

PUBLIC FINANCE AND ACCOUNTABILITY (SCOTLAND) ACT 2000

EXPLANATORY NOTES

THE ACT

Section 4: Payments Out of the Scottish Consolidated Fund

General purpose

20. This section, and sections 5 and 6, set out the rules for payment of sums out of the Scottish Consolidated Fund which are contemplated by section 65(1)(c) of the Scotland Act 1998. They are intended to give effect to an annual budget process for each financial year culminating in a Budget Act.

Subsection (1)

21. This ensures that payments from the Scottish Consolidated Fund to meet the expenditure of the Scottish Administration or of the other direct funded bodies may be made only in accordance with the rules set out in this section and in sections 5 and 6 of the Act.

Subsection (2)

22. This subsection ensures that any sum paid out of the Fund is within the “overall cash authorisation” defined in subsection (4) (approved by the Scottish Parliament in a Budget Act) for the financial year in which it is to be paid.

Subsection (3)

23. This subsection ensures that any payment from the Scottish Consolidated Fund is for a use of resources authorised by a Budget Act for that financial year under sections 1 to 3.

Subsection (4)

24. This defines the term “overall cash authorisation” for a given financial year. For the purposes of the Act, this term means the maximum amount that may be paid from the Fund in that year. The amount is set in the Budget Act for the year.

Subsection (5)

25. This allows for a Budget Act to make separate overall cash authorisations for the Scottish Administration and each of the other direct funded bodies.