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Delegated Powers and Law Reform Committee Comataidh Cumhachdan Tiomnaichte is Ath-leasachadh Lagh

Budget (Scotland) (No. 3) Bill: Stage 1



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Delegated Powers and Law Reform Committee

The remit of the Delegated Powers and Law Reform Committee is to consider and report on the following (and any additional matter added under Rule 6.1.5A)—

(a) any—

(i) subordinate legislation laid before the Parliament or requiring the consent of the Parliament under section 9 of the Public Bodies Act 2011;

(ii) [deleted]

(iii) pension or grants motion as described in Rule 8.11A.1; and, in particular, to determine whether the attention of the Parliament should be drawn to any of the matters mentioned in Rule 10.3.1;

(b) proposed powers to make subordinate legislation in particular Bills or other proposed legislation;

(c) general questions relating to powers to make subordinate legislation;

(d) whether any proposed delegated powers in particular Bills or other legislation should be expressed as a power to make subordinate legislation;

(e) any failure to lay an instrument in accordance with section 28(2), 30(2) or 31 of the 2010 Act;

(f) proposed changes to the procedure to which subordinate legislation laid before the Parliament is subject;

(g) any Scottish Law Commission Bill as defined in Rule 9.17A.1; and

(h) any draft proposal for a Scottish Law Commission Bill as defined in that Rule.

(i) any Consolidation Bill as defined in Rule 9.18.1 referred to it in accordance with Rule 9.18.3.



<http://www.parliament.scot/parliamentarybusiness/CurrentCommittees/delegated-powers-committee.aspx>



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Introduction

1. At its meeting on 8 January 2019 the Delegated Powers and Law Reform Committee considered the sole delegated power in the Budget (Scotland) (No.3) Bill at Stage 1 ("the Bill").ⁱ The Committee reports to the Parliament on the provision under Rule 9.16.3 of Standing Orders.
2. This Bill was introduced by the Cabinet Secretary for Finance, Economy and Fair Work on Wednesday 19 December 2018. It makes provision for the financial year 2019-2020. In particular, it authorises the use of resources by the Scottish Ministers and bodies whose expenditure is funded directly out of the Scottish Consolidated Fund ("SCF"). Those bodies are the Scottish Parliamentary Corporate Body and Audit Scotland. The expected implementation of the Forestry and Land Management (Scotland) Act 2018 on 1 April 2019 means that the Forestry Commissioners are no longer a direct-funded body. Forestry is to be covered by the Rural Economy portfolio.

ⁱ The Budget (Scotland) (No. 3) Bill, as introduced, is available [here](#).

Delegated Powers

3. The Bill confers one power to make subordinate legislation upon the Scottish Ministers. The Scottish Government has produced a Delegated Powers Memorandum (“DPM”).ⁱⁱ It sets out the reasoning for taking the delegated power and for the procedure chosen.

Section 7 – Budget revision regulations

- **Power conferred on: Scottish Ministers**
- **Power exercisable by: regulations**
- **Parliamentary procedure: affirmative**

Provision

4. Section 7(1) of the Bill provides that the Scottish Ministers may by regulations amend the amounts specified in section 4(2) and 4(3) and schedules 1 to 3. Section 7(2) provides that this power is subject to the affirmative procedure.
5. Section 4(2) and 4(3) of the Bill specifies the overall cash amounts which can be drawn from the SCF by the Scottish Administration and each of the direct-funded bodies respectively. Schedules 1 and 2 of the Bill specify the authorised purposes and the amount of resources which can be used by, respectively, the Scottish Administration and the direct-funded bodies for those purposes. Schedule 3 provides the amounts of borrowing available to certain specified statutory bodies under the enactments listed in that schedule.

Committee consideration

6. The Scottish Government states in its DPM that the power in section 7 of the Bill is necessary to permit the Scottish Ministers to amend the Bill to take account of inevitable changes to the Government’s spending plans during the financial year to which the Bill applies. The Scottish Government considers that there is a need for a mechanism to allow Ministers to seek authorisation for such changes. It is further explained that since devolution, the use of subordinate legislation to make refinements to the Government’s spending plans has become a regular part of the budget process. It states that each of the annual Budget Acts has been subject to at least one revision by way of secondary legislation.

Recommendation

7. **The Committee reports that it is satisfied with the power in section 7 of the Bill, and that its exercise is subject to the affirmative procedure.**

ii The Delegated Powers Memorandum is available [here](#).

