Departmental Report

SECTION ONE: DEPARTMENTAL AIMS AND OBJECTIVES

The Committee is asked to consider the primary and secondary aims of the Department as set out in the Departmental report and to respond to the following questions:-

- 1. Are the Department's aims and objectives sufficiently clear and unambiguous?*
- 2. Are the targets identified by Ministers appropriate and realistic? Can they be supported by evidence?*
- 3. How reliably can outcomes be measured in this policy area?*
- 4. Are the objectives and specific targets designed in a way which makes it easy to audit whether or not they have been achieved? How will this audit be undertaken within the Executive and by whom?*
- 5. To what extent is the achievement of targets in this policy area dependent upon resources or upon other factors?*
- 6. Where, if at all would the Committee recommend adjustment of the aims and objectives? Why?*

SECTION TWO: PLANNED CURRENT AND CAPITAL EXPENDITURE

The Committee is asked to consider the breakdown of expenditure as set out in the relevant section of the Departmental report and to respond to the following questions.

*(In doing so, the Committee should bear in mind that it has before it **projected outturns** for years 1999-2000 and 2000-2001. The sub-programme levels of expenditure for 2001-2002 have not yet been set and previous years should be taken as a guide only.)*

- 1. Do the details of expenditure on the Departmental programme in total and for each of the main sub-programmes (as at 2000-01) adequately support the Department's stated objectives? If not, why not?*
- 2. If the Committee has suggested revised objectives under Section 1, how would it allocate resources to these?*
- 3. Looking at last year's level 3 figures, is the Committee satisfied that it understands the factors which underpin them, including:*
 - the breakdown of types of spending which constitute the sub-programme expenditure figures;*
 - any inflationary pressures which apply to the different elements of expenditure within sub-programmes;*
 - any levels of assumed efficiency, or re-engineering, savings that have been built into the expenditure figures, including the targets these are based upon and whether these are realistic and achievable;*
 - invest-to-save programmes, especially where the savings do not register until beyond the current horizon.*
- 4. What elements of expenditure are allocated centrally and what are the elements whose disbursement is determined at a local level? In the case of the latter expenditure, to what extent can central government direct how this expenditure is applied or determine what are the priorities? What is the effect of the Executive ring-fencing money (where applicable)?*
- 5. Other issues the Committee may wish to consider include:*
 - is the Department pursuing a Research and Development approach? If so, how is investment in this allocated and prioritised?*

- *is the Department funding pilot schemes under any of these headings? If so, what provision is there for rolling these out in the event that they are a success?*
- *Is the Department able to identify where there may be unused resources at the end of the current financial year? Where such surplus exists, how are decisions taken about redeploying it?*
- *Does the Department participate in any cross-cutting policy areas with other Departments of the Executive? If so, how is funding disbursed across the various partners? Have you any comments to make on this?*
- *What if any income streams feed into this Department's expenditure totals? Is there any scope to alter these?*

The Scottish Parliament Finance Committee
From the Convener, Mike Watson MSP

13 April 2000

Dear

Further to my letter of 8 February which outlined the subject committees' involvement in the annual budget process, I am writing to advise you that the Finance Committee has decided to supplement that guidance by asking each subject committee to consider the different impact that expenditure proposals in their area will have on men and women.

I enclose a copy of a press release that was issued yesterday on this subject together with a background paper from the organisation Engender which calls for a gender impact assessment of all policy proposals.

I am copying this letter to your Clerk.

Yours sincerely

Mike Watson

Committee News Release CFIN010/2000

Wednesday 12 April, 2000

FINANCE COMMITTEE CALLS FOR GENDER IMPACT ASSESSMENT OF BUDGETS

"Spending plans have different effects on men and women and we must recognise this if we are to promote equality", Finance Committee convener Mike Watson said today.

His comments came as the Committee embarked on the first full round of the new Parliament budget process by issuing guidance to the subject committees who will carry out line by line scrutiny of spending plans in their areas.

The Committee acknowledged that equality issues are increasingly being 'mainstreamed' in all areas of public policy and that it is necessary to build in an approach to setting budgets which recognises this.

The Committee decided to supplement its existing guidance to subject committees by calling on them to consider the different impact that all proposed initiatives will have on men and women.

Mike Watson said:

"We very much hope that the Scottish Executive will listen to those who are calling for a full gender impact assessment of all policy proposals. Since a key part of this process must be the analysis of future spending plans in terms of gender differences, we are pleased to be setting the ball rolling. This Parliament was founded on principles of equality of access and participation and we are proud to be playing our part in making that ambition a reality".

**SPENDING PLANS FOR SCOTLAND -
Response to the Consultation Document Covering the Financial Plans For 2000-
2001 to 20001-02**

The Need for a Gender Impact Assessment

1 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 Plans incorporate 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 Womens Budget group at an early stage in the Budget planning process. We understand from our discussions with the London based Womens Budget Group that they have, to date, 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 outwith the scope of the Scottish Parliament, we are aware of the work of womens 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.

2 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 localised approach given that the Scottish experience is different both nationally and regionally.

We recognise 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 draw 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 itemised 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 localised 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 25% of all businesses), and the gender stereotyping of Government funded training, all SE and HIE programmes should be gender mainstreamed. Funding should be allocated 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 £350m 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 life long 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 right, 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 on 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 Womens 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

The Scottish Parliament Finance Committee
From the Convener, Mike Watson MSP

Edinburgh
EH99 1SP

Jack McConnell MSP
Minister for Finance
The Scottish Executive
Victoria Quay
Edinburgh

1 June 2000

The Finance Committee will spend the majority of its meetings in June considering the subject committees' reports on Investing in You. Following the meeting on 30 May, the Committee agreed to ask for your Department to provide the following information, in order that the Committee's Stage 1 report can be as comprehensive as possible:

- A detailed breakdown of the sources of income which constitute the Total Budget figure for 2000/01 and 2001/02 (estimate) in Table 1 of Investing in You. This should include—
 - Amount allocated through the Barnett formula
 - Underspend from 1999/00
 - Other income sources, including sale of assets, fines, council tax/ business rates
- How much of the resources for 2000/01 resulted from the Chancellor's budget statement in March is reflected in Table 1? Can you provide a breakdown of this for the level 3 figures?
- What is the reasoning behind a 75/25 split being used in determining the amount of underspend that a Department can roll forward to the following year?
- Why are underspends being achieved? Are they due to Department efficiency savings or is it Executive policy to create a 'de facto' contingency element?
- Why is there not a real terms equivalent of Table 1?
- Where there is reallocation of expenditure from one Department to another, do you accept that the expenditure report should contain 'before and after' tables? As an alternative, could previous year's departmental outturns be revised to show the current position thereby allowing meaningful comparisons to be made?
- Similarly, what measures are being put in place to ensure that when the Expenditure Report is presented using a resource accounting and budgeting

system, readers will be able to compare a Department's budget from year to year in the knowledge that some changes are due to the shift to RAB while other changes reflect revised priorities?

- How does Investing in You reflect the balance between consumption and capital spending for each programme head as well as for the total budget?

I look forward to receiving an early response from you in order that the Committee can explore these issues, amongst others, at the meeting on 13 June.

With best wishes,

CONVENER

cc: Members of the Finance Committee



SCOTTISH EXECUTIVE

Minister for Finance
Jack McConnell MSP

Victoria Quay
Edinburgh EH6 6QQ

Mike Watson MSP
Convener
Scottish Parliament Finance Committee
The Scottish Parliament
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Date: 12 June 2000

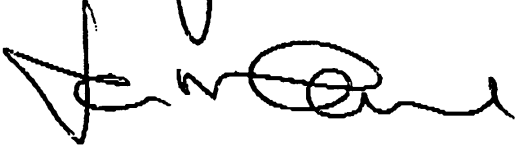
Dear Mike,

Thank you for your letter of 4 June seeking additional information to assist in the Committee's consideration of the Annual Expenditure Report – Investing in You.

The Stage 1 budget process has been the first test of the agreed FIAG proposals and there are obviously lessons to learn. The main purpose of the Expenditure Report is to give a context for the budget process, providing an overview of public expenditure priorities, and plans. It is against that background that I offer the following responses to the questions you raised. In the time available I am not able to provide details on the sources of income. I will write again with this information as soon as it is available.

- Table 1 includes the resources for Health and Enterprise that we received from the Chancellor's budget statement in March. These figures were included in Table 1 as it was clear at the time that these resources could only be spent by central government and could therefore be included. For the resources received in Education, Justice and Transport it was clear that this expenditure would be spent by both central and local government but at the time we were not in a position to determine the allocation of resources between central and local government. Ministers have not yet allocated the additional resources from the Chancellor's budget statement in March to Level 3 and I cannot therefore provide a breakdown.
- The 75/25 split is being used simply to create a contingency fund to deal with unforeseen events.
- It is certainly not the Executive's policy to create a de facto contingency fund. The underspends are a result of both prudent management and efficiency savings by Departments.

- In the main the figures given in Table 1 are replicated in the first table in each section – the Level 2 table. For example for Communities Table 1 shows £572.2/549.5/663.9/685.4m and these figures are replicated in the total line of Table 2.1. The real terms equivalent of Table 2.1 is then set out in Table 2.10. We may wish to consider changing the presentation for future years (and I would be happy to have the Committee's views) but there is a clear linkage to real terms numbers for most lines in Table 1.
- Where there is a change with responsibility for policy moving from one area to another, previous years' outturn figures are revised to show the new allocations of expenditure as a matter of course.
- The shift to RAB will require careful consideration of a number of aspects of the budgeting process to ensure that we achieve the benefits we want from RAB. This is a large topic. I suggest we may want a separate discussion on it.
- The table on page 7 shows capital expenditure associated with the total budget. I would be happy to look again at how we identify capital expenditure.

Yours sincerely


JACK McCONNELL

The Scottish Parliament Finance Committee
From the Convener, Mike Watson MSP

Sir David Steel KCB MSP
Presiding Officer
The Scottish Parliament

1 June 2000

The Finance Committee is currently engaged in Stage 1 of the 2001/02 budget process and will next week start the consideration of subject committees' reports with a view to publishing a report in advance of the Stage 1 debate which is scheduled for 28 June.

I feel sure you would agree that the partnership between the legislature and the executive in determining Scotland's budget is one of the most innovative aspects of the devolution settlement. The Standing Orders recognise the role of the Parliament, through its committees, at Stage 1 in scrutinising the draft expenditure plans of the Executive.

Rule 5.8 states:

"In proposing the Business Programme, the Parliamentary Bureau shall ensure that sufficient time is set aside—

(a) between the beginning of May and the end of June each year for the consideration of financial proposals;

I am concerned that as a result of the pressure of business on subject committees, particularly as a result of very tight schedules for Executive bills at Stages 1 and 2, the scrutiny of the budget process by several committees has not been as detailed as those committees or the Finance Committee would have wished.

I believe that the Parliament has a genuine opportunity to influence the composition of the budget and this is why I believe it is very important for the Parliamentary Bureau to ensure that a proper amount of time is made available at Stage 1 for committees to consider the budget proposals.

In its report, the Finance Committee may wish to comment on the timetabling of Stage 1 this year and how matters should be improved for next year. I should be grateful for an early response in relation to timetabling which would assist the Committee in producing a report covering all aspects of the budget process.

With best wishes,

CONVENER

The
**Scottish
Parliament**

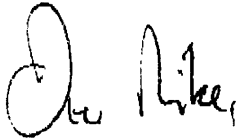
The Rt Hon Sir David Steel KBE MSP
The Presiding Officer

Mike Watson MSP
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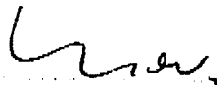
8 June 2000



You wrote to me about your concerns that the scrutiny of the budget process by some committees had been hampered by the tight schedules set for Executive Bills.

Your letter has been noted by the Bureau. Clerks have been asked to continue to take account of the need to allow sufficient time for consideration of the budget proposals in planning forthcoming committee business with their Conveners.

Business Managers will also encourage committees themselves to recognise fully the importance of scheduling sufficient time for budget scrutiny.



David Steel