



OFFICIAL REPORT
AITHISG OIFIGEIL

Education and Skills Committee

Wednesday 20 December 2017

Session 5



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EDUCATION AND SKILLS COMMITTEE

33rd Meeting 2017, Session 5

CONVENER

*James Dornan (Glasgow Cathcart) (SNP)

DEPUTY CONVENER

*Johann Lamont (Glasgow) (Lab)

COMMITTEE MEMBERS

*George Adam (Paisley) (SNP)

*Ross Greer (West Scotland) (Green)

*Daniel Johnson (Edinburgh Southern) (Lab)

*Richard Lochhead (Moray) (SNP)

*Ruth Maguire (Cunninghame South) (SNP)

*Gillian Martin (Aberdeenshire East) (SNP)

Oliver Mundell (Dumfriesshire) (Con)

*Tavish Scott (Shetland Islands) (LD)

*Liz Smith (Mid Scotland and Fife) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Michelle Ballantyne (South Scotland) (Con) (Committee Substitute)

John Swinney (Deputy First Minister and Cabinet Secretary for Education and Skills)

CLERK TO THE COMMITTEE

Roz Thomson

LOCATION

The David Livingstone Room (CR6)

Scottish Parliament

Education and Skills Committee

Wednesday 20 December 2017

[The Convener opened the meeting at 10:00]

Decision on Taking Business in Private

The Convener (James Dornan): Welcome to the 33rd meeting in 2017 of the Education and Skills Committee. I remind everyone present to turn mobile phones and other devices to silent for the duration of the meeting. Apologies have been received from Oliver Mundell, and Michelle Ballantyne will substitute for him today.

The first item of business is a decision on whether to take agenda items 3 and 4 in private. Do members agree to take those items in private?

Members indicated agreement.

Draft Budget 2018-19

The Convener: The next item of business is the draft budget for 2018-19. Today we will hear from the Cabinet Secretary for Education and Skills and Scottish Government officials. I welcome: John Swinney, the cabinet secretary; Aileen McKechnie, director of advanced learning and science; and Michael Chalmers, director of children and families. Thank you for coming along today. I understand that the cabinet secretary would like to make a short opening statement.

The Deputy First Minister and Cabinet Secretary for Education and Skills (John Swinney): Thank you for the opportunity to give an opening statement on the 2018-19 draft budget. Despite the ever challenging approach that the United Kingdom Government takes to public spending, education spending remains a top priority for this Government. The draft budget that we have delivered ensures that the focus remains on that commitment.

We will provide £243 million in funding to support the near doubling of funded early learning and childcare. To support the next phase of progress towards 2020 we are providing an additional £54.3 million in revenue, which will predominantly be used to support expansion of the workforce and the upskilling of the existing early learning and childcare workforce, and £150 million in capital funding to support the next phase of infrastructure investment. Of the additional revenue in 2018-19, £52.2 million will be allocated to local authorities, as will all of the £150 million capital.

We are working to close the attainment gap through increased targeted investment in schools. In this budget, we will allocate £179 million to the Scottish attainment fund, including £120 million in pupil equity funding, to be spent at headteachers' discretion on closing the attainment gap—over 2,300 schools receive pupil equity funding. We will continue to push ahead with our education reforms, with £4 million allocated in 2018-19 to empower our teachers, parents and communities to deliver excellence and equity for our children. We will also deliver funding to support a range of work across the breadth of curriculum for excellence.

In the next financial year, we will continue to protect the principles of free tuition and widening access to university for young people from the most deprived communities. There is an overall real-terms increase in the higher education budget of 1.9 per cent when resource, capital and financial transactions are combined. That very positive settlement will allow us to provide a cash increase for teaching support and to maintain world-leading research and innovation in our

universities, while ensuring further progress on widening access.

We will continue to ensure that access to university is based on the ability to learn, not the ability to pay. To support that, we have invested over £1 billion per year in higher education since 2012-13, which currently includes £51 million a year to support approximately 7,000 places for access students and those progressing from college.

We will increase investment in our colleges, helping them to improve the life chances for our citizens and generate the skilled workforce that is needed for economic growth. To achieve that, we will increase overall college funding—resource and capital—by £66.2 million to £664.9 million, which is an increase of 9.4 per cent over the year. We have increased investment to provide additional funding to support harmonisation of pay and terms and conditions across the sector. College capital funding will increase by £29.3 million compared with 2017-18.

Skills Development Scotland will receive an additional £13.7 million in 2018-19 to further expand modern apprenticeship starts to 30,000 a year by 2020, which will include new graduate-level opportunities.

I look forward to addressing the committee's comments.

The Convener: Thank you very much, cabinet secretary. Before I invite questions from members of the committee, I would like to ask about additional support for learning. The 2018-19 budget makes a commitment to continue to implement the Doran review through £10 million in funding for organisations that provide support for children and young people with additional support needs. What specific outcomes do you intend to achieve with that funding and how will those be evaluated to ensure that value for money is delivered?

John Swinney: The commitment that is implicit in legislation is to ensure that the needs of all young people are met by the education system. That is the crucial test of the effective utilisation of the resources to which you refer. In partnership with the various institutions that provide support under the auspices of the Doran review, the Government focuses on ensuring that young people are able to fulfil their potential within the education system. That is assessed via a whole variety of different considerations around the achievement of CFE levels and the strengthening of young people's capacities, where those can be enhanced by their interaction with the education system. Fundamentally, we want the test that we apply to the utilisation of resources to be whether

we ensure that the potential of every child is fulfilled.

The Convener: The Scottish Children's Services Coalition said:

"There must be clearer guidance from the Scottish Government to local authorities, ensuring consistent and meaningful identification and recording of children and young people with ASN"

because of the

"significant variation between local authorities in the number of pupils identified".

What work is being done to ensure that there is that level of recording?

John Swinney: There has been a significant change in the level of recording of young people with additional support needs over the past six years or so. That has been as a consequence of guidance that has been put in place, driven by legislative change, to ensure that the needs of young people are more effectively identified and recognised. The steps taken through the guidance on mainstreaming, for example, provide templates for how we should meet the needs of young people with additional support needs.

The fact that there has been such a significant increase in the identification of need suggests that local authorities are taking a much more rigorous and comprehensive view of those needs and are ensuring that they are captured. What follows is the importance of ensuring that those needs are met.

The Convener: I may come back to that point.

Ross Greer (West Scotland) (Green): To follow up the point on identification, I understand what you are saying about guidance and local authorities identifying more rigorously, but you did not address the issue of inconsistency.

Let me put it this way: in West Dunbartonshire, there are roughly five times as many children in school with identified additional support needs as there are in North Lanarkshire. The local authorities have very similar demographics, and children with very similar backgrounds, but there is a huge inconsistency in the level of identified additional support needs.

It is challenging to allocate additional support needs funding when there is such considerable inconsistency. Does that concern you?

John Swinney: Two different issues are at play here. One is identifying the needs of young people and ensuring that those are met by their interaction with the education system. The guidance that we provide around mainstreaming helps to structure the judgments that are made about the appropriate educational setting for each

child to be educated in. The assessment framework helps with that.

Then there is the disparity argument, which it is fair for Mr Greer to raise. The West Dunbartonshire and North Lanarkshire examples are at the extremes and get us into the nub of the debate about the proper role for central Government in relation to the judgments of individual local authorities.

It is up to local authorities to follow the mainstreaming and assessment guidance, and if it results in West Dunbartonshire coming to this conclusion and North Lanarkshire coming to that conclusion, those are distinctive decisions made by individual local authorities. Parliament quite regularly expresses its view that local authorities should be allowed to get on with things, free from central Government interference, but Mr Greer raises a fair point about the disparity.

The opportunity for us to assess that is through inspection of local authorities for educational purposes and, as Mr Greer will know, we have recommended inspections of individual local authorities to assess their performance in meeting young people's educational needs. Through that inspection regime, we have the opportunity to probe some of the disparity that was raised in the question.

Ross Greer: I recently raised with you issues with school inspection regimes and how much importance they place on additional support needs. Let us look at the money that central Government allocates directly. In the budget announcement, Mr Mackay announced a £10 million fund for additional support needs. My understanding is that that money is to go directly to charities that support young people with ASN. Will you develop that further and explain how the money will be allocated?

John Swinney: We are giving consideration to all those issues to ensure that we can satisfy ourselves that young people's needs can be met in that respect. We will be happy to share information about it as we develop our thinking.

Ross Greer: Is the Government at all concerned that the funding cuts that have directly affected additional support needs provision—around 500 ASN teachers and roughly the same number of assistants, I believe, have gone—are damaging support for the principle of mainstreaming? Often, when concerns are raised, they are not about the principle of mainstreaming but are a result of 10 years of budget cuts, which mean that, although a child with additional support needs can be in a mainstream school, they are often not included because the support services are not available. Without that funding going back

into local authority budgets, the effectiveness and success of the policy could be undermined.

John Swinney: The principle of mainstreaming is that we make a judgment about the correct educational setting in which to meet young people's needs. That is at the heart of the guidance that the Government recently issued on the matter. In some circumstances, that setting will not be a mainstream option, and that will be absolutely the correct judgment. However, if we deploy the principle of mainstreaming, effective support must be in place to ensure that young people's needs can be met.

The most recent statistical information that I have available, which is for 2015-16, shows that local authorities spent just over £4.9 billion on education in Scotland and £584 million of that—12 per cent of total education spend—was spent on additional support for learning. That was an increase of £5 million on 2014-15, which is a 2.7 per cent increase in cash terms and a 1.9 per cent increase in real terms.

I appreciate that that data is not for the most recent financial years, but it is the most recent that is available to me. I cite it because it is important that we recognise that local authorities make judgments and that the fundamental answer to Mr Greer's question must be demonstrated by the resources that are put in place. From the most recent data that I have available to me, it appears that local authorities are providing that support and, as I am out and about in the education system, I certainly see the manifestation of that support.

We honestly have to keep the matter under active review. It is all very well having a principle of mainstreaming, but if it does not deliver on the educational promise to young people who have additional needs or to the young people who do not have additional needs but need their colleagues and compatriots to be properly supported so that their education can prosper, we need to be attentive to those issues.

Michelle Ballantyne (South Scotland) (Con): I will pick up on some of that. I have the same figure for spend as you do—12 per cent—and you imply that it shows that schools are providing adequate services. However, the rest of the numbers are worrying. The number of teachers with additional support for learning as their main subject has fallen by nearly 15 per cent; ASN teacher numbers have fallen; and the number of educational psychologists is down by 10 per cent. What conversations have you had directly with the teaching unions and schools on the strains around supporting children with additional support needs?

10:15

John Swinney: Certainly the challenge of ensuring that the needs of young people with additional support needs are met within our schools is something that I regularly discuss with individual teachers and with schools, teaching unions and local authorities, because it is a challenging environment and there has to be good support.

I am very happy to look in greater depth at some of the detail that Michelle Ballantyne raises; I am familiar with that data. Because of the mainstreaming principle, more teachers are habitually interacting with young people who have additional support needs than just the teachers who are categorised as additional support for learning teachers.

One of the issues that the committee has raised with me in the past has been about the effectiveness of initial teacher education and whether it takes due account of the needs around mainstreaming. If we apply the mainstreaming principle, we have to apply it right the way through the system, so that every teacher—whoever they are—has an understanding of some of the challenges that have to be met.

We have to look with care at whether applying the mainstreaming principle drives the changes in teacher numbers in the specific categories that Michelle Ballantyne raises within the context of a rising number of teachers in the teaching profession. I am very happy to look in more detail at some of those issues as we explore the central point that Ross Greer raised with me, which is whether or not the needs of young people are being effectively met within the system.

Michelle Ballantyne: Does the cabinet secretary accept that the mainstreaming principle, although welcome, means that in a classroom, a teacher's time can be very absorbed by a number of the pupils within the classroom and that the absence of a teaching assistant or an additional support needs assistant can be detrimental to the classroom overall? With a 73 per cent increase in children being identified as having additional needs, what thoughts does the cabinet secretary have on how teachers will manage their stress levels, because the lack of resource within the classroom creates increasing stress for teachers?

John Swinney: First, I acknowledge that it is a stressful environment and that demands are placed on teachers. That is why it is important that we properly and effectively support the teaching profession in that respect.

Secondly, this is about arriving at a careful judgment on the correct educational setting for young people. As I said to Mr Greer, mainstreaming will not work for everybody; it is not

appropriate for everybody. Careful judgments have to be made on whether the educational needs of all children can be met if a young person with additional needs is placed in a classroom. When that cannot be done, the young person should be educated in a distinctive environment; and when it can be done, we have to make sure that there is proper and effective support in place.

Between 2015 and 2016, there was a rise in the number of staff supporting pupils with additional support needs. There has also been a rise in the number of teachers in general. I think that we are seeing a pattern of the resources being put in place to ensure that the mainstreaming principle can be delivered effectively.

George Adam (Paisley) (SNP): I want to pick up on what Ross Greer was talking about—the disparity between areas. I am a very practical individual and I try to look for solutions where possible. Is there a case for saying that the proposed regional collaboratives could be quite helpful for ASN, in particular by getting the right resource in the right area at the right time and ensuring that areas are working together to make it work? I have listened to the debate today and come up with that solution. Do not be shy if I am talking complete nonsense—just tell me. Could that be a role for the regional collaboratives?

John Swinney: There is the opportunity in regional collaboratives, and it is part of the purpose of their establishment, to encourage the sharing of good practice and good performance. If we take the example that Mr Greer has cited of the differences between West Dunbartonshire and North Lanarkshire, which are authorities within the west partnership, there is the opportunity for them to undertake some collaborative learning within the regional arrangements. That opportunity could be taken forward, as well as the opportunity to have a broader discussion about how we most effectively meet the needs of young people.

We will all be familiar with how mainstreaming that works can have a profound impact on the young people affected. I come to the discussion as an admirer of the mainstreaming principle, because I have seen many good examples of it being successful. I am not so dewy eyed that I take the view that it will work in all circumstances. We therefore have to make a pragmatic judgment child by child about how support can be put in place to meet their needs.

Daniel Johnson (Edinburgh Southern) (Lab): The cabinet secretary briefly mentioned initial teacher education. There are three broad components at issue here. One is identification, the second is additional resources and the third is the training and expertise of teachers. Initial teacher education is part of that, but so is continuing professional development, which is one

of the things that, according to evidence that we have heard over the past year, have suffered in recent years.

Is there a need to look at the resources that are available for CPD, especially for neurodevelopmental disorders such as dyslexia, dyspraxia, attention deficit hyperactivity disorder and autism spectrum disorder. What are your reflections on the need to take account of that in the resourcing of our schools?

John Swinney: The issues that Mr Johnson raises are important and part of the wider discussion about the enhancement of professional learning. That is a core function of educational provision in Scotland. There should be on-going emphasis on professional learning and development.

One of the areas that I am taking forward as part of educational reform is the strengthening of career progression routes to enable the teaching profession to develop different specialisms within the teaching role. As a broad summary, I would say that the opportunity for professional development in teaching is largely to follow an administrative leadership route. I want to broaden that out to establish opportunities for subject leadership and for specialism leadership. Some of the issues that Mr Johnson raises would be covered. There has to be an emphasis on continuing professional development. It is not just about initial teacher education. The education system is configured to enable that to be the case.

Daniel Johnson: So, cabinet secretary—

The Convener: No supplementaries, Daniel.

Daniel Johnson: Okay.

Johann Lamont (Glasgow) (Lab): Could you indicate the changes that you made to your budget as a consequence of the report that we provided on additional support needs? I am concerned that the discussion is quite theoretical, although everything that we were told in evidence and anecdotally when we met teachers, parents and others is that, whereas young people with additional support needs might in the past have had individual personal support, now such support is shared across a whole class or the whole class gets the support only once a week rather than twice, three times or four times a week. We had evidence from Enable and others that, for young people with learning disabilities, the definition of mainstream education was perhaps half a day or a full day.

Everyone shared the concern across the committee about the reality of mainstreaming and the support that is required from specialists in order to allow the young person to access

education. What confidence can we have that the response to that report is in the budget?

John Swinney: In relation to the points that were made about the funding that is available through local government, which is principally delivering these areas, I talked in my answer to Mr Greer about the increases in that funding and the resources that are in place to respond to the questions arising out of the Doran review.

We also have to look at some of the data that is available to us on the positive destinations that are achieved by young people with additional support needs. The convener started off by asking me about the outcomes that are achieved; 87.1 per cent of young people with additional support needs now have a positive destination, which is an increase on the 2011-12 figure. Therefore, there are indications of the strengthening of the achievements of young people with additional support needs as a consequence of their interaction with the education system.

Johann Lamont: However, the fact that there is a real-terms cut to local budgets must put phenomenal pressure on the ability to deliver any of these things.

This is a slightly sideways step, but I am interested in your definition of a positive destination. I am very concerned, as I know young people who are in precarious work, with no guaranteed hours and no certainty of when their shifts will be. I am looking to the Scottish Government to assure us that such work is not defined as a positive destination.

There is a major problem at the UK level, with the Department for Work and Pensions telling people that they have to take jobs that are utterly insecure or they will be sanctioned or whatever. You may not have done a lot of thinking on this yet but I am looking for a reassurance from you that you will strip out from the definition of a positive destination those highly insecure jobs for which the level of exploitation is very high and the lack of security is a major concern.

John Swinney: A positive destination will be defined as sustained employment, involvement in a college or a university place. I am happy, along with my colleague Keith Brown, the Cabinet Secretary for the Economy, Jobs and Fair Work, to look at the issues that Johann Lamont raises to do with what is a positive destination. We all want young people to be able to progress into sustainable positive destinations as a consequence of their involvement in the education system and our efforts and interventions are designed to enable them to do so.

Ruth Maguire (Cunninghame South) (SNP): I represent North Ayrshire, which is an attainment challenge authority. I have seen and heard about

the good work that it is doing in the schools, which is having a really positive effect on kids and their families. In its submission to the committee, Save the Children stresses the need for robust information to be available to schools on what is effective in closing the attainment gap.

The Government has of course produced the interventions for equity framework to support schools and I think that that is probably a welcome piece of guidance. However, how will you assess the different interventions that are being made to find out which ones are effective and which are least effective, and how will that knowledge be shared across the country to ensure that the pupil equity funding is being used in the most appropriate way for everyone?

John Swinney: The approach that we have taken is not to be prescriptive about this—I think that it would be wrong to be prescriptive, because a range of different interventions will be successful in closing the poverty-related attainment gap.

As time progresses, the evidence will become clearer, based on the achievement of CFE levels and in the tangible difference in the performance of young people as a consequence of interventions. To cite a local example in Ruth Maguire's area, North Ayrshire Council invested in the establishment of a professional learning academy which, if my memory serves me right, is in Auchincruive.

Ruth Maguire: It is in Auchenharvie.

10:30

John Swinney: I was just about there.

The purpose of that intervention was to strengthen pedagogical experience in schools. We cite it in the national improvement framework report, in which we specifically refer to the success of the professional learning academy in strengthening professional capability in schools.

We will see evidenced examples of what is successful. We will also see evidenced examples of what is not successful. We must be tolerant of that, because there will be interventions that will not work. The crucial thing is to learn from them and ensure that the learning is shared more widely.

On the range of different interventions that could be deployed, the Government has entered into a partnership with the Education Endowment Foundation to identify interventions that have been proven internationally to be effective. That material is available on the national improvement hub for the teaching profession to access. As time goes on, we will continue to define it. It is not held in aspic; it is a moving collection of interventions that we think will be successful.

We will see the fruits of that in the curriculum for excellence levels information and the wider assessment of the closing of the attainment gap. I concluded the consultation on that with the national improvement framework report and the monitoring framework for closing the gap last Tuesday. We have the arrangements in place to share that knowledge and learn from the experience. We will monitor closely the effectiveness of particular interventions.

Ruth Maguire: Additionality was a fundamental principle of pupil equity funding. How is the Government assessing whether schools are using that funding for additional purposes? Notwithstanding the Government's wish not to be prescriptive, would you intervene if the funding was not being used for additionality?

John Swinney: When I have felt that additionality was not implicit in the arrangements that were being put in place, I have intervened and I would continue to do so if I felt that additionality was not at the heart of the decision making about pupil equity funding.

Ruth Maguire: I appreciate that the guidance has been in place only since April, but what feedback has the Government received so far on it? You said that you are changing it.

John Swinney: We have to be mindful of bureaucratic burdens. I want to minimise those and encourage a climate of professional development and integrity. In consultation with the Convention of Scottish Local Authorities, the Association of Directors of Education in Scotland and other key stakeholders, we will consider some of the lessons that we learn about the implementation of pupil equity funding. If it is too bureaucratic, we will need to tackle that and I am very prepared to do so.

Ruth Maguire: On procurement and bureaucratic burdens, I appreciate that the guidance for PEF makes it clear that the purchase of resources and equipment must comply with existing procurement procedures. I have been given an example, not from my local authority area but from another, in which a headteacher was trying to purchase a relatively small item but the process involved was quite silly, to be honest, and very lengthy. Do you have any comments on that?

John Swinney: If it is a minor issue that has been caught up in a procurement process that appears to be over the top, I would be happy to consider the example and try to reflect some pragmatism in the procurement guidance that is available to individual schools.

A careful balance must be constructed between the use of public money and sensible, pragmatic judgments about interventions that teachers believe to be valuable and important. I set that in

the context of my earlier comment that some of the interventions will not work. We must acknowledge that point, be tolerant of it, respect it and learn from it as part of the process. I am certainly prepared to do so and have made that clear publicly.

The Convener: I see that a number of members want to ask questions. Ross, is your question very short?

Ross Greer: I hope so.

The Convener: I hope so, too.

Ross Greer: I think that 666 additional full-time-equivalent staff have been recruited under attainment funding. Do you know how many of them are on temporary contracts? After all, using year-on-year temporary work does not seem an ideal way of closing the attainment gap.

John Swinney: I do not think that I have that information to hand to that degree of detail, but I am certainly happy to provide it to the committee, if we have it.

George Adam: The Scottish index of multiple deprivation is used for targeting resource. In my area, it gets to the right place at the right time, but the figures for more rural areas show that there tends to be difficulty in that respect. When we recently spoke to some academics, Keir Bloomer kept telling me that the index was a blunt instrument, but I am still waiting for his answer to my question about what he would use instead. Is the Government looking at different ways of getting the resource to the right areas across the country?

John Swinney: The two mechanisms available to me for allocating pupil equity funding, which is driven exclusively by the identification of the incidence of poverty, are the Scottish index of multiple deprivation and registration for free school meals. The SIMD essentially identifies groupings of poverty, while through free school meal eligibility we can identify in a much finer way the incidence of poverty in individual communities. I opted for the free school meals approach, simply because it gave more coverage than the SIMD approach. However, I am aware—and I have had representations on this from a number of rural authorities—that the take-up of free school meals in rural areas is in some circumstances not as high as would ordinarily be expected, perhaps because, in small communities, people are reluctant to identify themselves as being eligible for such support.

I am therefore very open to any further steps that we make to reflect that in our approach, and I have had a number of conversations with local authorities in that respect. We have not found a

mechanism that enables us to do that just yet, but I am very open to the question.

The Convener: My colleague Johann Lamont talks quite a lot about how SIMD is a useful tool, because it shows impacts not just on individuals or on families but on the area that might well be suffering from the knock-on effects of deprivation, which in turn will impact on schools. In looking at other mechanisms, are you thinking of replacing SIMD or doing something in parallel with or alongside it?

John Swinney: I have absolutely no plans to change anything to do with SIMD.

The Convener: I just wanted to clarify that point.

John Swinney: Indeed, it is not my responsibility to tackle that issue. I was simply talking about distribution mechanisms, and SIMD data underpins much of the framework that I have put in place to assess whether we are or are not closing the poverty-related attainment gap. You are absolutely right to suggest that it provides a very substantial element of the framework that enables us to make judgments about that.

When it comes to the distribution, if we are trying to target individuals who are living in circumstances of poverty in order to use education to improve their life chances, we have to go beyond the SIMD. That is my point about free school meal entitlement and also my point to Mr Adam that there is more that we could do to deal with the issue of rurality. I do not yet have an answer to that question, but it will not in any way affect the use or prevalence of the SIMD.

The Convener: That was the answer that I was hoping to get.

Liz Smith (Mid Scotland and Fife) (Con): On the question of teacher numbers, which have been in the news of late, when we took evidence from various groups about the workforce planning issue, there seemed to be considerable confusion about the model that was being used. Will you explain what that model should look like and why it is not working very well just now?

John Swinney: The model must take into account a variety of indicators that, at their core, will be about pupil numbers, the distribution of those numbers and the distribution of the school estate. That material tends to produce what I would call raw numbers for the requirements of the teaching profession. What has to be added is more subjective information about recruitment levels, retention levels and the implications of policy interventions on the education system. That information will provide a perspective on workforce numbers. The model is a combination of different

factors, some of which, such as pupil numbers, are more statistically provable than others.

On the latter part of Liz Smith's question—which was, as ever, diplomatically expressed—about why the model is not working, we have to look at a longer-term period of history to come to conclusions and see why we are where we are. Going back seven years, we had a problem with teacher unemployment—everybody knows that—and the Parliament was concerned about the situation. We had to take action to address the issue of teacher unemployment, which resulted in a number of things—for example, changes to the intake in traditional teacher education in 2010-11 and 2011-12 and changes to the remuneration arrangements for supply teachers, which had an effect on the availability of posts for new probationer teachers, more of whom could be freed up if fewer supply teachers were in post.

We see the implications of all of that in the recent data showing the highest-ever level of probationer employment, at 88 per cent. We also see rising intakes in initial teacher education over the past few years culminating this year in an intake of 3,861, which was higher than in any previous year since 2009-10, and a rising number of teachers in the profession. The teacher numbers today, in 2017, are at the highest level that they have reached since 2011. The workforce planning model, with all its different factors, is resulting in our having a greater number of teachers in our schools today than at any stage since 2011.

If I have one observation to make on the workforce planning model—this is anecdotal—it is that the retention rate of teachers has been lower than we would have expected. To flip that over, I think that more teachers have left the profession than the model would have expected to be the case.

A lot of the other interventions that I am making in the system, around trying to reduce the workload and including the steps that we have just taken on pay to improve remuneration, come from my appreciation of the fact that it has been very tough for people over the past few years, which has affected the willingness of teachers to be in the profession. We have also had to do something about supply teacher remuneration to encourage registered teachers who could work a shift in schools to do supply work. If I could delicately make a suggestion—

10:45

The Convener: Liz Smith could do Mondays and Fridays. [*Laughter.*]

Liz Smith: Indeed.

Thank you for that, cabinet secretary, and thank you for the good news in that answer. However, if I was a parent in Moray, in Edinburgh or in Perth and Kinross, I would not be persuaded by that answer at all, because those areas do not have sufficient teachers. We heard yesterday that a council may be deciding that, in the primary years, children will be taught only for some of the time. It is a depressing picture for those parents. What short-term remedy do you have for the situation? It is very serious—I hope that you acknowledge that.

John Swinney: I have given a detailed answer on the workforce planning model. However, I am the first to accept that there are challenges in teacher recruitment around the country. Although we have a welcome increase of 543 teachers this year, I accept that there are still challenges around the country. I am the first to accept that.

We must be open to different ways of proceeding in relation to those challenges, and we have been. Let me explain why that is important. In the initial teacher intake expectations for 2017-18, we planned and made provision for the recruitment of 4,058 students to enter through the various established means but we successfully recruited 3,657 students. Clearly, there are more places available for individuals to enter the teaching profession than there were individuals who were prepared to do so in what I would describe as the younger cohort, which is school leavers entering an undergraduate course and university students studying for the postgraduate diploma in education. We have, therefore, opened up other routes into teaching, and a further 204 individuals are coming in through those new routes. We have managed to increase the intake from 3,657 people to 3,861 people, so we are closer to our initial expectation of recruiting 4,058 people as a consequence of the reforms that the Government has put in place.

Liz Smith: What will you do to ensure that the additional teachers that you say are in the system are deployed in the schools that desperately—and I mean desperately—need them just now? What will you do to ensure that those schools get those teachers?

John Swinney: Fundamentally, that is an issue for individual local authorities to consider. We are working with our local authority partners to create a teaching pool so that teachers can be deployed in different educational situations. My objective is to increase the supply of teachers through that initial teacher education.

I have also asked for further proposals on how we can encourage more individuals—people I would describe as career switchers—to move from existing careers. The science, technology, engineering and mathematics bursaries are about encouraging people to switch to a career in

teaching later in life, because there are more places available for younger people than there are younger people who are prepared to come forward. We must encourage career switchers to make that transition.

I see that Liz Smith wants to comment. However, if she will forgive me, I will complete my answer.

The other step that we are taking is to activate more individuals who are currently registered to teach and who could return to the profession and contribute through the supply model. One of my frustrations about the length of time that it has taken us to get to an agreement about teachers' pay is that changes were agreed to supply arrangements months ago but I was unable to put them into practice until the whole agreement was reached. I am pleased that we reached the whole agreement last week, but we reached the agreement about supply arrangements months ago and I was not able to implement it without the whole agreement—part of which is about trying to increase the flow of individuals—was reached.

In the particular areas that Liz Smith talked about—Moray, the Highlands and Islands and, to an extent, Perth and Kinross—I have been encouraging the University of the Highlands and Islands to develop more presence in initial teacher education. It has done so, and I very much welcome that. Because of the model of education that the UHI operates, there is a particular opportunity for individuals to live in their community, get their education there and, ideally, once they have graduated, teach there. I am encouraging the University of the Highlands and Islands to develop that approach further so that individuals who live in some of the hard-to-support locations can become teachers in those locations by means of their interaction with the university.

Liz Smith: Is there a block in the system that prevents local authorities from knowing where the pool of potential teachers lies? You said that it is up to local authorities to make the decision about whom to employ, which is true. Is there a block in the system that means that, for some reason, local authorities are not clear about the people who might work in their schools?

John Swinney: No, because every teacher is registered with the General Teaching Council for Scotland. Since the Scottish negotiating committee for teachers agreement was reached last week, I have asked the GTCS to make clear to all non-practising teachers the changes to supply cover. There is absolutely no impediment. The GTCS knows who the non-practising teachers are.

Liz Smith: Why are they not in our schools?

John Swinney: They are obviously choosing not to be. Graeme Logan, the interim chief inspector of education, told me that he got an email from the GTCS that asked him, "As a non-teaching teacher, why don't you do a supply shift?" That is proof that the system is working. Mr Logan has other responsibilities, but other people are making their choices. The means to contact individuals who are not teaching, in order to encourage them to teach, is certainly available to us through the GTCS and we have used it on a number of occasions since I became the Cabinet Secretary for Education and Skills. There is no impediment to our doing that in the future.

Tavish Scott (Shetland Islands) (LD): If it is, as you say, for local government to sort out the problems of teacher recruitment that Liz Smith has been talking about, how does imposing the pupil teacher ratio from the centre help?

John Swinney: It is a crucial element of ensuring that young people have access to an appropriate level of teaching resource, given that that resource is the most significant contributor to young people's educational performance.

Tavish Scott: If there is no maths teacher in an Edinburgh school, how does the centrally imposed pupil teacher ratio help that school?

John Swinney: We must ensure that we have the maths teachers available, which is why I am taking steps such as putting in place STEM bursaries to encourage individuals to enter teaching.

Tavish Scott: I get that point, but I genuinely do not understand how a pupil teacher ratio that central Government imposes on local authorities is consistent with sorting out local government's difficulties with teacher recruitment, which you have openly and sensibly accepted.

John Swinney: We must take steps to ensure that the correct relationship exists so that high-quality education is available for young people. Yes, we face a challenge with recruitment to the teaching profession in the current environment; however, seven years ago, we had way too many teachers. The key challenge is to get the approach correctly balanced so that young people can get the educational resources to which they are entitled and that will affect their performance.

Tavish Scott: As you are, no doubt, well aware, if Highland Council cannot recruit enough teachers, Strathconon primary school will close after Christmas because it does not have two teachers. How is a ratio that you set helping Highland Council to solve the problem of that primary school?

John Swinney: We are making a host of different interventions to boost the number of

teachers who are coming into the profession. We have 3,861 teachers coming through initial teacher education as we speak.

Tavish Scott: But none of them will be in Strathconon primary school on 9 January.

John Swinney: That is about local authorities.

I have just gone through the UHI option, which is a specific way of enabling individuals who live in the Highlands and Islands to secure access to a teaching qualification in their own communities, which might enable them to teach in Strathconon or in other primary schools in the Highlands and Islands. We are making a range of interventions. If we depart from recognising how pupil teacher ratios enhance the quality of education, we will be making a mistake as a country.

Tavish Scott: Do you not, therefore, believe that pupil teacher ratios should be set by the local authority or by the school?

John Swinney: I think that they should be set across our education system to give young people across the country an assurance about the quality of the education that they are going to experience.

Tavish Scott: That is not what I asked. I asked whether the pupil teacher ratio in a school should be set by the headteacher or his or her promoted posts?

John Swinney: It is part of the framework of education to guarantee the quality of education around the country.

Tavish Scott: Why does the centre know better than a headteacher in a primary school or a secondary school how many kids should be in a class?

John Swinney: Fundamentally, we all know that the strength and the quality of education is driven by the access that individual pupils have to individual teachers, and that should be assured for young people across the country.

Tavish Scott: I could not agree more. However, if you cannot get the teachers, the pupil teacher ratio is irrelevant.

John Swinney: We are in danger of having a circular argument. I think that we are in agreement, because we both agree that the quality of teachers is important and that it is important to get as many teachers into the schools as we can. I am the first to accept that we face challenges in that respect, which is why we are putting in such an effort to get more teachers into the profession and to get them to stay longer.

Tavish Scott: I agree entirely with all of that. What I am trying to push at is how a centrally driven target for pupil teacher ratios helps local

government with that huge challenge that you have fairly accepted we have.

John Swinney: I do not think that the pupil teacher ratio has anything to do with the challenge at Strathconon.

Tavish Scott: I am sure that you are right.

John Swinney: It has absolutely nothing to do with it. The challenge at Strathconon is that two teachers are leaving and cannot be replaced—that is the challenge there. It is about teacher recruitment, which is why the interventions that I am making with the University of the Highlands and Islands are significant.

Tavish Scott: Do you accept that quite a number of submissions to the committee from particular councils say that one of the constraints on their ability to tackle teacher recruitment is the pupil teacher ratio, because, by definition, it has implications for them?

John Swinney: No, I do not. If I relaxed the position on the pupil teacher ratio, that would result in a reduction in the number of teachers, and I cannot imagine that the committee would be cheerful about that.

Tavish Scott: How do you know that?

John Swinney: Because that is what happened in 2008-09—no, in 2009, 2010 and 2011. We had to put in place the constraints on the pupil teacher ratio to protect teacher numbers.

Tavish Scott: Let me try it the other way round. When—

The Convener: Let us try to finish the questions, Tavish.

Tavish Scott: Okay. Mr Swinney, you plan to give headteachers more powers. However, in this case, you do not plan to give them the ability to do anything other than comply with the national ratio—is that correct?

John Swinney: Yes. The pupil teacher ratio is an essential part of the quality of education in Scotland.

Tavish Scott: Okay. This is my final question, convener. I apologise for going on about that.

Can I just check something on the basis of the Scottish Parliament information centre briefing for members that was available on Monday? Is the 3 per cent pay rise for teachers earning up to £30,000 included in the draft budget that was published last week?

John Swinney: Yes, it is assumed to be.

Tavish Scott: You say “assumed to be”, but I am not sure that I understand that.

John Swinney: An assumption has been made about public sector pay within the overall budget. Obviously, there is a negotiation to be undertaken through the channels of the SNCT, to which the Government will be a party, so it is assumed to be in those resources.

Tavish Scott: Okay. Thank you.

Richard Lochhead (Moray) (SNP): Liz Smith mentioned Moray Council, where there are a number of issues with teacher recruitment at the moment. I am sure that the cabinet secretary will be pleased to know that there are eight more teachers working in the Moray Council area than there were this time last year. I urge the cabinet secretary to continue to support the training places at UHI and indeed Aberdeen, which are making a difference and appear to be going from strength to strength.

One issue that you may be interested in hearing about is that there has been a 67 per cent increase in the number of women on maternity leave in Moray, which is a huge increase that is leading to some challenges for the headteachers—although it is great for Moray's demographic trends, it has to be said.

However, those are unexpected trends, to a certain extent—a 67 per cent increase, in this case—

John Swinney: I do not know where we are going with this. [*Laughter.*]

11:00

The Convener: Can we get back to education, please?

Richard Lochhead: I thought that this committee dealt with young people, too.

The lack of supply teachers is causing a number of problems in Moray. In that context, I want to raise a number of issues.

First, on headteacher vacancies, many local authorities say that it is difficult to recruit headteachers, particularly in primary schools, because the pay differential between deputy heads and heads does not reflect the differential in responsibilities. Are you in discussion with the profession about that, cabinet secretary?

John Swinney: Yes. I have had a number of discussions with the profession on such points. One of the elements of the SNCT agreement on the teachers' pay deal for 2017-18 is that, through the auspices of the SNCT, we will look at terms and conditions. The issues that you raised can be considered as part of that process.

Richard Lochhead: An issue that relates to the wider Government budget is that headteachers

are spending a lot of time dealing with issues that are not directly related to education and might require social work input. Are discussions going on with local authorities or the profession about bringing more help into schools in that regard?

John Swinney: May I first add to my previous answer? You mentioned supply teacher availability, which I hope will be enhanced by the agreement that we have reached through the SNCT on changes to supply teacher remuneration. The changes will make it more remunerative for individuals to be active on the supply list. I hope that that will help in Moray, where I appreciate that there are challenges to do with maternity cover, notwithstanding the increase over the past 12 months in the number of teachers who are active in Moray.

On the broader question, there is an opportunity for us to try to have a wider discussion with local government. During our discussions about the regional collaborative arrangements, local authorities made the key point to me—and this relates to the wider debate about education governance, the role of local authorities and the importance of authorities being democratically accountable for education—that they run a range of other services that have an effect on the wellbeing of children, as you said. In that context, I am talking principally about social work and other specialist services; there will of course also be interactions with the health service.

The resolution of some of the challenging questions about headteachers' workload and how individuals' needs can be met will, I think, come through local authorities being able to exercise their wider responsibilities. It is a key part of the role of local government to host multidisciplinary discussions in that regard; the responsibility to take forward such discussions should not all be on headteachers' shoulders.

Richard Lochhead: That is helpful. Thank you.

You mentioned career switchers. We should encourage people to change career and move into teaching, to plug vacancies, but people are often put off by the fees of £6,500—give or take—to get the further qualification. I acknowledge that you mentioned bursaries, but could the fees issue be addressed in the budget? A sum of £6,500 per aspiring teacher is not a huge amount of money. Are you catering for that, or are you thinking about it?

John Swinney: Part of my thinking about the STEM bursaries was to target career switchers in particular, and to recognise that they would invariably be people who had commitments at that stage in their lives. Forgoing a year of income is not an easy decision for any individual to make. The thinking behind the STEM bursaries was

therefore to make it practicable for individuals to make that switch.

I am quite open to looking at different suggestions of that type. It is part of the dialogue that I am having with the schools of education about their different propositions to find other routes to enable individuals to make a contribution to the teaching profession. The data makes it clear that, if our workforce planning model is saying to us that, for 2017-18, we need 4,058 teachers and we can recruit into the education process only 3,861, we must find other channels and routes to motivate individuals other than the fundamentally traditional route of leaving school and going into teaching or doing an undergraduate degree and a postgraduate qualification.

I am open to considering some of those questions.

Richard Lochhead: I welcome that, because the issue goes beyond STEM subjects and primary level.

Councils will face up to their budgets in the coming weeks, and a number of them are contemplating cuts in education. In Moray, we are trying to attract teachers to apply to work in local schools, but the council is speaking about scrapping school librarians, reducing support for children who have additional support needs and changing the arrangements for visiting specialists in physical education and music and so on. That is causing a lot of concern.

Do you agree that the budget that has been announced by the Government will give enough assurance to such local authorities that they do not impose those education cuts?

John Swinney: Local authorities undertake an annual process to identify savings and weighty documents are produced, almost invariably by council officials, that go through all those particular options. They are predicated on a financial assumption about what the budget might look like.

All local authorities are doing these things, and Mr Lochhead cited the example in his constituency. From my discussions with the finance secretary, I know that local authorities have worked up those options assuming a different and much poorer financial settlement from that which the Government has delivered in the budget. I hope that, after a period of reflection, local authorities take wise decisions in the context of the resources that have been made available to them by the settlement that the Government has made.

Gillian Martin (Aberdeenshire East) (SNP): The cabinet secretary will know that, in my area, the distance learning initial teacher education—DLITE—programme has been almost too

successful, because people who want to access a part-time course that allows them to continue working are finding that it is oversubscribed. Quite a few people have contacted me because they are really frustrated that they have not been able to get on to it.

At the same time, the postgraduate diploma in education courses of the traditional type that the cabinet secretary has just mentioned are undersubscribed. What happens to the funding that is given to the universities to provide the traditional courses if they are undersubscribed? Could it not be channelled into expanding initiatives such as DLITE where there is a big demand?

John Swinney: To date, we have not reclaimed resources from universities that have been unable to fill traditional PGDE courses. However, within the financial arrangements, there is scope for us to claw that resource back and redeploy it in other areas.

Gillian Martin raises an issue that I am actively considering, given the fact that we have not been able to fulfil our expectations and we have to look at different approaches and options to ensure that we have an adequate supply of teachers going into the teaching profession.

The Convener: Gillian, do you want to continue with your next line of questioning?

Gillian Martin: Yes. An issue for the early years is workforce planning. Significant funding has been given to the early years. One thing that has not been detailed so far is the funding that will be given to colleges to allow them to play their part in training people for early years and childcare work. Will you expand on what that funding might be?

John Swinney: The role and focus of our colleges is to provide the graduates that we require to contribute in a variety of areas. We have been working with colleges for some time on the provision of courses and places to make sure that our expectations for the early years workforce can be met through the work that individual colleges undertake.

Gillian Martin: A lot of the budget for childcare is ring fenced, but some of it is not. A huge part of it—£202 million—is ring fenced; it goes to local government and it has to be spent on the childcare and early years priorities. How can we ensure that the £40.8 million of funding that is not ring fenced goes to the right place?

John Swinney: There is a mixture of resources in there. Some of it will be resources that the Government itself controls and deploys; we will ensure that those resources are spent directly on early years activity. There is specific provision in place for local authorities to support capacity

building for the roll-out of the early learning and childcare programme. We are working collaboratively with local authorities to ensure that those resources are used to support that programme in line with the expectations that we all have for the sector.

Gillian Martin: The voluntary sector has a role to play in early years provision. What provision is the Government making to ensure that it gets the funding that it needs?

John Swinney: Some of that will come from either the interventions that the Government makes or the way in which local authorities design the delivery of the commitment in their locality—there will be quite a mixed economy in that regard, involving the use of external organisations as well as in-house capacity. The mechanisms that we will put in place will be around a model whereby the funding follows the child. That will enable us to have sufficient flexibility to make sure that voluntary sector organisations can be supported to develop that provision.

Gillian Martin: I have another question on colleges and training. I know that you have on-going discussions with colleges about the right type of training. There is an enormous resource out there already: people who come back into the workforce after being on maternity leave or bringing up their own children could fill the gaps that we have in childcare provision. Have you looked at the circumstances of that demographic and at what could help get those people back into training? There are a lot of complex needs involved, so flexibility could be required.

John Swinney: We have run an active national communications campaign to encourage individuals to see the opportunities that are there. We estimate that we will need something of the order of 11,000 new employees to take part in the delivery of this commitment. There is a huge employment opportunity for individuals over the course of the next three years. We have run an active media campaign to encourage individuals to see this as an opportunity. Elements of it targeted men—although it did not target them exclusively—because they are disproportionately poorly represented in the early years workforce. That is part of an on-going effort that we make with our local authorities to ensure that we have an adequate supply of individuals who can make a contribution.

Gillian Martin: Do you recognise that there is a need to look at the types of courses that are available, and when they take place, to allow people who perhaps have family commitments to access them?

John Swinney: Gillian Martin makes an absolutely fair comment. That point is reflected in

the discussions that we have with individual colleges.

11:15

Michelle Ballantyne: Continuing on the theme of early learning and childcare, I want to pick up on what you said about funding following the child. One of the issues with the first roll-out of 600 hours is access. If funding is truly following the child, what is your understanding of how places will be accessed and allocated?

John Swinney: First, on the roll-out of 600 hours, last week's data demonstrated virtually universal provision of and access to early years education for three and four-year-olds: the figure was 99 per cent. That says to me that individuals are securing the necessary access to the early learning and childcare provision that we have made.

As we move to 1,140 hours, there will be an opportunity to deploy some more of the flexibility that would assist individual families. That is very much the approach that is being taken. All the material that the Government has published around that has been designed to respect that need for flexibility in the provision. We have talked about the opportunity for blended models to be put in place, and they will be designed very much at local level. We are giving policy encouragement to such models and we are also in regular dialogue with local authorities about how they design the particular approaches that they will adopt.

Michelle Ballantyne: The partnership price that is generally offered to private nurseries sits somewhere between £3.45 and, at the top end, £4 an hour. With the expectation that private nurseries will pay the living wage—and, indeed, their commitment to do so—and the on-costs of delivering against the health and safety requirements that exist now, that sum will not meet all their client bases moving over to 1,140 free hours. What reassurance can you give at this stage around how, as part of a blended model, private nurseries will be able to sustain their finances in the future, if everyone takes up free childcare? Do you expect there to be top-up fees against the private nurseries? A couple of people who have contacted me have suggested that they have been told, within their contracts, that if they want to have a partnership arrangement, they will not be allowed to request top-ups.

John Swinney: Our funding is predicated on enabling local authorities to agree rates with funded providers in the private and third sectors that enable them to pay the living wage to early learning and childcare workers. That assumption is in the approach that is taken. We will work to ensure that it is reflected in what is available to

providers at a later stage. I hope that that provides some of the reassurance that is required.

I am not sure that I understand the issue around top-up fees, in that I cannot see any logical argument for saying that if provision were to be available, say, from 9 am until 3 pm, there should not be an opportunity for a parent to top that up to make it available from 8 am until 6 pm.

Michelle Ballantyne: My point is about the hourly top-up. If the fee for the nursery is £5 an hour, and the partnership payment is only £3.45, the nursery will bill the parent for the differential.

John Swinney: I would need to look at some of the detail around that, but the funding that we intend to provide should enable the payment of the living wage. I recognise that to be a material issue in relation to the rates that are commonly agreed between local authorities and private providers.

Michelle Ballantyne: My final question builds on that. We are waiting for the outcome of the quality review group regarding the direction of travel and where the balance will be between education and childcare in those provisions and contracts. What is your assumption about the budgets? What are your assumptions and expectations about what that balance will be? If it runs down an educational requirement, such as having teachers in place within early learning, the cost differential will be significant compared with a pure childcare approach.

John Swinney: Those questions are still being actively discussed with local authorities as we design the model that will take forward the provisions. However, there will have to be a blend and that will obviously affect the overall cost. Those issues are material to the design of the model that we take forward.

Michelle Ballantyne: Is the budget assumption that is in place for the money that you have allocated at the moment predicated on teachers being involved in those early years or in childcare?

John Swinney: It is predicated on a proportion of teachers who are involved in the system at this stage. I do not have that proportion to hand, but I am happy to furnish the committee with it.

Liz Smith: I would like you to clarify a point relating to last week's budget and the Barclay review changes. What advice has the Scottish Government taken regarding the anomaly that will occur when a private, profit-making nursery is eligible for a tax break, while those nurseries that belong to an independent school—they are charities and are assisting the Government and local authorities with provision for three and four-year-olds—will not have that tax break?

John Swinney: The Government has responded to the Barclay review on the issues that

have been raised. A number of different decisions have been taken about the nature of provision and whether nurseries should be able to secure relief from rates, which is a distinct question in that area of policy, and decisions have been taken on relief for private schools. The Government has considered all those issues, and has come to the decisions that it has come to.

Tavish Scott: There is £4 million in the budget for education reforms, but no detail below that. What will that money be spent on?

John Swinney: The resources will be spent to advance the core propositions of the education reforms, principally around collaboration among local authorities and the profession, to ensure that the objectives of the education reforms are achieved as a consequence. There is, of course, a broader education reform spend, which is contained within pupil equity funding and the Scottish attainment challenge.

Tavish Scott: Does that mean that regional improvement collaboratives will get a central budget?

John Swinney: I will be considering and discussing with regional collaboratives what justification there is for that. I will certainly be involved in those discussions.

Tavish Scott: That is fair enough. I see that the core budget for Education Scotland has been reduced, although in every year for many years there has been a fair whack of additional finance in the course of the year, but that you plan to give it additional responsibilities. How will Education Scotland do more with less?

John Swinney: Education Scotland will be changing its focus as an organisation; it will be more active on the ground and involved in the education system. Along with the requirements that I put on public bodies to operate efficiently, its budget has been set to reflect both of those priorities.

Tavish Scott: It sounds as though you are open to further devolution from Education Scotland to the regional collaboratives.

John Swinney: Yes. An essential part of the regional collaboratives is that Education Scotland will be much more visibly active in those areas and much more active in providing support out and about, rather than being fundamentally a headquartered organisation.

Tavish Scott: Thank you.

Daniel Johnson: I would like to ask some questions about the school estate. The draft budget says rather abruptly that the schools for the future programme is coming to an end, but there is no mention of what will replace it. Given

the nature of the school estate, can you give us an insight into what will replace that programme?

John Swinney: It is important that we recognise the distance that has been travelled in that respect. Today, 86 per cent of schools are reported as being in good or satisfactory condition. In 2007, when the Scottish National Party came into office, the figure was 61 per cent, so significant progress has been made, and the schools for the future programme will run for another three years.

I expect to make further announcements in the early part of 2018 on the successor to the schools for the future programme, and I will advise Parliament of those details in due course.

Daniel Johnson: The flipside of the statistics that you cited is that 14 per cent of schools are still in poor or bad condition. When we take into account the pupil numbers and the suitability of schools, the figure is 16 per cent. Therefore, there is quite a significant future requirement. Indeed, the report that I mentioned in Parliament last week suggested that an additional 500 classrooms are needed across the secondary school estate. Do you recognise that figure, or do you have a comparable one? Will you seek to address that in future announcements?

John Swinney: As a matter of fact, the proportion of pupils who are in a school that is described as being in poor or bad condition is 13 per cent, which is a reduction from 37 per cent when the Government came into office. Again, significant progress has been made on that.

We need to look carefully at the formulation of the plan for the school estate in the years to come. At the education buildings conference a few weeks ago, I delivered a speech in which I encouraged interested parties—local authorities, the private sector, colleges and universities—to consider the needs of our future school estate and to move much more towards what I would describe as campus models, which provide a greater degree of integrated provision.

Let us take the example of Garnock academy, which I think is just outside Ms Maguire's constituency. It has a two to 18 campus, which blends together early learning and childcare, primary education and secondary education; increasingly, it incorporates college provision, so it actually extends beyond the age of 18.

We should have an open discussion about what the contents of the new plan will be, and that will affect some of the questions about school capacity that Mr Johnson has raised. We must look carefully at how we blend the estate to meet pupil needs in the period that lies ahead.

Daniel Johnson: If we look at the figures in this year's budget, we can see that, because the schools for the future programme is coming to an end, a budget line that was £23 million last year is now zero. Once we take out childcare provision, the local government capital budget is down by £63 million, according to the Fraser of Allander institute, which means that we are left with a gap for this year, at the very least.

Given that a successor programme has not yet been announced, how quickly will you seek to bring a successor programme online? How long is the gap between programmes likely to be?

John Swinney: I said that I would announce a new programme in 2018, and I will set out further details to Parliament in due course.

Mr Johnson misses my point about the investment that is required and the thinking that needs to go into the development of our education estate, as opposed to just our school estate. The investment that has been made in early learning and childcare has a part to play in ensuring that our estate meets all the requirements that we have of it.

We will bring forward that programme in 2018, but we should also recognise the colossal achievement of getting to the position where 86 per cent of schools are in good or satisfactory condition. That is a significant transformation of the school estate, given what the Government inherited in 2007.

11:30

Richard Lochhead: I have a brief question on the school estate. Many rural local authorities have to maintain a lot of rural schools. Quite rightly, the Scottish Government put in place some hurdles that have to be overcome before a rural school is closed. Nevertheless, that leaves a financial burden on many rural local authorities. Given the hurdles that have been put in place by the Government, does the cabinet secretary feel that enough account is taken in the budget of the additional cost of maintaining rural schools?

John Swinney: As Mr Lochhead will know, the distribution formula for local government takes into account issues of rurality and the particular and distinctive provision that has to be put in place to service those communities. Those factors are reflected in the local government settlement.

Liz Smith: I have just one question on the university sector. Sir Peter Scott said some very interesting things in his widening access report, one of which was that he is anxious that the financing of widening access should not squeeze out other students who have the ability to get into university. Should savings be made in the sector as a result of Brexit, do you believe that that

money could be channelled back into the sector to make those provisions available?

John Swinney: On the concept of savings from Brexit, I can think of a lovely saving that I would like to have from Brexit, which is to be saved from Brexit. That would be nice.

Liz Smith: I do not disagree, but Peter Scott was making a serious point.

John Swinney: He was. Please forgive me—flippancy has got the better of me on this rare occasion, but there is a serious point to which I will need to give consideration in due course.

We do not actually know what all the arrangements will be for the transitional period and for the aftermath period, if I can call it that. Therefore, although I am very alert to the issue, I cannot at this stage give a definitive position on what the future funding arrangements will be like. However, I am actively considering the issue with the sector.

Gillian Martin: I have a couple of questions on higher and further education and then some questions on skills. How have the recommendations in the independent review of student support been addressed by the budget? I am particularly interested in the recommendations around mental health support for students.

John Swinney: We have put in place what I consider to be very strong settlements for both the higher and further education communities as a consequence of the budget, and I am very pleased with the resources that we have been able to invest in both the higher and further education sectors, with real-terms increases for both.

The questions around mental health are important, as they are at the core of the wellbeing of students and the sustainability of education for many students because of the significance of the issues involved. The strength of the settlement is, in my view, an important investment in the sectors, which I would like to see reflected by the sectors. Our guidance to the sectors will reflect the points that are raised by the independent review on mental health.

In relation to the recommendations of the independent review, we have put in place an initial investment to begin to address some of those questions. However, there is quite a complicated interaction of issues, particularly in relation to the benefits system, which we must consider as part of understanding the implementation of the independent review. We will need some time to come to conclusions on those points.

Gillian Martin: On student debt, the budget has taken into account the repayment of student loans. How will that impact on graduates?

John Swinney: We have given a commitment to raise the threshold for repayment to £22,000, and we are actively taking steps to make that possible and practical. That will provide some assistance to graduates at that stage.

Gillian Martin: On skills and training, I notice an increase for modern apprenticeships in the budget. In some of the focus group work that the Economy, Jobs and Fair Work Committee did, I discovered that quite a lot of older people do not appreciate the fact modern apprenticeships are not just for young people. There is an opportunity to provide people with a second chance at another career, but I do not think that that message is getting out there to people who are already in the workforce. What is the Government doing to address that?

John Swinney: There is a general issue about reskilling our population to create the working population that we will require in the years to come. The other week, I heard the chilling statistic that there are 280,000 working people in the Highlands and Islands and, given the normal demographic expectations, we will have to find 80,000 new employees to replace those who will be leaving the labour market through retirement and so on. That is a colossal undertaking, which is partly why I am so concerned about the implications of Brexit and whatever will happen on the free movement of individuals, because that free movement has helped us significantly in the past few years.

Gillian Martin makes a good and important point. We must ensure that there is a wider understanding of the opportunities that exist for individuals to reskill and retrain. We need to pursue that.

Gillian Martin: Is the £10 million that has been given to the flexible workforce development fund part and parcel of what I have just been talking about? Will that money be used to get people moving into different areas of work in which there might be more of a future?

John Swinney: The flexible workforce development fund is essentially targeted at people who are in work. It is about trying to redevelop their skills, so there are opportunities in that respect.

The Convener: That takes us to the end of this evidence session, and I thank you very much for your attendance. I thank the cabinet secretary, his officials and all those who have appeared before the committee this year for their time and their evidence. I wish you all a very merry Christmas and a happy new year.

11:37

Meeting continued in private until 12:18.

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