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Thursday 24 January 2019

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Scottish Parliament

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[The Presiding Officer opened the meeting at 11:40]

General Question Time

Energy Companies (Vulnerable Households)

1. **Bob Doris (Glasgow) (SNP):** To ask the Scottish Government whether it is aware of energy company practices that exacerbate fuel poverty and indebtedness of vulnerable households seeking to reconnect their supply following disconnection. (S5O-02809)

The Minister for Energy, Connectivity and the Islands (Paul Wheelhouse): The Scottish Government is concerned that the United Kingdom Government has failed to create an energy market that serves all Scottish households fairly, particularly those in vulnerable circumstances.

The most recent data from the Office of Gas and Electricity Markets show that there were no disconnections in Scotland in 2017, which is welcome. However, those data do not capture the daily reality of self-disconnection by fuel-poor, indebted and vulnerable households. Self-disconnection data are not currently reported on; we continue to call for Ofgem to further investigate the hidden impact of self-disconnection, in line with the refresh of its consumer vulnerability strategy.

Bob Doris: Before Christmas, I raised concerns about the unreasonable barriers that households in the Wyndford estate in my constituency were facing when reconnecting their heating and hot water supplies.

My office worked with Citizens Advice Scotland and Scottish and Southern Energy to secure reconnection for 33 households by Christmas eve. However, dozens of homes remain disconnected, and significant concerns remain about prohibitive reconnection charges, unreasonable repayment schedules and the way in which energy companies define vulnerable households. For instance, energy companies are not including families with children in the definition.

I appreciate that energy is reserved, but fuel poverty is very much this Parliament's concern. Will the minister meet me to consider how we can support vulnerable households in such situations?

Paul Wheelhouse: I commend Mr Doris for his work to help those 33 households before Christmas. I also commend colleagues such as Christina McKelvie, who has done an enormous

amount to support vulnerable customers who are at risk of disconnection.

Bob Doris is right to raise the issue. Scotland's vulnerable energy consumers remain a high priority for this Government, and fuel poverty is a key priority for the Government. That is why, in 2016, we called energy companies to a summit, to discuss action to address fuel poverty and the extra costs that low-income families face.

In January last year, the second energy summit met, at which energy suppliers and consumer groups were challenged to work collaboratively to improve consumer outcomes, in line with our ambition to eradicate fuel poverty. The work remains a high priority as we develop our Scottish energy consumer vision and action plan. To date, the energy companies have been supportive of the work that we are trying to do in that respect.

I will be happy to meet Mr Doris to tell him more about the work that we are doing. I am keen to hear from him about his constituents' experience of reconnection charges and to understand the impact of the issue on families in his area.

Alexander Burnett (Aberdeenshire West) (Con): I refer members to my entry in the register of members' interests in relation to renewable energy.

What plans does the Scottish Government have to close the fuel poverty gap between urban and rural housing?

Paul Wheelhouse: Mr Burnett raises a fair point. In the debates that we have had about an energy efficient Scotland and fuel poverty, the Government has acknowledged the additional factors that sometimes impact on rural households. In many cases, rural properties face greater exposure and there is a greater need to heat them, and of course the fuel that is used is often more expensive, if customers are unable to access gas through the mains system.

We are taking forward issues to do with rural and island communities in the work that we are doing to support an energy efficient Scotland. My colleague Kevin Stewart—who has joined us in the chamber—is leading for the Government on fuel poverty and is very much involved in that work. I am sure that, like me, he is keen to hear from members about how we can best tackle fuel poverty in rural areas.

Ambulances (Staffing)

2. **Finlay Carson (Galloway and West Dumfries) (Con):** To ask the Scottish Government what its policy is on staffing ambulances. (S5O-02810)

The Cabinet Secretary for Health and Sport (Jeane Freeman): The staffing of ambulances is

an operational matter for the Scottish Ambulance Service. However, we expect the service to ensure that all ambulance resources are staffed appropriately to meet patient needs.

Finlay Carson: Over a decade ago, when the First Minister, Nicola Sturgeon, was health secretary, she warned against single-crew call-outs. She said at the time:

“The Scottish Government’s policy is clear: traditional accident and emergency ambulances should be double crewed, with at least one member being a paramedic, unless there are exceptional circumstances.—[*Official Report*, 4 June 2008; c 9260.]

That is not happening in Dumfries and Galloway, where in some instances ambulance crews are manned solely by technicians, which potentially puts patients at risk. Is that yet another example of the Scottish National Party Government, even after 11 years in power, failing to deliver on its policy commitments? Will the cabinet secretary commit to addressing urgently the worrying situation in Dumfries and Galloway?

Jeane Freeman: That is absolutely not an example. The fact of the matter is that Scottish ambulances are not routinely single crewed, although there can be exceptional circumstances where that happens. The percentage of shifts covered by single-crewed ambulances in the south-west region for the period July to September 2018 was 2 per cent, against a national average of 2.3 per cent. Those percentages therefore demonstrate the impact of the delivery of that policy not only in Mr Carson’s region but across the country.

Finlay Carson: What about paramedics?

Jeane Freeman: It would be helpful, Presiding Officer, if I addressed the question that we heard through the microphone system as opposed to the one that I have just heard.

The Ambulance Service has an action plan to reduce, wherever possible, instances of single crewing. We are monitoring that through regular update reports. However, none of our emergency workers should have to worry about their own safety as they carry out their work. The Emergency Workers (Scotland) Act 2005 includes the imposition of penalties of up to 12 months’ imprisonment or a £10,000 fine, or both, following conviction for offences against ambulance staff.

Stuart McMillan (Greenock and Inverclyde) (SNP): What is the cabinet secretary’s position on ensuring that there is enough ambulance provision to cover Inverclyde when ambulances take patients to the Queen Elizabeth university hospital?

Jeane Freeman: When ambulances are away from their local area taking patients to hospital, it is

important that sufficient resource remains in the area to meet the needs of local communities. That matter has been raised with me elsewhere, and I am continuing to discuss with the Scottish Ambulance Service how it is rolling out its testing of change, which was most recently introduced to cover the Elgin to Aberdeen corridor. In order to ensure cover, the SAS should backfill, using resources from other stations where appropriate. The SAS also uses tactical deployment points whereby, to ensure that coverage is as wide as possible, ambulances are stationed at specific points throughout the country and not just based at their station. However, that and other matters remain the subject of on-going discussion between me and the Scottish Ambulance Service to ensure that the resources that are there—and we have made additional resources available to the SAS—are deployed appropriately to suit both the patient and the geographical demands of our country.

Citizens Basic Income Pilot Schemes

3. John Mason (Glasgow Shettleston) (SNP): To ask the Scottish Government whether it will provide an update on the citizens basic income pilot schemes. (S5O-02811)

The Cabinet Secretary for Communities and Local Government (Aileen Campbell): Following our commitment to explore a citizens basic income scheme, we made available a grant worth £250,000 for local authorities to scope out the feasibility of small pilots. Glasgow, Edinburgh, Fife and North Ayrshire made a successful collective bid in March 2018. A steering group composed of the four local authorities and NHS Health Scotland, with support from the Scottish Government, has begun research into the feasibility of a pilot.

John Mason: Is it possible to do a full pilot scheme if the Department for Work and Pensions is not involved and we do not have control over its functions? Clearly, the income of a lot of people comes from the DWP.

Aileen Campbell: Any decision to proceed with a pilot will be subject to the findings of the steering group’s feasibility study, which will set out the full details of the ethical, legislative, financial and practical implications of implementing a pilot on the ground. However, the member is right to raise the issue, because a pilot scheme would not be viable without full powers over tax and social security, or, at the very least, the full co-operation of the United Kingdom Government. We are in contact with the DWP about the issue and engagement is on-going. We will endeavour to keep the member updated on progress.

The Presiding Officer (Ken Macintosh): Question 4 has been withdrawn.

NHS Lanarkshire (Meetings)

5. Graham Simpson (Central Scotland) (Con): To ask the Scottish Government when it last met NHS Lanarkshire and what was discussed. (S5O-02813)

The Cabinet Secretary for Health and Sport (Jeane Freeman): Ministers and Scottish Government officials regularly meet representatives of all health boards, including NHS Lanarkshire, to discuss matters of importance to local people. I last met the chair of the health board on 10 December and will meet her again this coming Monday.

Graham Simpson: The number of general practitioner practices in Lanarkshire has fallen by 10 per cent since 2007. What is the cabinet secretary doing about that?

Jeane Freeman: Mr Simpson is, I hope, aware of our primary care reform plan, which incorporates the new GP contract and other measures. Significant additional resource for the primary care reform plan is planned for in the draft budget. I therefore look for his support for that budget.

The plan looks at how we deliver on the GP contract, particularly around multiskilling and GP clusters, in order to ensure that provision is appropriate across local areas and takes account of geography and other issues.

I have had discussions with colleagues around the particular demands and issues that relate to rural GP practices. We will ensure that the plan develops in a way that fulfils our need and that of local people to ensure that individuals receive the right care from the right professional at the right time.

That sits alongside significant additional resource in the draft budget—I repeat that I therefore look for support for that budget—for increasing GP training places and the number of undergraduate medical students, supporting the continuation of the Scottish graduate entry medicine programme as well as continuing the specific measures that we have introduced to encourage GPs into more remote and rural areas.

Universal Credit (Two-child Limit)

6. Bill Kidd (Glasgow Anniesland) (SNP): To ask the Scottish Government what its response is to the announcement by the Department for Work and Pensions that the two-child limit on universal credit payments will be partially rolled back. (S5O-02814)

The Cabinet Secretary for Social Security and Older People (Shirley-Anne Somerville): Although the United Kingdom Government's decision not to extend the two-child cap and rape

clause will be welcome news for a small number of Scottish families, it changes nothing for families with third or subsequent children born after April 2017. Tens of thousands of families will still feel the negative impacts of the two-child limit in the longer term, which effectively creates a two-tier system.

Critically, the decision does not remove the rape clause, which is a dehumanising and appalling abuse of the human rights of the child and the parent. The Scottish Government has long called on the UK Government to end the two-child limit and the abhorrent rape clause in it, and will continue to do so.

Bill Kidd: I welcome the cabinet secretary's answer. Will she tell members how many people have been impacted, and will be impacted, by the two-child cap, what amount of money they will lose and what difference the partial rollback will make?

Shirley-Anne Somerville: DWP statistics show that 3,800 Scottish families did not receive entitlement for their third or subsequent child in the first year of the two-child limit.

Our analysts have estimated that up to 40,000 households across Scotland will ultimately still be affected by the two-child limit, which will result in a reduction in welfare spend in Scotland of around £120 million by 2020-21, when the policy is fully implemented and universal credit is fully rolled out.

Early analysis shows that fewer than 1,000 families will be impacted by the recent announcement by the UK Government. That is why the Scottish Government will continue to call for the two-child cap and the rape clause to be scrapped in their entirety.

Childcare Practitioners (Qualifications)

7. Michelle Ballantyne (South Scotland) (Con): To ask the Scottish Government what assessment it has made of the new required qualifications for childcare practitioners. (S5O-02815)

The Minister for Children and Young People (Maree Todd): A significant body of evidence and analysis—not least the 2017 “Rapid evidence review: Childcare quality and children's outcomes” by NHS Health Scotland—links having a well-qualified, high-quality workforce to improving outcomes for children.

That is why the “Funding follows the child and the national standard for early learning and childcare providers: principles and practice”—published jointly with the Convention of Scottish Local Authorities in December 2018—requires that all staff who are included in adult to child ratios must either have obtained or be working towards the benchmark qualification for their role. For the

first time, childminders will be required either to be qualified or to be working towards a qualification, to the same level as other early learning and childcare practitioners.

From August 2020, all registered staff who are delivering the funded entitlement will have at least started to work towards their qualification, rather than waiting until the end of the full five-year registration period to secure the relevant qualification. We believe that that will further enhance the quality of ELC.

Michelle Ballantyne: Does the minister recognise that a significant number of managers, particularly older managers, who already run successful, high-quality private nurseries, might now be forced out of their careers because undertaking a level 9 qualification at such a late point in their careers is neither desirable nor feasible? The Scottish Government knows that we need a high number of experienced managers for the expansion to 1,140 hours to succeed. Will the Government commit to reviewing whether an exception to the demand for a level 9 qualification should be made for an individual who is already in post and where an inspection process has already provided an assurance on the quality of the services being delivered?

Maree Todd: As I said in my first answer, there are very few changes, given that the registration of the ELC workforce is regulated by the Scottish Social Services Council. Since 2011, all registered ELC managers and lead practitioners must either hold the Scottish credit and qualifications framework level 9 benchmark qualification or agree that their registration is subject to a commitment that they secure it in their first period of registration. The requirement for those staff to obtain the qualifications has not changed as a result of the national standard.

Elaine Smith (Central Scotland) (Lab): Do the new childcare qualifications include training in tackling poverty? That is particularly relevant given the revelation in the *Sunday Mail* this week that staff in Broomloan nursery in Govan are feeding children and their parents with donations from local businesses. Although compassionate staff are to be commended for taking direct action, does the minister agree that such poverty is unacceptable in our rich country? What exactly is the Scottish Government going to do about that shocking situation?

Maree Todd: I absolutely agree that that situation is unacceptable. The member will know that this issue is a particular passion of mine: we live in the sixth-richest country in the world and have the hungriest children in Europe. That is largely down to the United Kingdom's Government's welfare system.

Budget (Renfrewshire South)

8. Tom Arthur (Renfrewshire South) (SNP): To ask the Scottish Government how the proposals in the draft budget aim to support communities in the Renfrewshire South constituency. (S5O-02816)

The Cabinet Secretary for Finance, Economy and Fair Work (Derek Mackay): The Scottish Government is committed to delivering inclusive economic growth across all of Scotland and the 2019-20 Scottish budget sets out a continued commitment to invest in regeneration activity to stimulate sustainable and inclusive growth and to empower and improve the wellbeing of people and communities.

Tom Arthur: Recent years have seen significant investment in new housing in Johnstone, new council housing in Barrhead for the first time in a generation and the regeneration of Barrhead town centre. Will the cabinet secretary set out how the budget will continue to support housing and the regeneration and improvement of our town centres?

Derek Mackay: There is more investment to come. The draft budget proposes £50 million for town centres specifically. I will work on the distribution and allocation of that in partnership with the Convention of Scottish Local Authorities. In 2019-20, we will continue our track record in the delivery of housing. The affordable housing supply programme has confirmed a resource planning assumption of £15.6 million for Renfrewshire. The council's strategic housing investment plan indicates that 286 new homes will be completed in 2019-20, with site starts planned for a further 839.

For completeness, I add that a resource planning assumption of £5.9 million for East Renfrewshire has been confirmed. That will allow East Renfrewshire Council to complete 22 new homes and in 2019-20, it will have site starts for a further 134 homes.

That is the Scottish Government working in partnership with local authorities to regenerate town centres and deliver the housing that Scotland needs.

Kinship Carers

9. Willie Coffey (Kilmarnock and Irvine Valley) (SNP): To ask the Scottish Government what its position is on whether non-looked-after kinship carers should receive the same level of financial support that foster carers and looked-after kinship carers receive when looking after children who have experienced family break-ups or the death of a parent. (S5O-02817)

The Minister for Children and Young People (Maree Todd): Kinship carers of non-looked-after

children can receive the same level of financial support as foster carers where there is a kinship care order in place under section 11(1) of the Children (Scotland) Act 1995. We are aware that kinship care orders are not always right in individual cases. The member has raised several issues with ministers over some time and I am grateful for that. We continue to be conscious of those issues and consider how best to ensure that kinship carers get the support that they need.

Willie Coffey: I have constituents who are kinship carers, having voluntarily taken in their grandchildren, for example, but who do not meet the criteria for kinship carer allowance, which seems to be payable only where there is a risk element involved. That means that they are struggling financially. Will the minister consider reviewing the criteria for the kinship carer allowance to make it available to kinship carers of non-looked-after children?

Maree Todd: The agreement on kinship carer allowance does not apply to all kinship carers and, as the member states, that has raised concerns among those who do not meet the eligibility criteria. The Scottish Government provides clear guidance on how local authorities should assess whether a child is at risk of becoming looked after. As with all such guidance, we will keep these matters under constant review.

Because each kinship carer's circumstances are unique, the Scottish Government funds Citizens Advice Scotland to provide specialised advice for kinship carers along with signposting to local support services, including support on financial and legal matters. We have worked with, and will continue to work with, our social security colleagues, including those in Westminster, to ensure that kinship carers can access a variety of benefits to alleviate the additional costs of caring for their family's children.

First Minister's Question Time

12:00

The Presiding Officer (Ken Macintosh): Before we start First Minister's question time, members will be aware of reports in the media this morning that the former First Minister Alex Salmond has been arrested. As I hope members will also be aware, and as applies with all such matters, that means that the parliamentary rules on sub judice apply, as the case is now active.

Queen Elizabeth University Hospital Review

1. **Jackson Carlaw (Eastwood) (Con):** The Queen Elizabeth university hospital was the largest new hospital in Europe when it opened and it is important to say that, in the years since, tens of thousands of Scots have been born and treated there, safely and successfully, by some of the world's leading clinicians and by an extraordinary number of dedicated staff. However, they and anyone visiting the hospital are entitled to operate in a safe environment and the latest reporting of tragic events this week has shaken confidence, so we welcome the review that the Cabinet Secretary for Health and Sport has set up.

Last year, Professor Alison Britton published her findings on the way in which all future national health service reviews should be conducted and made 46 key recommendations. Will the First Minister confirm that the review into the Queen Elizabeth university hospital will meet those tests?

The First Minister (Nicola Sturgeon): Yes, we will ensure that Professor Britton's recommendations are fully taken account of in the remit and the conduct of the review announced by the health secretary earlier this week. The remit and the personnel for that review will be announced in the coming days.

I thank Jackson Carlaw for the tenor of his question. Queen Elizabeth university hospital has treated thousands upon thousands of people safely, as dedicated staff do an excellent job day in, day out. However, the incidents that have been reported in recent times are serious and they must be treated seriously. I hope that not just members across the chamber but members of the public will take some assurance from the actions that the health secretary has taken this week. She visited the hospital this week and was updated on the steps that the health board has taken in light of the Cryptococcus infection incident. Additional infection control measures are in place and the Healthcare Environment Inspectorate has been asked to review the incident.

Given that incident and other unrelated incidents that have been reported recently, it is considered

appropriate that a more general review of the construction, commissioning and maintenance of the hospital is undertaken and it is right that that is undertaken in a way that is consistent with the recommendations that Jackson Carlaw referred to.

Jackson Carlaw: I thank the First Minister for the assurances that she has given. It is important that the recommendations established under Professor Britton are followed in the reviews that take place.

I am also grateful to the First Minister for advising that the review will be independent and will extend beyond the immediate incident and the incidents that have been reported in the recent past. Beyond that, however—because obviously, some of the immediate concerns require immediate action—can the First Minister confirm that actions are being taken now that will address some of the considerable and serious concerns that have given cause for public anxiety?

The First Minister: Yes, I can give that assurance. The health secretary, when she answered a question in the chamber on Tuesday, gave some of that information, which I am happy to go over again for the benefit of members in the chamber and those among the public who may be listening.

In terms of the *Cryptococcus* incident, which has arisen from bacteria from pigeons, one of the things that the health secretary was updated on by the health board was on the additional infection control measures that have been put in place since that incident. Those measures include the provision of prophylactic medication to the relevant group of vulnerable patients and the provision of high-efficiency particulate air—HEPA—filter machines to ensure clean and clear air, as well as additional air monitoring. Those are important steps. As the health secretary said earlier this week, there is no evidence to suggest that there is a general infection control problem at the Queen Elizabeth university hospital. The statistics do not suggest that that is the case. Nevertheless, it is a very serious incident that must be and is being treated seriously.

At the outset—I am sure that I speak on behalf of the whole Parliament—I should have placed on record my deepest condolences to the families of the two patients who contracted the infection and who have subsequently died. In one of those cases, which was tragically that of a child, it was found that the infection was a contributory factor in their death.

I assure Jackson Carlaw and the Parliament that all appropriate steps will be taken. As I said, separately from the general review that the health secretary announced, she has asked the Healthcare Environment Inspectorate to review

that particular incident fully and to recommend any further steps that should be taken.

Jackson Carlaw: I thank the First Minister for that assurance. As the largest hospital in Europe, the Queen Elizabeth university hospital has a tremendous catchment area of patients who depend on it. All of my constituents depend on the assurance that it is a safe and secure environment.

However, this alarming story has raised wider questions about the Government's record on the NHS. There is a £900 million maintenance backlog on NHS buildings, including hospitals, in Scotland. Almost 45 per cent of that is defined by the Scottish Government as being high risk. Is it any wonder that we see problems emerging not just at the Queen Elizabeth but at other hospitals across Scotland? In the words of Audit Scotland, why is it that the Scottish Government has “not planned” what investment will be needed?

The First Minister: In terms of the assurances on the Queen Elizabeth university hospital, Jackson Carlaw said that all of his constituents rely on the services of the hospital—so do my constituents. The hospital used to be in my constituency and I am acutely aware of the importance of the hospital and of confidence in it to the population across Glasgow and further afield.

At any given time there will be maintenance requirements in the health service estate and the Scottish Government works closely with health boards, through our capital allocations to health boards, to make sure that we are providing, as far as we can within the resources available to us, capital provision to do that. In recent years, one of the ways that we have chosen to deal with maintenance issues in older hospital buildings is by re-providing new, purpose-built hospitals—the Queen Elizabeth university hospital is an example of that. The Queen Elizabeth brings together in one location hospital services that previously were split across multiple, older sites in Glasgow.

Jackson Carlaw referred to Audit Scotland. The Scottish Government works to respond to all Audit Scotland recommendations. Obviously, in recent times, the Scottish Government has set out a lot of information around medium-term financial planning and other medium to long-term plans for the health service. Capital allocations and making sure that the estate is in fit condition will continue to be key considerations.

I will not go into party-political exchanges on this issue; it is too serious for that. However, obviously, we work within a financial envelope. Everybody knows that that has been under pressure in recent years and everybody knows the reasons for that, but, within that envelope, we have prioritised

spending on the health service and we will continue to do so.

Jackson Carlaw: The capital budget has increased and it is going to increase further. The First Minister is right that there is always a maintenance backlog that must be addressed. When I was spokesperson on health and exchanged with her when she was health secretary, it was a £400 million backlog. It is now a £900 million backlog. According to Audit Scotland, a lot of that is down to a lack of planning. Audit Scotland says that there is no long-term plan and no coherent proposals to bring our NHS estate up to the standard, so that we can be assured.

The health secretary's review will get to the bottom of what is happening at that flagship hospital and without delay. However, is it not the case that Scotland needs the record investment that we know is coming to underpin a plan that commands support across this chamber, that puts the NHS on a sustainable footing and that we can all support for the long term? Will the Government commit to do that?

The First Minister: I assume that Jackson Carlaw knows this, but I will give the information, just in case it is not known to him or to the wider Parliament: there is a commitment to bring forward a capital investment plan before the end of this financial year. The health secretary has publicly committed to that. That is a commitment that will be fulfilled, and that plan will be available to the Parliament for discussion and scrutiny in the normal way. That will sit alongside the other plans, including the medium-term financial plan that I have already referred to.

These are difficult times for public finance. One of the reasons why we prioritise investment in our health service over, for example, cutting tax for higher-paid income earners is that we want to be able to maximise the resources that go to front-line health services, and we will continue to do that. That does not make it easy for those who work on the front line of our health service, but in the budget that the Parliament will discuss and vote on in the next few weeks, the priority that we have given to the health service is there for all to see. I assure the chamber that we will continue to give it that priority, because that is what patients and the public the length and breadth of Scotland expect and deserve.

Queen Elizabeth University Hospital (Infection Control)

2. Richard Leonard (Central Scotland) (Lab): The awful news that two patients, including a child, died after contracting an infection at the Queen Elizabeth university hospital in Glasgow has shocked us all. Our sympathies and thoughts are with the families who have lost loved ones. This

simply should never have happened. This morning, we see reports of a second infection leaving a patient in a serious condition. The Cabinet Secretary for Health and Sport said yesterday that she believed that infection control at the hospital was good enough. Does the First Minister agree?

The First Minister (Nicola Sturgeon): I will set out what the health secretary's comments, which I agree with, were about. First, she was rightly making the point that the evidence and the statistics on point prevalence of infection in our hospitals or hospital standardised mortality do not suggest that there is a general problem with infection control at the Queen Elizabeth hospital or across Glasgow more generally.

Secondly, the health secretary was making the point and seeking to assure the chamber that, based on her visit on Tuesday, she was satisfied that the additional infection control measures that the hospital had put in place in light of the *Cryptococcus* infection incident were sufficient. Those are the control measures that I mentioned to Jackson Carlaw: the prophylactic medication and the additional filters. That was the context for the health secretary's comments. In no way, shape or form were those comments intended to suggest that the incident in question or the unrelated infection incident that Richard Leonard has alluded to is not very serious and is not being treated seriously. I hope that the health secretary's actions this week have underlined how seriously the Government is taking the matter.

A difficult thing for anybody to come to terms with—I experienced this on several occasions when I was health secretary—is that, unfortunately and regrettably, on occasion infections do happen in hospitals, and the implications of that for acutely ill patients can be very severe. That is why we work so hard to reduce infection and to have the appropriate infection control measures in place. When events such as the one that we are discussing happen, it is right that we review those arrangements intensely to make sure that any additional steps that are required are taken. I can give Richard Leonard and the chamber the assurance that Jeane Freeman—who has kept me extremely updated on the situation over recent days—and I will continue to ensure that NHS Greater Glasgow and Clyde is taking all the steps that people would expect it to take.

Richard Leonard: So the answer to my question is that the First Minister does think that infection control at the hospital is good enough.

The health secretary visited the hospital on Tuesday. Can the First Minister explain why, as of last night, the facilities management workers, including the hospital's cleaners, had still not received a briefing from infection control?

The First Minister: I will ask the health secretary to look into that. If that is the case, it is clear that those workers should have received such a briefing. I expect people who work in this field in any hospital across any part of the health service to be properly briefed on the challenges that are faced.

I say in all seriousness to Richard Leonard that he has mischaracterised what the health secretary and I have said. What the health secretary said, which I have repeated today, is that the evidence suggests that there is no general problem with infection control. We are not complacent about that and we will continue to monitor all the relevant statistics—not just for the Queen Elizabeth university hospital but for all hospitals—very carefully. In particular, the health secretary was talking about the additional measures that have been put in place in light of the *Cryptococcus* infection incident. I think that she was taken to see some of the measures that had been taken and was satisfied, on the basis of the advice that was given to her, that those were the appropriate steps to have been taken. There will be no complacency at all.

If Jackie Baillie is in the chamber, she will recall that I was health secretary during the *Clostridium difficile* outbreak at the Vale of Leven hospital. I know how devastating such outbreaks are for families and hospital staff, and how damaging they can be to confidence in the health service. The current health secretary, Jeane Freeman, and the entire Government will always treat such instances with the utmost seriousness. I hope that Richard Leonard will take that assurance in the good faith in which it is offered.

Richard Leonard: The First Minister says that she is not complacent, but this is Scotland's biggest hospital and it is not even four years old. In October 2015, within months of the hospital opening, there were reports of elderly patients having to lie in their own excrement because there was no clean linen. Just a few weeks later, in November 2015, a premature baby died after picking up an infection in the neonatal unit. In February 2016, sewage leaks forced the cancellation of operations. In January 2017, an inspection found traces of blood and faeces on patient trolleys and mattresses. In March 2018, 22 children became infected as a result of bacteria in the water supply. Last October, chemotherapy for 16 children had to be cancelled because of contaminated drains at the hospital. This week, we learn that there have been further infection outbreaks at the hospital.

The Cabinet Secretary for Health and Sport thinks that this is good enough, and the First Minister thinks that this is good enough, but does

the First Minister really expect the public to believe that this is good enough?

The First Minister: I say in all sincerity to Richard Leonard that I think that he is better than that last statement. Nobody, on any side of the chamber or in any part of the political spectrum thinks, to quote Richard Leonard, that it is “good enough” when there are infection outbreaks in a hospital. That is why we take these issues so extremely seriously. Generally—I am not talking about these incidents in particular—since the Vale of Leven *C* diff outbreak, infection rates in Scotland have fallen dramatically because of the infection control measures and policies that have been put in place. These are issues that everybody, across Government and the health service, treats with the utmost seriousness. Although it is absolutely right and proper that we debate such incidents and that there is a lot of scrutiny of them, I hope that we can all recognise that nobody thinks that it is “good enough” for any patient to get an infection in hospital.

As I said a moment ago, and it is difficult to say this, infections do happen in hospitals. There is probably not a hospital anywhere that has not had some kind of infection outbreak. The implications of that for very ill patients can be severe, which is why it is so important that everything possible is done to reduce infection. In this case, everything possible will be done to ensure that there is no repetition of this outbreak.

Richard Leonard cited a range of unrelated instances, none of which is acceptable—I am not saying that they are. It is because there have been a number of unrelated incidents in this hospital that Jeane Freeman announced the more general review to look at the design, commissioning and maintenance of the hospital in order that, first, if there are any systemic problems, they are identified and rectified and, if there are not, we can, through the process of that review, give the public the assurance that they deserve. I would absolutely expect scrutiny to continue, but I hope that every member across the chamber will recognise and appreciate the seriousness with which not just the Government but everybody across the health service is responding to these serious incidents.

Macrae Edinburgh (Job Losses)

Angela Constance (Almond Valley) (SNP): Yesterday, West Lothian received yet more devastating news on the jobs front as Macrae Edinburgh, which is owned by Young's Seafood, announced its plans to shed 50 jobs. Although the company confirmed its on-going commitment to Livingston and attributes the proposed job losses not to a loss of business but to an investment in machinery, that will be of no comfort to 50 families

who are now facing an uncertain future, and it raises important questions about the role of automation in our economy. Can the First Minister confirm that Scottish ministers will engage personally and directly with Young's and others to ensure that everything possible is done to support the workforce and boost the West Lothian economy at this difficult time?

The First Minister (Nicola Sturgeon): I thank Angela Constance for raising an issue of extreme importance in her constituency. I absolutely agree with her comment that, when we face a situation in which jobs are lost, the reasons for those job losses are never any comfort to those who potentially face them. Because of that, my thoughts are very much with the Macrae Edinburgh workforce at what will be a very worrying time for them and for all of Young's employees.

I assure Angela Constance that the Minister for Business, Fair Work and Skills spoke to Young's yesterday to discuss the implications for the workforce and to ensure that the staff are being properly supported, and our multi-agency partnership action for continuing employment team stands ready to support the workforce, too. I assure her that, as is the case in all such situations, the Scottish Government will do everything possible not only to try to minimise job losses but to support anybody who faces losing their job.

Delayed Discharges

Jeremy Balfour (Lothian) (Con): A constituent of mine, Margaret Borthwick, has been a patient in the Royal Victoria hospital for more than 18 weeks. The hospital acknowledges that although she was well enough to return home in November, the lack of an appropriate care package has prevented her discharge. Recent figures show that three quarters of delayed discharges are for health and social care reasons. As the progress of integration joint boards continues, how can the Scottish Government ensure that the money invested in integration will bring about a consistent level of improvement? Moreover, will the First Minister intervene on behalf of my constituent, so that she can go home and be with her family?

The First Minister (Nicola Sturgeon): I will deal first with the general issue and then come on to the specific constituency case that Jeremy Balfour has raised.

On the general point, reducing delayed discharges is a high priority and progress is being made on it. One of the reasons for integrating health and social care is to make them work more seamlessly so that people do not fall through the gaps, and we are seeing improvements in how delayed discharges are dealt with and are

minimised. We will continue to invest in and support integration authorities in order to continue that work.

Obviously I do not know all the details of the constituency case that the member has highlighted, but if he, with the consent of his constituent, wishes to make those details available to the health secretary, I undertake today that we will look into the matter and discuss it with the integration authority to see whether any further action can be taken to assist with the case. I hope that that offer is helpful.

Fife Gingerbread (Funding)

Claire Baker (Mid Scotland and Fife) (Lab): The First Minister might be aware that Fife Gingerbread, an award-winning organisation that she has worked closely with, is facing a funding crisis after what it has described as a "perfect storm". More than half the workforce might lose their jobs, and 253 of the 348 vulnerable families whom it currently supports—or almost two thirds—might see that vital help end. Is there any support that the First Minister's Government can provide to Fife Gingerbread and the families that it helps? Moreover, will she commit to working with Fife Council and relevant partners on finding a solution?

The First Minister (Nicola Sturgeon): Claire Baker is right to say that I know about the good work that Fife Gingerbread does, how important it is and how many families rely on the services that it provides. I do not know all of the details that lie behind the situation that she has outlined, but I will ask the communities secretary to engage with Fife Gingerbread as well as Fife Council to see whether the Scottish Government can provide any further support to ensure that the organisation can continue to do its valuable work. I will also ask the communities secretary to liaise with Claire Baker once we have had the opportunity to do that.

Moray Council (Finances)

John Finnie (Highlands and Islands) (Green): The First Minister will be aware of the perilous financial state of Moray Council. Clearly, the Scottish Government has a role to play here, so will she outline the steps that will be taken to ensure that my constituents enjoy essential council services?

The First Minister (Nicola Sturgeon): Obviously Moray Council is responsible for the decisions that it takes, but with the combination of the draft budget resources that are being provided and, indeed, its own potential with regard to council tax, it will have £4.3 million more in revenue funding in the coming year than it had in the previous financial year. However, as I said in another context to Jackson Carlaw, these are

difficult financial times, and I understand the pressures that local councils, including Moray, are operating under.

As I have said many times in the chamber, we have sought in the draft budget to protect local government as far as we can within the resources that are available to us. We are approaching the next stages of consideration of the budget, and we remain open. I know that discussions have been had with others about whether there are other areas of the budget that we can redirect money from to help councils further, but as I have said before—and it is simply a statement of fact—we have no unallocated money. If we are going to increase the money to local authorities, that money has to come from somewhere else in the budget. I am sure that these discussions will continue over the next couple of weeks.

Age of Criminal Responsibility

3. Willie Rennie (North East Fife) (LD): I support action that works to change the behaviour of young people who get into trouble. I do not support 13-year-olds being branded as criminals for the rest of their lives for mistakes that they make in their childhood. From everything that the Government has said, next week the First Minister will instruct her MSPs to vote against our amendment to the Age of Criminal Responsibility (Scotland) Bill to raise the age of criminal responsibility to 14 years old. Is that true?

The First Minister (Nicola Sturgeon): That is under consideration. As Willie Rennie knows, we have proposed raising the age of criminal responsibility from eight to 12. I know that some across the chamber think that that goes too far and that there are others who think that it should go further, to 14. It is a legitimate debate to have and we will continue to listen to views and to the evidence that is brought forward. In deciding between 12 and 14, there are not just issues of principle but practical issues in terms of the sheer volume of cases that would be affected by the decision. The Deputy First Minister and Cabinet Secretary for Education and Skills is looking carefully at that and the Cabinet and I will continue to look carefully at it, too. Our balanced judgment at the moment is that, at this stage, 12 is the right age, but of course we remain open to hearing views and opinions from Willie Rennie and others.

Willie Rennie: That is incredibly disappointing. The First Minister had better make up her mind pretty soon because the bill will be considered by the Equalities and Human Rights Committee next week.

The Children and Young People's Commissioner Scotland said this week that

“failing children and falling far behind international standards.”

Indeed, Scotland will be behind those bastions of human rights, Russia and China. The United Nations and the European Commissioner for Human Rights have pleaded with the Scottish Government to see sense.

Just last year, Nicola Sturgeon claimed that Scotland would be a world leader on human rights, but the First Minister should know that we cannot lead the world from the back of the pack. Therefore, will she think again? Will she raise the age of criminal responsibility to 14, or will she stand isolated in the world on human rights?

The First Minister: I do not think that Willie Rennie's argument does the issue much justice—pardon the pun. It completely misrepresents and mischaracterises the overall way in which Scotland deals with young people who commit offences. This week, I spent Monday afternoon visiting Kibble secure unit and saw for myself how we deal with young people—some of them there on welfare grounds and some who had committed offences. I was told by the staff there that, in that broader sense, Scotland is seen as a world leader in dealing with young people who offend. The age of criminal responsibility is important, but how we deal with young people in the system overall is what is really important.

On the decision between 12 and 14, I simply point out that when we consulted on the matter, 88 per cent of respondents were in favour of age 12; but we will continue to listen. When the Lord Advocate gave evidence to the committee at stage 2 of the bill, he mentioned one of the considerations that we require to take into account, which is a practical consideration as well as being one of principle: if we are to move to a higher age, we must have confidence that the responses that are available in the children's hearings system are sufficient for any case, even the gravest of cases.

This is an important, serious and, at times, sensitive issue. I appeal to members across the chamber, who have different views in both directions: let us all be grown up about how we deal with these issues and treat them with the respect that they deserve.

Edinburgh Airport (Airport Departure Tax)

Gordon Lindhurst (Lothian) (Con): Edinburgh airport in the region of Lothian is Scotland's busiest airport and, at the weekend, its chief executive called for a cut to air departure tax, which is a policy that the Scottish National Party previously supported. Will the First Minister end the excuses, confirm that the SNP will meet its

manifesto commitment and cut ADT in this parliamentary session?

The First Minister (Nicola Sturgeon): Cutting ADT remains our policy but, as Gordon Lindhurst is aware, we cannot do that right now. Without going into all the technical details, the United Kingdom Government has devolved the matter in an unfit state because of the state aid issues around the Highlands and Islands exemption. We continue to try to persuade the UK Government to work with us to resolve that.

If Gordon Lindhurst wants us to move more quickly, perhaps he could pick up the phone, speak to his colleagues in the Tory Government in Westminster and ask them to get their finger out to help us to resolve it.

EY Brexit Report

Maureen Watt (Aberdeen South and North Kincardine) (SNP): This week, EY's new report showed us that every single one of the Scottish businesses and trade associations that were consulted have concerns over Brexit. They highlighted

"risks to competitiveness, profitability and, in some cases,"

their survival. For the sake of Scottish jobs, is it not high time that the Tories ruled out no deal?

The First Minister (Nicola Sturgeon): The EY study that Maureen Watt refers to was stark, although it should come as no surprise to anyone. Concerns about the implications of Brexit have been long-standing, but they are growing with every day that passes.

There is growing concern about the prospect of no deal, which is a concern that could be removed by the United Kingdom Government, if it decided to take no deal off the table and say that it will not allow the UK to leave the European Union with no deal. Mike Russell and I made that case again when we met the Prime Minister and David Lidington yesterday, but the Prime Minister refused to do it, just as she has refused to listen to any of the concerns that have been expressed in Scotland and more widely.

It is time for no deal to be taken off the table, it is time for a request to extend article 50 and it is time to put the issue back to the electorate, so that people can choose not to have Brexit at all, and so that Scotland and, hopefully, the whole of the UK can stay in the European Union.

Homelessness

James Kelly (Glasgow) (Lab): Glasgow's *Evening Times* has reported that one homeless person a month dies sleeping rough on the city's streets. Last Thursday morning, a young woman who had been living in a tent was found dead in

the Gallowgate. In addition, Glasgow City Council reports that, between October 2017 and October 2018, 47 people with open homeless assessments died.

It is a shocking situation, which should concern Nicola Sturgeon not only as First Minister but as a Glasgow MSP. What action will the Government take in its budget to properly fund homelessness services to put an end to the scandal of people dying on our streets?

The First Minister (Nicola Sturgeon): I agree with James Kelly on this. It is of huge concern to me that anybody in any civilised country dies while sleeping on the streets or being homeless. While there is one person in that position, none of us should tolerate the situation.

In terms of action, James Kelly is aware of the work that we have been doing through the homelessness and rough sleeping taskforce, which has come up with a number of recommendations on tackling the issue. On the question about budgetary steps, we have established the £50 million tackling homelessness fund, which is about tackling the problem in a targeted and direct way. Some of the best experts in the field have been helping us to bring forward the recommendations.

There is a determination on the part of Glasgow City Council and local authorities around the country, backed by the third sector and the Scottish Government, to get to a point at which we eradicate homelessness and rough sleeping. It has no place in any civilised society and, as First Minister, I will not rest on the issue until we get to that point. I hope that we have the support of members across the chamber.

Holocaust Memorial Day

4. Tom Arthur (Renfrewshire South) (SNP): To ask the First Minister how the Scottish Government is marking Holocaust memorial day. (S5F-03010)

The First Minister (Nicola Sturgeon): We must never forget the horrors of the Holocaust and other genocides around the world, which are a stark reminder of the inhumanity and violence that bigotry and intolerance can cause if left unchallenged.

Last year, as I have noted in the chamber before, I joined young people from 89 Scottish schools on a Holocaust Educational Trust visit to Auschwitz-Birkenau. I will never forget what I saw there and I am sure that neither will the young people who were with me. We must never forget what antisemitism can lead to if it is not challenged and why education about tolerance, compassion and respect is so important.

Next week, the Cabinet Secretary for Communities and Local Government will speak at this year's national event to mark international Holocaust memorial day, which will take place in East Renfrewshire. I know that a members' business debate on the subject will take place later today. I also had the honour of signing the Holocaust memorial day book of commitment in Parliament earlier this week.

Tom Arthur: Two of the most important lessons of the Holocaust are about the capacity of human beings to systematically inflict suffering and death on other human beings and about the fact that such actions could take place in what had been regarded as an advanced society.

A third lesson, which the First Minister referred to, is about the consequences of leaving hate and discrimination unchallenged. What began with casual antisemitism, laced with conspiracy theories and pseudo-science, traversed a darkening spectrum of increasing social and economic marginalisation that led ultimately to the factories of death at Chelmno, Majdanek, Treblinka, Belzec, Sobibor and Auschwitz-Birkenau.

As the Holocaust slowly passes from living memory, will the First Minister advise the Parliament on how the Scottish Government will continue to support work to ensure that the memory of the Holocaust is preserved for future generations and that future generations are taught those lessons, which we must never forget?

The First Minister: I thank Tom Arthur for reminding us so eloquently and powerfully of the horrors of the Holocaust and other genocides and for reminding us, particularly in the world that we live in today, of the importance of no one being a bystander in the face of intolerance and hate.

When we stand at the end of the railway line in Birkenau, as many in the chamber have done, we realise powerfully that the Holocaust did not start there; it ended there. It got to that stage because hatred, antisemitism and intolerance were tolerated by many people. As we mark Holocaust memorial day this year, the most important message is that we must not be bystanders.

As the Holocaust passes out of living memory, it is vital that the next generations remember and learn the lessons. Learning about the Holocaust is part of international citizenship education, which is central to curriculum for excellence.

In addition, the Scottish Government supports the Holocaust Educational Trust's lessons from Auschwitz programme, which includes a visit to Auschwitz-Birkenau and aims to increase knowledge and understanding of the Holocaust. I have made a very public commitment to the trust that, as long as I am the First Minister, we will

continue that support. I am sure that all parties are committed to continuing that support long into the future.

Students who participate in the programme become Holocaust ambassadors in their schools and communities, and they do excellent work to keep remembrance alive. In our roles as constituency and regional MSPs, it is important for us all to support those fantastic young ambassadors, who not only keep the memory of the Holocaust alive but help to pass on to the next generation and beyond the message about not tolerating hatred.

Funded Childcare (Partner Providers)

5. **Brian Whittle (South Scotland) (Con):** To ask the First Minister what the Scottish Government is doing to ensure that partner providers are part of a sustainable solution for the roll-out of 1,140 hours of funded childcare. (S5F-03006)

The First Minister (Nicola Sturgeon): I make it clear that we value highly the role of private providers in delivering high-quality and flexible early learning and childcare to families across Scotland. The funding-follows-the-child model empowers parents to access their child's 1,140 hours entitlement from any high-quality setting in the public, private or third sector that meets our new provider-neutral national standard.

We have established a partnership forum to ensure that providers' voices are heard and responded to. In our delivery support plan, which was published in December, we set out a range of actions to help providers to transition to 2020.

The funding deal that we reached with the Convention of Scottish Local Authorities to deliver the expansion secures sustainable and significantly increased funding rates for all providers. That is exactly what providers called for in a recent member survey from the National Day Nurseries Association.

Brian Whittle: I assure the First Minister that Conservative members fully support the principle of increasing support for childcare and recognise the crucial role, which she referred to, that partner providers must play if the policy is to succeed.

I bring to the attention of the First Minister and the Scottish Government the fact that the investment that they have provided for the policy is not in many cases creating collaborative working between councils and partner providers. It has repeatedly been brought to the attention of me and my colleagues that partner providers are being frozen out of the process and valued at a rate that is far lower than that for council-run facilities. The result is that they and after-school care providers are losing key staff to council-run facilities at an

alarming rate. In short, the remuneration that they receive for the excellent service that they continue to provide does not allow them to compete with the salaries that are being paid in the public sector. With that in mind, will the First Minister further commit her Government to ensuring that, as part of the 1,140 hours childcare roll-out, partner providers across all councils are treated fairly? If we lose them, this important policy will fail.

The First Minister: Again, I do not disagree with the substance of the question. I am aware that there are concerns on the part of private providers about the roll-out of the policy and its potential implications for them. That is why we are working through some of the arrangements that I spoke about during my initial answer to make sure that there is proper collaboration between local authorities and providers in the private and third sectors. This policy will be delivered only with the contribution of the different sectors. Maree Todd is leading that work for the Government and she is working hard to ensure that the concerns are understood, recognised and responded to.

The funding agreement with COSLA took a lot of time and negotiation, and involved the Government giving more money than had originally been considered. It includes funding for the payment of sustainable rates to providers from 2020. Hourly rates across the country will increase significantly during the period to 2020. The funding package is underpinned by a shared commitment to paying sustainable rates to providers in the private and third sectors that reflect the cost of delivery. That is an important part of assuring providers in the private sector that they will remain competitive when it comes to attracting staff.

We recognise those concerns and I hope that the member will be assured that a considerable amount of work is being done to recognise those concerns and to respond to them appropriately.

Mary Fee (West Scotland) (Lab): Many private providers in nursery education regrettably cannot match the staffing costs of local authorities. If a partner provider pays the living wage, that could increase the cost of childcare over and above the 1,140 free hours, especially for children who are below the age threshold for a funded placement. What specific steps can the Scottish Government take to stop childcare costs rising in private nurseries as a result of providers paying the living wage?

The First Minister: The funding settlement that we reached with COSLA has a commitment to pay the living wage to staff in any sector who are providing the 1,140 hours. That is an important commitment and it is supported by members from across the chamber.

That commitment will involve an increase in the hourly rates that are paid to private providers. That is inevitably for discussion between individual local authorities and providers in their areas, but the funding settlement envisages that increase in hourly rates in order that private or third sector providers are able to pay the living wage and are being paid at a sustainable level so that they can attract the staff and deliver the quality service that we are asking them to deliver.

I reiterate this point because it is important. It is in everybody's interests for us to take private providers with us on this journey, because the policy will not be delivered without their valuable contribution. We recognise the anxieties and concerns and we will continue to work with providers to address and respond to them in a systematic and patient way. I hope that members take some assurance from that commitment.

European Union Settlement Scheme

6. Pauline McNeill (Glasgow) (Lab): To ask the First Minister what assistance the Scottish Government is giving European Union nationals to apply to the European Union settlement scheme. (S5F-02994)

The First Minister (Nicola Sturgeon): I am pleased that the Prime Minister has—belatedly—seen sense and has accepted our argument that the unfair settled status fee should be scrapped.

We are very clear that we want EU citizens to stay in Scotland. There is still a requirement to apply for settled status, and I do not think that there should be a requirement for people who already have their home in Scotland to apply for the right to stay here. That is grotesque. However, while there is that requirement, the Scottish Government's advice service, which will be delivered in partnership with Citizens Advice Scotland, will help to ensure that EU citizens feel welcomed, supported and valued. In addition, we have funded the EU citizens rights project to deliver outreach and awareness-raising events with EU citizens across the country.

Of course, as I said a moment ago, dropping the fee does not change the fact that the United Kingdom Government is making EU citizens apply to retain their current rights. The Prime Minister's approach to that and to migration generally makes it all the more clear that it is time for this Parliament to have powers over immigration.

Pauline McNeill: I can see that the First Minister agrees with me that the approach of the UK Government to European citizens who have made their home in Scotland and the UK is a slap in the face considering their commitment to the UK. Many of them have lived in Scotland longer than they lived in their country of birth, but the UK

Government does not seem to recognise the rejection that those EU citizens feel.

Jill Rutter, the director of the Britain's Future think tank, says:

"The Home Office must invest in getting the EU settlement scheme right from the start. Failure to do so could cause massive problems in years to come, on a far bigger scale than the Windrush scandal."

In view of that, can the First Minister assure me and the Parliament that everything will be done within the powers that are at her disposal to ensure that those who are hardest to reach—many people will not be documented when the scheme is finished, especially the elderly and those who have language barriers—are able to stay here?

The First Minister: I can give that assurance. Since the day after the Brexit referendum, I have been at pains to say to EU citizens that they are welcome here, that this is their home and that we want them to stay. As far as we can within our limited powers in this area, we will back that rhetoric up with the kind of action that I have spoken about.

I regret deeply the fact that people who have made their homes here—people who consider this to be their home as much as I do or any of us in the chamber does—are being made to apply for the right to stay here. I think that that is awful, and I cannot begin to imagine how that makes an EU national feel.

There is also the practical point—the point that Michael Russell and I made again to the Prime Minister yesterday, although, unfortunately, she did not appear to be listening to it—that we need people to want to come to Scotland to live, work and study here. We need to grow our working-age population. Therefore, as well as the fact that what the UK Government is doing is wrong in principle, it is also practically damaging for Scotland. That is why, as I say, the sooner that we get these matters into our own hands and are able to take decisions in Scotland instead of having these decisions taken at Westminster, the better for all of us.

The Presiding Officer: That concludes First Minister's question time. Before we move to members' business, we will have a brief suspension to allow the galleries to clear.

12:47

Meeting suspended.

12:50

On resuming—

Remembering the Holocaust

The Deputy Presiding Officer (Linda Fabiani): I ask those who are leaving the public gallery to do so quietly.

The next item of business is a members' business debate on motion S5M-15264, in the name of Richard Lyle, on remembering the Holocaust. The debate will be concluded without any question being put.

Motion debated,

That the Parliament recognises that 27 January 2019 is Holocaust Memorial Day; believes that the day is an important opportunity to reflect on the tragedy of the Holocaust and the atrocities committed during the times of Nazi rule in Germany; remembers that approximately 17 million people lost their lives during this dark time with 6 million of those being Jews; considers that the pain, suffering and sorrow that was caused comes from views rooted in hatred and prejudice and perpetrated by those with dangerous thoughts of superiority; acknowledges that it has almost been 70 years since the Holocaust; reiterates its condemnation of the actions of those involved, and supports the victims of this and other genocides throughout recent history; commends all service personnel who fought in defence of liberty, freedom and justice, especially those who paid the ultimate sacrifice, and reiterates its commitment to condemning any antisemitic action or language present today and defending all ethnic groups that are oppressed and persecuted throughout the world.

Richard Lyle (Uddingston and Bellshill) (SNP): Every party in this Parliament, as well as the independent member, has supported this motion on the Holocaust. I thank the vast number of members who signed my motion, enabling the debate to take place, and every member who will speak in it, for their support. It is appreciated.

Today, we commemorate a tragedy of the past, but I believe that the topic is completely relevant to the issues that we face in our world today. The date 30 January 1933 is one that the world should and will never forget. It was the day on which Adolf Hitler became Chancellor of Germany. On his very first day in office, he began his terrible machinations. Eventually, he would have the means to perpetrate the terrible genocide that is known as the Holocaust. Through various stages of persecution, Jews were oppressed by the laws of the countries that they lived in, separated from their loved ones, placed in various types of camps and prisons, and ultimately killed in their millions by horrific and inhumane methods.

I grew up reading of the Jewish people's suffering in "Purnell's History of the Second World War", along with other publications that detailed the tragic history that they have endured. Perhaps no other group has survived more hate and violence than the Jewish people.

Last year, as a member of the cross-party group on building bridges with Israel, I and other members visited Yad Vashem, the world Holocaust remembrance centre, set on the slopes of the Mount of Remembrance on the edge of Jerusalem. Yad Vashem is a solemn place, with its nine chilling galleries of interactive historical displays that detail the Holocaust, using a range of multimedia, including photographs, films, documents, letters, works of art and personal items found in the camps and ghettos. The museum leads into an eerie space that contains more than 3 million names of Holocaust victims. There is a hall of remembrance, where the ashes of the dead are buried, and the avenue of the righteous among the nations, with more than 2,000 trees that were planted in honour of non-Jews who endangered their lives in order to rescue Jews from the Nazis. Although not an emotionally easy museum, Yad Vashem is worth a visit, in order to understand the true scale and impact of the Holocaust. The photographs and displays, and the walk round the gardens, were very emotional, especially when we came upon a railway car that had been used to transport people to their death. I will always remember what I saw on that visit.

I have not yet visited Auschwitz-Birkenau, but I intend to remedy that as soon as I can.

Colleagues, we all know of the atrocities committed during the second world war, when Nazi Germany executed a calculated plan to exterminate the Jews on a scale that one could not imagine in one's darkest dreams. Yet those nightmares became a reality and 6 million Jews and countless millions of other people died simply because they were deemed to be inferior or a problem that needed a solution. To Hitler that indefensible final solution was death.

On January 27 1945, roughly 12 years after Hitler came to power, Auschwitz-Birkenau was freed by the allied forces. What the rescuers saw when they entered the concentration death camp was a horror beyond describing.

What goes through someone's mind to make them desire to exterminate millions of people who are entirely undeserving? As we look back, collectively, we must ask the burning question that is in all our hearts: how could this happen? How could something so evil take place in a civilised, modern society?

I want to emphasise the sorrow and grief that we all share at the tremendous loss of life and at the intense suffering that so many endured. I do not want that to be forgotten in my speech. I also want to speak to humanity as a whole. More than anything, the Holocaust represents a tragedy that is a reminder of humanity and its struggles. On a day such as today, when we mourn the atrocities

of Nazi Germany, it is easy to point fingers and cast blame—and it is deserved blame—but to forget that Hitler was human and that Nazis were people is a mistake that none of us can afford to make. To do so would be to lower our guard at a time when we must be constantly vigilant.

World war two ended and those who were involved in carrying out the Holocaust all faced justice—be it in this life or the next. Let us not be blinded, because although we achieved victory against Nazi Germany, we have not defeated human evil. To this day, dangerous people still seek to spread death and destruction. Tragically, only a few months ago, a shooting at a synagogue in Philadelphia resulted in the deaths of 11 people.

Countless atrocities are being committed against a multitude of people and groups. Oppressed peoples suffer persecution, torture, displacement and murder in places around the world. Since the Holocaust, there has been genocide in Cambodia, Rwanda, Bosnia and Darfur.

Persecution and discrimination have no place in our communities, because they defy everything that a free and democratic society stands for. We have the power to live productive and moral lives and to oppose those who choose to do the opposite. We have the power to give charitably to those in need across the world. We must stand together and say "Welcome" to those who are discriminated against and persecuted. We should learn to live with one another in peace—what a happy day that would be.

Members of this Parliament cannot stand idly by and watch the vulnerable suffer. We must all recognise that it does not matter what religion we follow, what country we live in, where our parents were born or what language we speak. A crime against humanity affects us all. Unity among the human race on common decency and respect is a necessity in our modern era.

I thank all the members who will speak in the debate today. Their words will mean a lot to many people. I reiterate that we must all recognise that we have the power to choose how we live and how we respond to other lifestyles and decisions.

On a day such as today, we clearly see that mistakes that were made by so many people resulted in millions of lives being lost. The past is sometimes a place of regret and sorrow, but it can also be a teacher unlike any other. The failures and triumphs of the past are a fantastic guidebook for us on how we should live our lives.

Today is meant to honour those who suffered and died in the Holocaust. I commend all those who fought to end the Holocaust. We must continue to combat antisemitism and

discrimination in all its forms, on each and every occasion.

The Deputy Presiding Officer: A lot of members want to speak in the open debate, so I ask members not to go over their normal slot of four minutes.

12:58

Adam Tomkins (Glasgow) (Con): I thank Richard Lyle for bringing this debate to the Parliament. I also thank Kezia Dugdale for hosting the beautiful and moving memorial to the Holocaust that was in the garden lobby earlier this week.

“With the absurd precision to which we later had to accustom ourselves, the Germans held the roll-call. At the end the officer asked ‘Wieviel Stück?’ ... The corporal saluted smartly and replied that there were six hundred and fifty ‘pieces’ and that all was in order. They then loaded us on to the buses and took us to the station ... Here the train was waiting for us ... Here we received the first blows: and it was so new and senseless that we felt no pain, neither in body nor in spirit. Only a profound amazement: how can one hit a man without anger?”

There were twelve goods wagons for six hundred and fifty men; in mine we were only forty-five, but it was a small wagon. Here then, before our very eyes, under our very feet, was one of those notorious transport trains, those which never return, and of which, shuddering and always a little incredulous, we had so often heard speak. Exactly like this, detail for detail: goods wagons closed from the outside, with men, women and children pressed together without pity, like cheap merchandise, for a journey towards nothingness, a journey down there, towards the bottom. This time it is us who are inside.”

Those words are from the opening chapter of Primo Levi’s autobiographical account of the Holocaust, “If This Is A Man”. In the middle of that passage Primo Levi asks a hauntingly simple question:

“how can one hit a man without anger?”

As I said in last year’s debate on Holocaust memorial day, the Holocaust happened because, not very long ago, in the heart of Europe, it was the policy of the Government of a leading European country to eliminate the Jewish people from the face of the earth. Yet the Nazis were not angry with the Jews: the brutality, the beatings, the mass murder and the killing on an industrial scale did not happen because anyone had cause to be angry; they happened because of cold, calculated hatred.

Every year, reflecting on the Holocaust and its legacy, I find myself coming back to the same phrases and even to the same basic thoughts. On the one hand, the Holocaust was unique. Yes, there have been other genocides, but there has been only one Holocaust—only one programme of systematic death so comprehensive in its scale and so audacious in its evil ambition that a whole

new country had to be found to give a dispersed and fractured people a home. On the other hand, what strikes one about the Holocaust is also what Hannah Arendt infamously called its “banality”. They were just trains—just ordinary goods wagons, with the goods counted on and counted off, and taken on a journey. To think of it, one shudders, but is always a little incredulous.

That is what hatred can do. Hatred does not create monsters. Monsters are extraordinary and instantly stand out from the crowd. We can see them a mile off and they are very rare. Hatred does not create monsters, but it does allow ordinary men and women to commit terrible acts as if they were the most mundane, quotidian of tasks: just loading goods on to a train.

Arendt coined her notorious phrase “the banality of evil” in her report of Eichmann’s trial for *The New Yorker*. The great Canadian singer-songwriter Leonard Cohen captured her meaning in his poem “All there is to know about Adolf Eichmann”, which I will read—it is very short.

“EYES: Medium
HAIR: Medium
WEIGHT: Medium
HEIGHT: Medium
DISTINGUISHING FEATURES: None
NUMBER OF FINGERS: Ten
NUMBER OF TOES: Ten
INTELLIGENCE: Medium

What did you expect?
Talons?
Oversize incisors?
Green saliva?
Madness?”

The Holocaust was not mad; it was calculated. It was committed not in a frenzy of anger and emotion but in a climate of cold-headed hatred. There is plenty of room in politics for emotion, for frenzy and even for anger, but not for hatred. Yes, we here disagree on many matters, and those disagreements may make us angry from time to time, but let there be no room here or anywhere else in political life for hatred. Let that, for us, be the lesson of the Holocaust.

13:03

Tom Arthur (Renfrewshire South) (SNP): I thank my colleague Richard Lyle for securing the debate and for an excellent speech. I also put on record my deep appreciation for the remarks that Adam Tomkins made in what I thought was an absolutely superb speech—one of the finest that I have heard since my election to the Parliament.

The points that both Richard Lyle and Adam Tomkins have touched on get to the central question that we still ask ourselves. How? How could it happen?

The diagnosis of “banality” that was made by Hannah Arendt as she covered the Eichmann trial during the early 1960s—which was effectively summarised by Leonard Cohen in his poem “All there is to know about Adolf Eichmann”—remains the most pertinent. Similarly pertinent is the quote from Primo Levi, “Wieviel Stück?”, that word “Stück” meaning “piece”.

Hatred is perhaps not positive; it is an absence of empathy. One of the most chilling facts about the Holocaust was the decision to use carbon monoxide and Zyklon B gas in the extermination. During the early phase of the killings in the occupied territories of the east, as the Wehrmacht advanced, SS Einsatzgruppen would follow up behind, killing, shooting and massacring, such as happened at Babi Yar in Ukraine. However, it was determined that using gas would be more humane—not for the victims, but for the perpetrators. Using gas, of course, became possible and the methodology was seized on. Before its systematic attempt to eliminate the Jewish population of Europe, the German Government had been using gas—carbon monoxide—to eliminate the disabled and the infirm.

At the start of his speech, Richard Lyle made the point that all this started on 30 January 1933. I am currently reading one of the great pieces of literature to have emerged from the Holocaust—the diaries of Victor Klemperer, who was a professor of philology and romance languages in Dresden. Among observations on his own life and on many of the prosaic goings-on that characterised the life of any middle-class German professor, he meticulously noted the slow strangulation and asphyxiation of liberty, civil rights and status—the marginalisation—that took place.

Although we rightly focus our attention on the events that took place towards the end in the extermination camps—those events are rightfully pre-eminent in our memories—a process of psychological torture preceded that. It is difficult for anyone to try to contemplate what it must have been like for somebody to say that they were a German, only to be told that they were not.

We have spoken so far about the lesson that allowing hate to be tolerated, acceptable or seen as something that can be permitted in moderation is a great folly. As both Richard Lyle and Adam Tomkins said, the greatest mistake that we can make is to look on the Nazis and the crimes that they committed as the acts of monsters. They were cool, clinical and rational. The most chilling story that I have ever heard—it is very difficult to speak about—comes from the extermination of the Hungarian Jews. The Nazis were carrying out murders on such a scale that the crematoria at

Auschwitz could not cope, so cremation pits were dug. The testimony of a surviving Sonderkommando member—one of the Jews who were forced to work in the gas chambers and crematoria—tells of two Hungarian sisters and their friend. They knew what was going to happen. They said to an SS guard that they would like to die together and asked him to shoot them together. Laughing and chuckling and saying that he would be happy to oblige, the SS guard lined the three of them up and shot. The bullet went through one, two—and the three of them collapsed. The bodies were then thrown into a cremation pit and the screaming began, because one of them had not been shot—and the SS guard laughed; he thought that that was hilarious.

To know that that happened in living memory, in one of the most advanced civilisations in the world, is a lesson for us all. That is what human beings are capable of. It was not some aberration; it was the end of a cold, clinical and—for them—logical process. We must remember that.

I agree with Adam Tomkins that, whatever our political differences in the Scottish Parliament, while we can say yes to anger and passion, we must never—ever—say yes to hate.

13:10

Alex Rowley (Mid Scotland and Fife) (Lab): I, too, thank Richard Lyle for lodging the motion for debate.

From a very early age, I learned about what had happened to the Jews during the second world war, because my mum regularly talked about the war and what had happened. However, she was never able to explain to me how a group of human beings could murder other human beings on an industrial scale. I do not think that that has ever been explained.

I was in Auschwitz last Easter and it was a chilling visit that remains in my mind every day. I asked the excellent guide how the Holocaust could have happened. Her answer was similar to what Tom Arthur said—it was about how hate, antisemitism, racism and false news can spread so that people start to believe it. That is why it is right and proper that we always call out hate, racism and antisemitism, wherever they exist. Similarly, we must call out fake news.

The other point that the guide made that day was that when Hitler came to power he initially wanted to expel many of the Jews from Germany, but the problem was that other countries would not take them as refugees. That reminded me of the story of the MS St Louis, a German ocean liner that set off in 1939 with more than 900 Jews on board. It tried to dock in Cuba, then America and then Canada, but none of those nations would

allow the refugees to enter their country. Historians estimate that a quarter of the people who were on board died in extermination camps once they had gone back to Europe.

The important point about Holocaust memorial day is that we should learn from history. We should not only learn about how such an awful, terrible thing could be done by human beings to other human beings; we should also learn from what happened.

The theme of this year's memorial day is "Torn from home". It is estimated that 50 million people across the world have been displaced. We see people fleeing horrendous violence and the threat of death in Syria, yet they find it difficult to find countries to take them in. While we condemn the Holocaust, we must remember that, as Richard Lyle said, similar things are happening today across the world, in Cambodia, Rwanda, Bosnia and Darfur. Let us not forget countries that are so poverty stricken that the people there are starving to death and are unable to flee, such as Yemen.

It is important to remember the horrors so that they can never happen again, but we must be aware that many such things continue to happen. It is important that we address that.

When I went on a tour of Kraków, the guide took me to the Jewish quarter. Tens of thousands of Jewish people were moved out of the quarter and into a ghetto. Most of them ended up in extermination camps and died. No one stood up for them. Why did that happen?

There are lessons to learn, but anyone who thinks that we do not have such threats today needs to think again. Let us remember that.

I conclude by congratulating the Scottish Government and local government on the fact that our schools are at the forefront of ensuring that our young people learn exactly what happened in the second world war. I hope that education will address the problem and prevent anything like that happening in the future.

The Deputy Presiding Officer: Before I call Gillian Martin, I point out that there are still a number of members who wish to speak in the debate, so I am happy to accept a motion to extend the debate by up to 30 minutes.

Motion moved,

That, under Rule 8.14.3, the debate be extended by up to 30 minutes.—[Richard Lyle]

Motion agreed to.

The Deputy Presiding Officer: I understand that there is so much to say in this debate and I have been generous so far with timings. However, I am starting to get a bit concerned that we will overrun and that I will have to cut someone out. I

really do not want to do that so I ask the remaining speakers to please be mindful of time. Thank you.

13:16

Gillian Martin (Aberdeenshire East) (SNP): I thank Richard Lyle for securing this important debate. In the midst of inconceivable horror, when we could lose our faith in humanity as we listen to terrible accounts of human beings behaving in what are often described as inhuman ways, heroes and examples of the best in humanity can emerge.

This Tuesday, in the garden lobby of the Parliament, I sat transfixed, along with many others here, as I listened to the account of Holocaust survivor Janine Webber. That is the first time, to my knowledge, that I have been in the same room as someone who survived the Holocaust. Janine is now in her 80s and is still with us only because of the brave people who risked their lives to help the young Jewish girl in Poland that she was then. She is here because of the love that trumped hatred.

I want to use the rest of my time to tell the story of another person who exhibited the best of humanity when all around him people were contemplating and committing atrocities. His name was Dr Janusz Korczak and he was a paediatrician, journalist and children's author.

After serving as a military doctor, he decided that the best use of his time was as an educator of children. Along with his fellow educator Stefa Wilczyńska, he founded his orphanage in Warsaw for Jewish children, which was called Dom Sierot.

Dr Korczak was an educational pioneer whose philosophy of teaching was decades ahead of his time. There was a focus on making children independent and confident, learning outdoors and learning through discussion and dialogue, never by rote. He gave those children a chance to thrive. His orphanage even had its own children's parliament, where the children were empowered to make decisions. They had their own newspaper, where they could express their views, and their own court, where they could exhibit and learn the value of justice and taking responsibility.

Then, as we know only too well, the Nazis came to Poland, and Korczak's work became about the protection and survival of those children. The number of children he took in at the orphanage increased as children lost their parents at the hands of the Nazis. In 1940, as Warsaw's Jews were forced into the ghetto, Korczak's orphanage moved there, too. Korczak went with his children despite the Nazis repeatedly offering him the chance to stay on what they called "the Aryan side".

On 5 August 1942, Dr Korczak, Stefa and the 12 remaining orphanage staff boarded the train to Treblinka with their 200 children. We all know that no one ever came back from Treblinka. Korczak was with the children to the end, comforting them and protecting them until he could not.

I encourage everyone to seek out the film "Korczak", which was directed by the incredible Polish director Andrzej Wajda, because there is so much more to the story that I do not have time to tell here.

Alongside the accounts of horrors and hatred, which we must tell forever as a warning from history—I pay particular tribute to Alex Rowley who talked about that warning from history and said that we have a responsibility to never, ever turn away anyone who needs our help—there are the Janusz Korczaks and the Stefa Wilczyńskas, whose stories of courage and love we must never forget. There are the stories told by Janine Webber of her aunt, who saved her life, and of the Pole who harboured 14 Jews in Warsaw when all around them, people were being put into wagons and taken to Treblinka. Alongside those horrors, there are stories of love that we must never forget. In the midst of hatred, the stories of love shine through.

13:20

Ross Greer (West Scotland) (Green): Like my colleagues, I am grateful for this annual opportunity to mark Holocaust memorial day in Parliament, and I am grateful to Richard Lyle for having ensured that we have that opportunity again this year.

In the year since we last held this debate, we have seen yet more events that throw into question whether Europe and the wider world has learned from history's worst atrocity. Antisemitism might be a more visible issue today than it was a few years ago, but that is not because it is being rooted out. Whether we are talking about the actions of Governments such as in Hungary and Poland or individuals and hate groups—including those in the UK and Scotland—we cannot underestimate the very real threat that hatred still poses to all of us, but which disproportionately threatens already-oppressed communities such as our Jewish friends and family.

In the past week, *The Ferret*—the blog of Scotland's investigation collective—has found that an extremist antisemitic and fascist organisation plans to infiltrate our community councils. The group is modelled on Oswald Mosley's pro-Nazi fascist organisation from a few decades ago.

MI5 has now taken on the role of leading the fight against extremist far-right groups in the UK because the threat that they pose has grown

significantly in a short space of time. Many of those groups and individuals might appear ridiculous and utterly marginalised. However, they are only marginalised until they are not, exactly as the Nazi party was: in a very short space of time it went from being a political party that could barely muster 1 per cent of the vote to taking absolute control of its country.

We should not for a second treat Holocaust memorial day as an opportunity only to remember. It is an opportunity to remind ourselves of the horrors that were allowed to happen on our continent within living memory, and to recommit ourselves to stopping them from happening again.

Like Gillian Martin and a number of other members, I have had the privilege of meeting and talking to survivors of the Holocaust. I was acutely aware that, in the future, very few people will be able to say that. We are one of the last generations that will be able to say that, within living memory, we have been able to connect with the people who survived that atrocity.

I will focus on one particular anniversary this afternoon. In the year since our most recent Holocaust memorial event, the world marked—all too quietly—the 75th anniversary of the Warsaw ghetto uprising. By the spring of 1943, some 400,000 Jewish Warsaw residents had been forced into a ghetto of 3.5km². Thirty per cent of the city's population was forced into 2.5 per cent of its area, with not nearly enough food, thousands of people dying from starvation, and more than seven people to every room.

From October 1941, the occupying Germans issued a decree that any Jew caught outside the ghetto should be executed. At around the same time, stories of the mass execution of Jews by the Nazis and their collaborators reached the ghetto, and a number of young people began to organise for its defence. From the summer of 1942, the Nazis started the extermination of Warsaw's Jews. Every day, 6,000 people were to be sent to the extermination camps. The first group was sent to die on 22 July 1942, the eve of the Jewish holiday of Tisha B'Av, the saddest day of Jewish history. By mid-September, 300,000 of the ghetto's 400,000 residents had been murdered. In that same month, the Jewish resistance managed to secure a small number of arms and explosives from the Polish home army, which the resistance supplemented with home-made grenades. However, like many Jewish resistance groups across the continent, it was not supported by other anti-Nazi resistance groups. To the eternal shame of most of Europe's resistance movements, their own antisemitism cost the lives of many Jews.

In January 1943, the Nazis resumed the liquidation of the ghetto, and the resistance started. Its first action was to attack German

troops that were moving a group of Jews to the extermination camps. Most of the dozen fighters who were involved died, but many of the people who had been set to be murdered in Treblinka were able to escape. The commander of that operation and the overall leader of the uprising was 24-year-old Mordechai Anielewicz. Anielewicz's resistance leadership then began preparing for the inevitable all-out assault on the ghetto. The 1,000 fighters of the ghetto—men, women and children—had no expectation that they would win. They were entirely surrounded, they had limited weapons and equipment, and there was no prospect of rescue. In their own words, their resistance was, “for the honour of the Jewish people”, to inspire Jews across occupied Europe to resist and to protest the world's silence at their extermination.

Their uprising began on 19 April 1943, when 850 Nazi soldiers and a tank entered the ghetto to burn it down block by block. They were driven back by the Jewish fighters. In a symbolic moment, stories of which spread across Europe, two boys raised Polish and Jewish flags from the roof of a building, causing Himmler to bellow at his Warsaw commander that he must bring them down.

Instead of fighting the entrenched and fearless defenders, the Nazis used artillery, flame-throwers and poison gas to burn them out. Anielewicz and his commanders died in their bunker with some 300 others. Resistance lasted for weeks, with fighters disappearing and reappearing from the sewers and their tunnel network. Eventually, the ghetto was levelled. A small number of fighters and civilians made it out to continue their resistance, a handful of whom are still alive today.

In total, some 400,000 ghetto residents were murdered by May 1943, but those 1,000 fighters, who were largely young people led by someone who was the same age as I am today, made the Nazis pay for what they were trying to do. Their story is one that many people have nothing more than passing knowledge of; many more have never heard of it at all. It is a story of people in the most desperate circumstances who, facing certain death, chose to resist the evil surrounding them until their final moments. I think that it is a story worth remembering.

13:25

Annabelle Ewing (Cowdenbeath) (SNP): I am very pleased to have been called to speak in this year's debate to mark Holocaust memorial day, and I, too, congratulate my colleague Richard Lyle on securing the debate. The importance that members across the chamber attach to it is evident from the number of members who wish to make speeches.

On the 74th anniversary of the liberation of Auschwitz-Birkenau, it is vital that we continue to bear witness to the 6 million Jews who were murdered by the Nazis. We must do so not only in memory of those who were murdered, but to ensure that we are always vigilant and that such state-sanctioned, clinical, calculated mass extermination never happens again. Sadly, the world has seen genocide since the end of the second world war, but our efforts to promote mutual respect and understanding must not falter; rather, they must be redoubled.

I, too, have visited Auschwitz. My visit was in the summer of 1982, when I was a young postgraduate student studying international relations at the Johns Hopkins University's Bologna centre, which had an exchange programme with the Jagiellonian University in Kraków. As part of our visit to Kraków, we had the opportunity to go to Auschwitz.

I remember my visit as if it were yesterday—as is the case for other members, it is etched on my memory. I remember walking up to the gates of what had been the labour camp at Auschwitz, which beckoned people with the words “Arbeit macht frei”. I remember, too, the smiling faces of the young twins in photographs that covered an entire wall—photographs that broke your heart—which were taken before the grotesque experiments of the butcher Josef Mengele. I remember the shoes and the industrial-scale ovens in Birkenau. I also remember the train tracks that came right into the death camp. I remember asking myself how it was possible that ordinary people—people like you and me, Presiding Officer—could be in Paris or Amsterdam one day and then be taken like cattle on trains from the centre of those grand, civilised European cities to end up in Auschwitz-Birkenau. I also remember asking myself how it could be that Europe had descended into such obscenity.

However, in the midst of such obscenities, as we have heard, there were many heroes. One such heroine I would like to pay tribute to today is Irena Sendler. Irena Sendler was a young Polish social worker who had a permit that gave her access to the Warsaw ghetto. What she saw there led her to smuggle food, medicine and supplies into the ghetto and to smuggle children out of it. In fact, over a period of some four years, she saved 2,500 children. I will repeat that: 2,500 children were saved by Irena Sendler. In 1943, she was finally caught by the Gestapo. Although she was brutally tortured, she did not give up the whereabouts of a single child. She was sentenced to death but, miraculously, she managed to escape. She later said of that time:

“Heroes do extraordinary things. What I did was not an extraordinary thing. It was normal.”

How the world could have done with many more Irena Sendlers, for she was, indeed, a real heroine who did exceptionally extraordinary things. I bear witness.

13:29

Oliver Mundell (Dumfriesshire) (Con): It is a privilege to take part in today's Holocaust memorial day debate, and I join other members in thanking Richard Lyle for lodging the motion.

There have been some exceptional speeches this afternoon. I found it extremely difficult to decide what to say, because, although there is a whole lot that can be said, in some senses there is not a lot to say. When I speak on this topic, I am conscious of the deafening silence from the millions upon millions of voices and souls who are not here to tell us their story and whose offspring are not here to contribute to our society and our world.

In that context, it is hard to understand the hatred in the minds of others. Nevertheless, we can never forget the cost of division and discrimination or, ultimately, the attempted annihilation of a people, their culture and their values—and, of course, those individual lives. Most of all, the Holocaust is a reminder that we cannot let our common humanity be challenged or divided, because it is indivisible. It reminds us that, despite living in a fractious world that, all too often, focuses on the narrowness of difference, we are all human beings of equal worth and value, and it is incumbent on each and every one of us to do what we can to make the world a better place and make room for others.

This year, I remember in particular George Brady, the brother of Hana Brady, who was himself a Holocaust survivor. I feel exceptionally lucky and privileged to have met George here, in Edinburgh, at the international film festival during a showing of "Inside Hana's Suitcase"—a film that I thoroughly recommend to other members and anyone who wants to understand both the tragic and, at times, the very random nature of Nazi death camps. I still remember how remarkable George was when he spoke with a very philosophical view of life and a great appreciation of the time that he had had with his family. I also remember, though, his real anger, his struggle to comprehend what had happened to his sister and parents, and the complete disconnect that he felt with his early life.

What was perhaps most surprising was that, in that anger, there was no bitterness or hatred; instead, there was a real determination to ensure that life was valued, respected and cherished—and, above all else, that that message was passed on to the next generation. George was determined

to ensure that the memories of those who were lost live on in our hearts and minds.

George died this month, on 11 January. It was a sad loss to the survivor community and another reminder to all of us of the passage of time. As other members have said, rather than making these debates and the commemorations less important, the loss of those who bore first-hand witness to the horrors of the Holocaust makes them all the more important. It is our solemn duty to remember, and I am pleased that the Parliament and the country continue to do so.

I will close by highlighting a point that a Jewish friend of mine who teaches in London often makes to the five-year-olds in her class. It is important because it gets right to the heart of these issues. She says that discrimination, intolerance, bullying and antisemitism always start with one. If we remember that fact and ensure that we are not the one who starts such behaviour by targeting another and, importantly, not the one who stands by and allows such behaviour to go unchallenged, we can each play our part in making sure that those terrible acts do not happen on our watch.

Together we have a huge responsibility, and together we must create the world that we want to see.

13:34

Emma Harper (South Scotland) (SNP): I thank Richard Lyle for bringing this important debate to the chamber and commend members for all the powerful speeches that we have heard so far. Holocaust memorial day, which is on 27 January, provides, as the motion states,

"an important opportunity to reflect on the tragedy of the Holocaust and the atrocities committed".

It is extremely important that young people have the opportunity to visit the sites of the concentration camps and experience for themselves what, for me, was reflected only in school history books. I therefore recognise the work of the Holocaust Educational Trust and its continued commitment to supporting our young people's education. Last year, I heard directly from two students from Maxwelltown high school in Lochside, Dumfries, about their profound memory-evoking experience of their visit to Auschwitz-Birkenau. My nephew is preparing for his own school trip, and he and I will be having a wee discussion about what he expects to see.

The conversations with these young folks made me remember how, when I lived and worked in Los Angeles, I visited the Museum of Tolerance, which is a multimedia museum designed to examine racism and prejudice around the world, with a specific focus on the history of the Holocaust. This thought-provoking place is visited

by residents, students and tourists alike, and, when I checked its visitor numbers ahead of the debate, I found them to be in the millions. The message that is being taught there is, as Adam Tomkins and Tom Arthur powerfully highlighted, a message against hate.

I will share with members an experience that gave me a physical connection with the Holocaust. I was a recent arrival—an economic migrant—in Los Angeles and, one day, I was in the operating room, about to assist a surgeon with taking the gall bladder out of a 76-year-old patient. The woman, who was of German origin, had been resident in LA for 50 years. She was very frightened of her surgery and of being put under anaesthesia, and I reassured her that we would look after her and keep her safe. I held her hand, and, when I looked down, I saw her outstretched forearm on the surgical arm-board. On it was scribed—or written—a pale grey set of numbers: 162 753. I do not know whether those are the exact numbers, but I definitely remember that they made me feel shock, anger and compassion all at once in a quick flood of emotion—and they still do today. What are burned in my memory are that pale grey tattoo, the significance of those numbers and the rush of emotions that overwhelmed me.

I was 26 years old when I looked after that lady, and I thought about how, when she was 26, she was there—and she was a survivor. The numbers that had been rudely forced on to her pale skin had made a permanent lifelong mark, but, more important, she had survived the horrors and nightmares of Auschwitz. That insensitive—indeed, inhuman—imprint on that woman has been part of my own memories for 25 years.

The visits that the weans are making and my memories of that survivor have contributed to my continuing to care for other victims of oppression across this planet. Tolerance, respect and a' that are what are needed. As we recite and remember the words of Robert Burns tomorrow, two days ahead of Holocaust memorial day, we must remember

“That Man to Man, the world o'er,
Shall brothers”—

and sisters—

“be for a' that.”

13:38

Pauline McNeill (Glasgow) (Lab): I thank Richard Lyle for his striking speech, and I thank my colleagues Adam Tomkins, Tom Arthur and Emma Harper, from whom we have just heard, for their own exceptionally striking speeches.

What I have to say is nothing particularly new that has not been covered, but I would like to say it

anyway. It is to my shame that it has taken me until this stage in my life to visit Auschwitz-Birkenau, in Poland, but I did so on the very last day of 2018. I have read what most people have read about the Holocaust and the death camps, but, as Annabelle Ewing, Alex Rowley and others have said, it does not prepare anyone for the sheer scale of Auschwitz.

When people arrive, the guide will ask them not to take photographs in certain areas. One such area is where they will see the personal effects of those who perished—heaps of their shoes, cases and personal belongings. Those are very sharp and pointed messages that each of those women, children and men was an individual with their own story of how they got to that dreadful place.

Accounts from brave survivors who escaped to tell the world their stories are everything to us because, without them, we could not begin to get our heads around the horror of what happened. How it could happen at all is the imperative question for any person who is interested in truly ensuring that it could never happen again. That is why the Holocaust Memorial Trust is a vital organisation. Its purpose is to remind us not only of the 6 million Jews who were brutally murdered but of how that could have been allowed to happen in the first place.

The world will mark this day: the anniversary of the liberation of the Auschwitz Nazi death camp, where well over 1 million people were murdered. The Holocaust, undoubtedly the world's darkest moment, began in 1941 and lasted to the end of the war, in 1945. It was genocide motivated by antisemitism—the demonisation of a race—and pure, unadulterated evil. The Holocaust is a human story of what was perpetrated by human beings while other human beings tolerated it. It is about the worst of mankind.

Around 6 million Jews—about a third of the world's Jewish population—were murdered in the Holocaust. There were other victims, too: Roma, ethnic Serbs, Poles and gay people were among those who were also murdered. It is clear that even democracy itself is not enough to prevent such evil if it is not resisted and people do not question what they hear, allowing their minds instead to be swayed by demonisation, prejudice and hatred of others. Sometimes the sin of doing nothing is the deadliest sin of all. John Stuart Mill, the British philosopher and political theorist, said:

“Let not any one pacify his conscience by the delusion that he can do no harm if he takes no part, and forms no opinion. Bad men need nothing more to compass their ends, than that good men should look on and do nothing.”

The Holocaust Memorial Trust's theme this year is “Torn from home”, which is appropriate in 2019. Conflict in some areas of the world is man made. The United Nations recorded that, in a period of

just over three months from April 1994, more than 800,000 people were brutally slaughtered by their fellow citizens in Rwanda. Former United States President Bill Clinton has called Rwanda one of the greatest regrets of his presidency. He believes that, had the US intervened earlier, around 300,000 people might have been saved.

It is particularly alarming to see a new political trend sweeping through Europe: the rise of far-right and populist-right parties. We must consider the impact on people who are torn from their homes because of conflict. Their way of life is unimaginable to us, as we have not been through it, but we should consider it for one minute.

I think that all members of the Parliament would agree that refugees are welcome here. As politicians, we must remember the Holocaust. We must do our duty and speak up against injustice, evil, racism and antisemitism wherever they arise. We must hope that never again will mankind allow to prevail any such conditions that any people must endure as their fate. May we be blessed with the memories of the Jewish survivors as we remember the Holocaust and as we try to do all that we can to ensure that such an event will never happen again anywhere in the world.

13:43

Stuart McMillan (Greenock and Inverclyde) (SNP): I congratulate my colleague Richard Lyle on securing this important annual debate. I also thank the Holocaust Memorial Trust for its extremely powerful and thought-provoking event in the Parliament on Tuesday evening, to which other members have already referred. Listening to Janine Webber was a privilege but also a stark reminder of man's inhumanity to man, woman and child.

Our annual debates on Holocaust memorial day are absolutely necessary, and I have spoken in a few of them in the past. I did not do so last year but wanted to add my voice again this year. Colleagues from across the chamber have already spoken eloquently and powerfully about how important the debate is, and about their various experiences. I visited Auschwitz in 1999, when I was doing an InterRail trip around Europe.

Walking in under the "Arbeit macht frei" gates was daunting, but what really struck me was that, when I had been there for only a second or two, the first language that I heard was German, from visiting German schoolchildren. I was slightly unnerved for an instant but then realised that that was the right thing to see and hear. Education is so important to learn the lessons from the past.

The Holocaust memorial day website includes the wording

"learning from genocide for a better future".

It is such a simple message, but it is so important. I mentioned Janine Webber a few moments ago. Janine Webber was a genuine inspiration with her love for life and her thanks to the people who helped her in the past. Anytime she spoke about how a Nazi guard came to where she was staying and shot her seven-year-old brother but left her to live, you could tell that she would never get over that.

At the Holocaust memorial day event on Tuesday evening, we also heard from the Very Rev Dr Lorna Hood from Remembering Srebrenica Scotland. Dr Hood reminded everyone of the quote from the American philosopher George Santayana:

"Those who cannot remember the past are condemned to repeat it."

We have heard today from colleagues about what is going on in society today and about the people they have spoken to who are seeking asylum, who are refugees and who are fleeing persecution and trying to get a better life. We have to stand up to help. As a society and as a country, we have to be prepared to help those who need that help.

Political developments around the world certainly indicate that there is a growing sense in many countries of blaming the outsider for many of the things that are taking place. That is not a new notion but, unfortunately, that history has repeated itself time and again, only with a different outsider. In the past in Scotland, it would have been Irish Catholics or Italians. Now, people are blaming others because their skin colour is different or they are fleeing somewhere to get a better life here. Scots have done the same thing for centuries—they have left to get a better life somewhere else.

I will close because I am conscious of time. On 12 June last year, I was privileged to listen to two of my constituents, Megan Quinn and Rhys Lambert, deliver time for reflection—12 June is the date of Anne Frank's birthday. Megan and Rhys are students at St Columba's high school in Gourock who were doing a project with the Anne Frank Trust. Working with the trust has shown their dedication and the dedication of the school to learn and to teach others about the absolute misery and man's inhumanity to man that the Holocaust delivered.

The Deputy Presiding Officer: I ask Aileen Campbell to respond to the debate.

13:48

The Cabinet Secretary for Communities and Local Government (Aileen Campbell): How long do I have?

The Deputy Presiding Officer: Just like everyone else, take as long as you like, cabinet secretary.

Aileen Campbell: Like other members across the chamber, I thank Richard Lyle for lodging the motion, for speaking so movingly to it and for highlighting the significance of Holocaust memorial day.

I think that everyone would agree that it has been a powerful, moving and emotional debate, and I thank all who have contributed. Even if members did not think that they had something different to offer, everyone's voices have added and contributed hugely and immensely to the debate.

International Holocaust memorial day provides an important moment for us all to gather and to reflect collectively on the terrible events of the Holocaust, and the millions of people who were murdered. It is also an opportunity to remember the courage and bravery shown by all of those who fought for liberty, freedom and justice, some of whom, sadly, paid with their lives.

I highlight, in particular, Annabelle Ewing's speech about Irena Sendler, who was clearly a remarkable, inspiring and brave woman, and I am glad that Annabelle Ewing had the opportunity to pay tribute to what Irena Sendler did and to her legacy.

As well as the unspeakable persecution by the Nazis of the Jewish community, we must remember their persecution of gay people, disabled people and anybody else who was viewed as different. As others have said, it is estimated that as many as 1 million Gypsies and Roma people were also murdered by the Nazi regime.

We must never forget the horrors of the Holocaust and of other genocides around the world, which are a stark reminder of the inhumanity and violence that bigotry and intolerance can cause if they are left unchallenged. On that, Adam Tomkins is absolutely right. He powerfully expressed the idea that the Holocaust was calculated, systematic and motivated by hate. Adam Tomkins, Richard Lyle, Tom Arthur and others were correct that there is room in politics for passion and anger but there must never be any room for hatred. As we remember and reflect on that, action and leadership are required by all politicians so that we lead by example in our discourse and conduct. I think that we are all united on all those issues.

Sadly, the Holocaust and the remembrance that followed have not spelled the end of hatred. As others have mentioned, this year marks the 25th anniversary of the Rwandan genocide and the 40th anniversary of the end of the genocide in

Cambodia. Last year marked the 25th anniversary of the start of the atrocities in northern Bosnia.

Atrocious human rights violations are still happening in the world right now. In Darfur, in Sudan, millions of people are being forced to flee their homes because they face the threat of horrific violence and persecution. Last year, the dreadful attack at the Tree of Life synagogue in Pittsburgh saw an ordinary day of worship turned into a day of fear that was felt around the world.

The debate has coalesced around a strong, united—and, in many ways, simple—message: we must not be complacent in the face of discrimination, racism and hatred. We must take action to tackle hatred and intolerance and to promote the positive vision of the society that we aspire to be. The message about never being complacent was delivered strongly by Ross Greer.

In part, that is why each year we work in partnership with the Holocaust Memorial Day Trust and Interfaith Scotland to deliver Scotland's national Holocaust memorial day event. This year, I have the privilege of speaking at an event in East Renfrewshire. A variety of events are taking place across Scotland next week, and I hope that members will take the opportunity to participate, which will again show that, across our communities, local government and the Scottish Government, Scotland is united in the stance that lessons of the past must guide our future.

Like Alex Rowley, I will say a little about this year's theme, "Torn from home". Many of us take home for granted; it is our physical place of residence, our community or our country. Such places should offer a sense of safety and security that is important to our everyday lives and to our sense of wellbeing. I cannot imagine how I would feel if any of those places were taken away from me or my family, or if we were forced to leave those places behind—places around which we have built our lives, places to which we attach such strong feelings of belonging and connectedness and places in which we feel safe.

As Cabinet Secretary for Communities and Local Government, I have had the privilege of meeting refugees and people who are seeking asylum, and of listening to people who have been forced to leave their homes and livelihoods behind, who have been separated from their friends and family and who have faced the very frightening uncertainty of an unknown future. That unknown future is often more appealing than remaining at home and facing the consequences of hate and prejudice. The reality is that no one chooses to be torn from home yet, despite years of remembering the horrors of the Holocaust, that remains an experience for far too many people around the world. Alex Rowley reminded us of the

50 million people around the world who have been displaced.

Although I am proud that Scotland has a long history of welcoming people of all nationalities and faiths, and I am proud that we are committed to supporting their integration into our communities, it is vital that we continue to send the message that Scotland is a welcoming place for all those who have chosen to make this country their home, and that we do so with a vigilance that never permits the creep of complacency. Although Scotland is an open and inclusive nation, we are not immune from hateful behaviour or prejudicial attitudes.

In June 2017, we published an ambitious programme of work to tackle hate crime and build community cohesion. I chair an action group with key stakeholders to take that work forward. One area that I want to particularly emphasise is our approach to tackling antisemitism. We know from our regular engagement with Jewish organisations and community leaders that Jewish people continue to experience antisemitism and discrimination. I heard that message at our most recent interfaith summit; I struggled to listen to it because of the impact that antisemitism has on the Jewish community. Antisemitism is absolutely unacceptable. There is no place in Scotland for any form of antisemitism or religious hatred that makes our communities feel insecure or threatened in their daily lives. Scotland's diversity is our strength and we value and appreciate our relationships with our Jewish communities. That is why we formally adopted the International Holocaust Remembrance Alliance's definition of antisemitism in June 2017.

We must never forget what prejudice, including antisemitism, can lead to and, therefore, why education about tolerance, compassion and respect is so important. We are committed to providing opportunities for Scotland's children and young people to learn about the Holocaust as part of their education. For that reason, the Scottish Government continues to support the work of the Holocaust Educational Trust, whose lessons from Auschwitz project is an incredibly powerful way for young people to gain insight into the horrors of the Holocaust and, just as importantly, to learn about why it happened.

To date, more than 4,000 Scottish students and more than 550 Scottish teachers have participated in the project. Last year, the First Minister visited Auschwitz as part of the programme, with 89 pupils from Scottish schools. I have truly appreciated the contributions today from members who have visited Auschwitz and their moving accounts of what they saw and how their experiences impacted on them. While the living memories and testimonies of the Holocaust survivors fade, it is even more crucial for the next

and future generations to continue to learn about the Holocaust as part of their education, in order to emerge into their adulthood as responsible, compassionate citizens of the future.

Holocaust memorial day in Scotland provides us with an opportunity to learn from the past and encourages us to work together to tackle hatred and prejudice, so that we can create a stronger and more inclusive future for everyone. Our commitment to promoting and supporting Holocaust memorial day demonstrates our collective resolve to stand in solidarity with victims of genocide and other human rights abuses and atrocities around the world. We must keep alive the memory of such genocides and never forget the consequences of bigotry and intolerance.

This is about more than memory and not forgetting. It is about action, vigilance and commitment: commitment to tackle all forms of oppression, hate and discrimination; vigilance to never let it go when we hear hate or witness prejudice and to never tolerate attempts to create an otherness of anyone who may be different; and action to work collectively to create a Scotland and a world that are tolerant, kind and compassionate and which celebrate diversity.

I believe that another world free from hatred is possible, if we decide to make it happen, but it will take more than reflection. That is why I am proud that in this Parliament this afternoon, regardless of political party, we are absolutely united—unlike many Parliaments and chambers around the world—and we should draw power and pride from that. We should use this Parliament's united message from each and every one of our elected representatives to make change and to make progress on tolerance, not just in Scotland but furth of our shores. One way to ensure that Holocaust memorial day and Holocaust memories do not become only for reflection is to strive to create a better future here and now and for future generations.

I pay tribute to Richard Lyle and every member who took part in the debate for their moving and powerful articulation of why the Holocaust continues to be remembered and commemorated in this Parliament.

The Deputy Presiding Officer: That concludes our very important debate today.

13:59

Meeting suspended.

14:30

On resuming—

Committees' Pre-budget Scrutiny

The Deputy Presiding Officer (Christine Grahame): The next item of business is a debate on motion S5M-15421, in the name of Bruce Crawford, on committees' pre-budget scrutiny. I call Bruce Crawford to speak to and move the motion on the Finance and Constitution Committee's behalf.

Bruce Crawford (Stirling) (SNP): As the convener of the Finance and Constitution Committee, it is my pleasure to open the debate by speaking about our pre-budget scrutiny. I thank our clerks for doing such a sterling job in pulling together our report and I thank my colleagues for the diligent and collective way in which we came to our conclusions. I very much look forward to hearing the contributions about other committees' work.

We are making a bit of history today with the debate, as it is the first of its kind. Conveners will have the opportunity to speak about their committees' pre-budget scrutiny and to hear the Cabinet Secretary for Finance, Economy and Fair Work's response. The debate is an important aspect of the new budget scrutiny process, which is based on the excellent work that the budget process review group carried out.

I will provide a bit of context for the debate. The group noted that subject committees had previously had

"very little role within the ... budget process once they"

had

"reported to the Finance Committee on the draft budget."

In particular, they had no specific role in plenary debates on the draft budget and the budget bill. Unfortunately, that often meant that the Parliament as a whole did not debate the subject committees' findings on the budget.

As more time is now being devoted to scrutiny of the new financial powers, it was considered important not to dilute scrutiny of the existing expenditure powers. The group therefore recommended that a committee debate should take place before the stage 1 debate on the budget bill, which in this case is scheduled for next week.

It is worth repeating the four core objectives of the new budget process, which are:

• To have a greater influence on the formulation of the Scottish Government's budget proposals;

• To improve transparency and raise public understanding and awareness of the budget;

• To respond effectively to new fiscal and wider policy challenges; and

• To lead to better outputs and outcomes as measured against benchmarks and stated objectives."

In May last year, Parliament agreed the new written agreement between the Finance and Constitution Committee and the Scottish Government, which sets out the new process. We are moving towards a more outcomes-based approach to the scrutiny of public expenditure. That builds on previous work that subject committees carried out as part of their budget scrutiny, and I look forward to hearing from colleagues how that work has progressed.

As I said when we debated the new written agreement, the biggest challenge that faces us as politicians in adopting the new process will be cultural. We are moving from judging success based on, for instance, the number of police on the streets to measuring the environmental, economic or social outcomes that public spending has achieved.

Having set out the context, which is important, I will move on to the pre-budget scrutiny that the Finance and Constitution Committee has carried out over the past few months. As more taxation and borrowing powers have been devolved, the committee has—rightly—focused increasingly on the revenue side of the budget. Our pre-budget report focused on four key documents: the Scottish Government's five-year financial strategy; the fiscal framework outturn report; Scotland's economic and fiscal forecasts for May 2018; and the forecast evaluation report. The first two documents are published annually by the Scottish Government following the recommendations of the budget process review group. The remaining two are published annually by the Scottish Fiscal Commission.

We welcomed the publication of all four documents as a significant step forward and a comprehensive basis for our pre-budget scrutiny. We focused particularly on the operation of the fiscal framework, which I can safely say is not an easy subject to get your head around. My colleagues on the committee will share that view.

We have previously emphasised that the budget is now subject to a much greater degree of volatility and uncertainty. In particular, the risk to the public finances from forecast error is very real. That risk can work both ways. It can positively or negatively increase the risk to the Scottish budget if there is a divergence in the extent of any forecast error between the SFC and the Office for Budget Responsibility. For example, if the SFC forecasts are overly optimistic and the OBR forecasts are pessimistic, that will have a negative impact on the budget. However, if the converse proves true, it would obviously have a positive

impact on the scale of the budget that is available to the Scottish Government.

I will highlight some other key areas from our pre-budget scrutiny. First, the committee heard that there is strong evidence to suggest that there is a risk to the size of the Scottish budget arising from Scotland's population ageing faster than that of the rest of the United Kingdom. In particular, there is a real risk from a higher old age dependency ratio in Scotland relative to the rest of the UK. That is because the size of the population aged between 16 and 64—I am just still in that bracket—which makes up most of the working age population, is important for the economy and the public finances. Because individuals in that age group are more likely to be economically active and working, they will generate most of the tax that the Parliament requires to raise. Those factors mean that two fundamental questions require to be asked. Does the Scottish Government have sufficient policy levers to address this risk, and does the fiscal framework sufficiently recognise demographic divergence? The committee believes that both those fundamental questions should be fully considered as part of the review of the fiscal framework that is due to take place in 2021.

Secondly, given the way in which the fiscal framework operates, there is a real risk to the size of the Scottish budget if there is a fall in the working-age population because of a disproportionate decline in immigration relative to the rest of the UK. Therefore, within the context of Brexit and a different demographic dynamic within Scotland relative to the rest of the UK, we recommended that the review of the fiscal framework should consider the impact of immigration policy following the UK's departure from the EU if, of course, that actually transpires.

Finally, the Auditor General for Scotland was right when she said that in forecasting tax revenues there are inherent risks from the extent of underlying uncertainty about the economy; the availability of relevant and robust data; the robustness of the respective methodologies and judgments of the OBR and the SFC; and the differences between the methodologies and judgments of the SFC and the OBR. We understood that forecast error is inevitable—it is something that the Parliament will have to get used to—and that the SFC and the OBR have very challenging roles in preparing independent forecasts.

Because of the direct impact on the size of the Scottish budget and the need to minimise the risk, we have asked the SFC and the OBR to make it clear what their respective methodologies are and how they use outturn data differently. We need to understand how much of a factor that is in explaining the differences between their forecasts.

To summarise, the operation of the fiscal framework needs very close monitoring and risk management to address the potential volatility and uncertainty that is inherent in its operation. There are risks arising from forecast revisions, especially where there is a divergence in those revisions between the OBR and the SFC. Although those revisions might not have any immediate impact on the size of the budget, they might have an impact on the size of future budgets, and that needs to be closely monitored.

To conclude, the fiscal framework is complex and there needs to be greater transparency and a wider awareness of the risks involved. The committee will continue to try and shine a light on how the framework is working, beginning with our report on the budget, which will be published tomorrow. The first outturn figures from Her Majesty's Revenue and Customs for Scottish income tax will be published in July 2019 and will have direct impact on the size of the Scottish budget. Those outturn figures for the financial year 2017-18 will be reconciled with the forecasts that were made in December 2016, and any divergence will be dealt with in the 2020-21 budget—I said that this was complicated. That will be an important moment, as it will be the first time that we will fully see the extent of the risk from forecast error. If there is a shortfall, that will have to be addressed by the budget in 2020-21. Equally, if the forecast error benefits the Scottish budget, the Government will be able to draw on that money in the 2020-21 budget to address its priorities.

I will finish by putting on record the committee's appreciation of the constructive engagement that all committees have had with the new budget process. We are all learning, and throughout the next year we can build on the work that has been undertaken across the Parliament to improve budget scrutiny and increase our influence in the setting of the Scottish Government's budget.

On behalf of the Finance and Constitution Committee, I move,

That the Parliament notes the pre-budget scrutiny undertaken by parliamentary committees.

The Deputy Presiding Officer: I call Clare Adamson, the convener of the Education and Skills Committee—oh, I beg your pardon, I do not. I call Derek Mackay, the Cabinet Secretary for Finance, Economy and Fair Work, to speak for the Government. That must have frightened you, Ms Adamson.

14:42

The Cabinet Secretary for Finance, Economy and Fair Work (Derek Mackay): Can I say, Presiding Officer, that it would have been a great

relief to me if I did not have to give the Government's position?

I am actually more than happy to, because I agree with the Finance and Constitution Committee convener that this is an important step in the budget process and involves the engagement of the parliamentary committees in what should be a slightly less partisan way as we consider and reflect on the committee reports. That is exactly what the Scottish Government has done. Part of what we are doing concerns a continuous, year-round scrutiny of the budget, which means that there will probably be further inquiries from committees as matters progress.

With regard to what has been published, I agree with Bruce Crawford that everyone has engaged in the process in a positive and constructive manner. As Bruce Crawford has outlined, the changes to budget scrutiny were recommended by the budget process review group. The principle of year-round scrutiny of the budget is important, and I again thank all the committees for their consideration and engagement. I will now turn to specific committee reports and reflect on their valued contributions.

Regarding the Culture, Tourism, Europe and External Affairs Committee's report, the Scottish Government has committed to spending £331 million on culture, tourism and major events, including the continued investment of a further £10 million in the screen sector, which I know that the committee was interested in. In 2019-20, the Scottish Government will spend around £24 million on supporting its international relations activity, including the funding of Scottish Government operations overseas. At a time of such uncertainty across the EU, it is vital that the Scottish Government continues to build on its strong reputation overseas.

The Economy, Energy and Fair Work Committee's report focused on promoting employment and encouraging fair work, including the newly devolved employability programmes and our enterprise agencies. Tackling barriers to work, supporting training and promoting fair work is essential to improving Scotland's economy and improving opportunities for all. I can confirm that the Scottish Government will provide almost £57 million for employability and training. More widely, the budget will support Scottish Enterprise with around £253 million. I fully support the committee's interest in employability programmes, which will be considered as part of our review of employability support services. I will also boost the economy by providing over £5 billion of capital investment to grow and modernise Scotland's infrastructure. I acknowledge concerns on the progress of the Scottish growth scheme and, as I committed to do, the Government will provide the

committee with an update in April on Scottish Enterprise's use of financial transactions.

Education is this Government's defining mission, and we remain determined to improve the life chances of the children and young people of Scotland and to change lives for the better. I recognise that the Education and Skills Committee has raised important issues. Within a challenging financial environment, the Scottish Government is firm in its resolve to deliver a world-class education system.

James Kelly (Glasgow) (Lab): Will the member take an intervention?

Derek Mackay: I will in one moment.

That is why the education portfolio will receive a real-terms increase in investment in 2019-20.

James Kelly: Mr Mackay mentioned a challenging financial environment and, as a backdrop to that, it is important to make the most of the financial levers that he has at his disposal. I ask him, in a non-partisan way, whether he supports the principle of fair taxation and whether he believes that it is fair that in this budget Scottish National Party ministers will pay less tax than they did in the last tax year.

Derek Mackay: Ministers of the SNP Government have taken a pay freeze since 2008, and that is the right thing to do. Regarding our income tax position, in not following the Tories on their tax proposition, we are not passing on the tax cut for the highest earners in society, so I believe that our tax system is fair and progressive. If parties wish to bring a full proposition to me, I will look at that. To be fair, the Greens have engaged constructively with the budget, and I look forward to Labour's engagement.

Returning to education, the budget commits to £180 million to raise attainment in schools. This Parliament is aware that the Scottish Government is investing record sums in funding for early learning and childcare. The partnership arrangement with the Convention of Scottish Local Authorities will be supported by £210 million in the Scottish budget, with capital funding of £476 million to be provided to local authorities over four years. We are protecting our investment in higher and further education, and increasing Skills Development Scotland's budget by £22 million, to support the continued growth and expansion of apprenticeships in Scotland.

The Environment, Climate Change and Land Reform Committee has rightly considered a range of issues, including the wider benefits of environmental spend. The transition to a low-carbon economy lies at the heart of our economic strategy, and the steps that we are taking through this budget ensure that we will have a globally

competitive, entrepreneurial, inclusive and sustainable economy. That is why the Scottish budget includes commitments to: fund around £59 million of forestry priorities to support and stimulate woodland creation as part of achieving the targets in the climate change plan; provide over £20 million for Zero Waste Scotland to support the transition towards a more resource-efficient, circular economy; make over £145 million available as part of a £500 million investment in energy efficiency, fuel poverty and heat decarbonisation; invest over £50 million in low-carbon measures including the expansion of electric vehicle charging infrastructure; and to invest £80 million in active travel. All those low carbon activities contribute to our ambitious approach to leading the way on tackling climate change.

I appreciate the Finance and Constitution Committee's focus on the fiscal framework. The financial risks to the Scottish budget have been laid out by Bruce Crawford and were discussed in the committee. I recognise the challenge that that presents. The budget process is complex, particularly in its reliance on accurate forecasting and the increased uncertainty that comes from managing increasing demand-led budgets, such as our new social security programme. I look forward to working closely with the Finance and Constitution Committee as our experience under the fiscal framework grows and we reach that review point.

The Scottish budget will increase spending on health and care services by almost £730 million. The Scottish Government continues to deliver on its manifesto commitment to pass on health resource consequentials in full, despite being short-changed by the UK Government. In its pre-budget consideration, the Health and Sport Committee highlighted the importance of shifting the balance of care to community health services. The Scottish budget delivers on that key priority area. In 2019-20, more than £700 million will be invested in social care and integration. We are investing £941 million in primary care, and our investment in mental health will reach £1.1 billion. Those are significant priorities for the Scottish Government, and the budget reflects ministers' recognition of that.

I recognise the vital role that our justice services provide in supporting all parts of Scotland. The budget confirms investment across justice system priorities, including the transformation of our police and fire services. The police resource budget continues to receive real-terms protection, and the Crown Office and Procurator Fiscal Service and the Scottish Courts and Tribunals Service will both receive an increased resource budget. The significant increase over recent years in funding for community justice, support for victims and third

sector organisations is maintained—indeed, it is further increased.

The Scottish Government values its partnership and close working with local government. We work together to support the delivery of essential services for Scotland's communities across the country. The budget will provide local government with a real-terms increase in revenue and capital funding. The budget will provide £11.1 billion for local government.

The Local Government and Communities Committee's pre-budget scrutiny report focused on local government workforce planning and the housing needs of older and disabled people. The budget takes account of the views that the committee expressed. We have been able to protect the funding that is available to assist registered social landlords in delivering adaptations for older and disabled tenants; we are maintaining funding at £10 million. There are wider issues to do with integration in that regard.

In its report, the Rural Economy and Connectivity Committee took a close interest in Scotland's ferry services. Those are lifeline services that are vital to supporting connections across our rural communities. The budget continues to provide the £10.5 million that was secured last year to support local authority ferry services.

I have considered carefully the Social Security Committee's interest in the Scottish welfare fund. The Scottish Government works closely with local authority partners in delivering the fund and will continue to provide £38 million in 2019-20 to local authorities for that purpose, despite the pressures that come from the UK Government's welfare reforms. The figure is made up of £33 million for payments and £5 million to help our 32 local authorities to administer the fund at a local level.

We are doing the right thing in building a social security system that is based on dignity, fairness and respect. Our new agency is operational and will continue to grow and develop as further social security benefits are devolved to Scotland. We are working on the delivery of the second wave of devolved benefits, and our early success is something of which the Government can be rightly proud.

I welcome the Scottish Parliament's new approach of year-round scrutiny of the budget, which is a progressive way of scrutinising spend and the delivery of improved outcomes in Scotland. I genuinely appreciate the constructive approach that committees have taken, and I look forward to that constructive approach continuing on the part of all parties as the budget proceeds, to deliver the stability, stimulus and sustainability

that we are looking to deliver for all the people of Scotland.

I look forward to the rest of this afternoon's debate.

14:53

Clare Adamson (Motherwell and Wishaw) (SNP): I welcome this opportunity to speak on behalf of the Education and Skills Committee and pay tribute to my clerks and fellow committee members for their support. I hope that I can do justice to their commitment and diligence.

The committee has integrated the scrutiny of budget lines and associated outcomes into its inquiries throughout the financial year. The issues that we have covered range from attainment and achievement of school-age children who are experiencing poverty to developing the young workforce and musical instrument tuition. Today, I have written to the Scottish Government, seeking detail on the budget lines supporting the implementation of Scottish national standardised assessments.

The committee also undertook scrutiny of the draft budget this month, taking evidence from the Cabinet Secretary for Education and Skills, John Swinney. For clarity, any reference to a cabinet secretary in my speech will be a reference to the Cabinet Secretary for Education and Skills, not the Cabinet Secretary for Finance, Economy and Fair Work, who has just spoken in the debate.

Additional support for learning in school education is a significant priority for the committee. The committee published its inquiry report, which included a focus on mainstreaming, in May 2017. The importance of sufficiently resourcing the policy and the marked rise in the number of pupils who are recognised as having an additional support need in some areas were underlying themes of the inquiry report. Specific recommendations include a financial review of local authorities' spend, improvements to the baseline data that effective scrutiny of policy implementation needs to be based on, and qualitative research into the experiences of young people with additional support needs to assess the implementation of the policy in reality.

The committee welcomed the movement from the Government in response to some of its recommendations, particularly its agreement to commission qualitative research. However, scrutiny of the provision of ASN remains a priority for the committee going forward. In November 2018, we held a session with Government statisticians and policy officials on the collation of data in the staff census on school support staff who work specifically with children with additional support needs. Changes in reporting reflected

inconsistency in data collection across local authorities. Therefore, the committee seeks an accurate number of support staff who are working in ASN, which was previously—and is currently—not available.

The committee has also looked at funding allocations. The Scottish Children's Services Coalition suggested to the committee that there could be ring-fenced budgets to support those with additional support needs, and the committee invited the Government's perspective on that idea. The committee appreciates the arguments that were made, including by COSLA during evidence taking for the committee's music tuition inquiry, about the need to guard against an overreliance on targeted or ring-fenced funding as opposed to policy being funded through core local authority budget allocations. However, our report also highlighted the success of the youth music initiative, which is a Government-led initiative that is delivered by COSLA and local authorities, and which is thoroughly welcomed by all those who took part in it.

The committee pursued an inquiry into the attainment and achievement of school-age children experiencing poverty, which included a focus on the cost of the school day. The committee received evidence, including from the Child Poverty Action Group, that suggested that charging for elements of the curriculum is relatively commonplace. Our music tuition report, which was published on Tuesday, highlights the need to ensure that no charges are attached to any activity that is required for a Scottish Qualifications Authority exam. In general, we seek clarity about what, within the curriculum, can and cannot be charged for, and we state that more information is required on the extent of such practices in local authorities.

In addition, the committee has been concerned about the lack of a consistent approach across local authorities, which continues to be a theme in all our inquiries, although we welcome certain moves to ensure minimum levels of support for children and their families. In particular, towards the end of the poverty and attainment inquiry, the Scottish Government announced that it had agreed with local authorities that a minimum grant of £100 a year for school clothing should be implemented and reviewed regularly, which was a welcome step.

The poverty and attainment inquiry also looked at pupil equity funding and attainment challenge funding, the provision for which stands at £180 million in the draft budget. The inquiry considered the extent to which indicators of deprivation can be relied on as the basis for targeted funding allocations—for example, we discussed the limitations of using free school meals uptake as a

criterion for the allocation of pupil equity funding—and the committee welcomed the Scottish Government's acceptance of its recommendations in that area. The cabinet secretary made it clear in evidence that he is amenable to finding a better approach. The committee was pleased to hear from the cabinet secretary last week that the intention is to have the work on a new deprivation indicator completed in time for the next financial year, although we recognise that the implementation of such an indicator will take longer.

The cabinet secretary also confirmed last week that teachers who are employed under PEF are employed using the principle of additionality, which is being used for a new purpose aimed at reducing the poverty-related attainment gap. However, the committee highlighted the need for in-depth evaluation of PEF projects. The committee looked at the underspends of PEF in local authorities this year and noted variation in the levels of underspend. Importantly, the cabinet secretary confirmed that the underspends can be carried over, to be spent by schools in the next financial year. This time next year, the committee will return to the issue of underspend to assess whether the underspend has reduced from the reported level for 2017-18 of 40 per cent on average across all local authorities.

Further and higher education is a significant priority for the Government. We explored with the cabinet secretary the real-terms increase in revenue funding for colleges of about 1.3 per cent to £600 million and the intention for that increase to be used to cover the cost of national bargaining and harmonisation. In relation to higher education, we raised with the cabinet secretary the valued status of Scotland's universities and the importance of protecting funding. Although Government funding for universities is more than £1 billion, there is a real-terms drop of 1.79 per cent. The universities have requested that consideration be given to allocating to Scottish universities the £18 million of Barnett consequential resulting from increased research spending in the UK. An assurance was also sought that Scottish Government funds that are currently used to support EU students will remain in the university sector should we exit the EU, particularly in a no-deal Brexit situation.

The committee questioned why Education Scotland's starting budget at the beginning of the financial year will be substantially lower than what is required. The cabinet secretary set out the logic for in-year transfers and highlighted that the budgeting approach is not specific to Education Scotland but also applies to Skills Development Scotland. However, the committee recognises that Education Scotland should have as much certainty as possible on funding levels during a time of

organisational change and increased responsibilities.

I am running out of time, but there are other areas that I would like to highlight. The budget provides scope to deliver £10 million in compensation for survivors of abuse, and £500 million is being committed to the expansion of early years education and childcare. That issue—especially the use of private providers—is of extreme interest to us and we will watch the development of the policy with interest. There is also funding to support the achievement of positive destinations for care-experienced young people.

The committee welcomes the opportunity for whole-year in-line scrutiny of the budget. Unfortunately, I have not been able to mention everything, but I shall leave it there.

15:02

Gordon Lindhurst (Lothian) (Con): A first encounter with the budget process can be confusing for anyone—confounding, even—and I am not necessarily speaking about Bruce Crawford's explanation of it today. I have been told that it is not really about the figures. They count, of course, it has been explained to me, and they might even add up—one would hope so, at least—but the focus is more on policy direction. How can that be? I ask that in all innocence on the basis of the reasoning advanced by the philosopher Gottfried Leibniz that

“All is for the best in the best of all possible worlds.”

I appreciate that these are the early days of a new budget process that we hope will encourage better scrutiny of numbers and policy and more meaningful input from committees, but is it the best of all possible worlds? We shall see.

I want to cover three areas from an economy and fair work perspective. The Economy, Energy and Fair Work Committee is not ignoring energy spend, as we will return to that during what I believe is called full-year scrutiny.

I will start with employment support for those who are furthest from the labour market, which was a reserved matter until the most recent Scotland act. The fair start Scotland programme, which supports many disabled people and others who are at risk of long-term unemployment, is delivered by private, third sector and local authority organisations. In our pre-budget scrutiny report, we anticipated a spend on the programme of around £32 million, which would be a rise of about 5 per cent, but the actual figures show the budget falling by 11 per cent between this financial year and next.

We were told that that reflected efficiencies and the removal of transition costs. The Minister for Business, Fair Work and Skills assured us that front-line services would not be affected. When pressed on the possibility of further reductions, he said, “probably not”. However, the *Official Report* shows that the cabinet secretary then weighed in with, “Never say never.” As they say, Presiding Officer, he who holds the purse strings—

We also heard from the Scottish Trades Union Congress, the Scottish Council for Voluntary Organisations and Citizens Advice Scotland, among others. The key message was that the causes of long-term unemployment can be complex, ranging across childhood experience, mental health, housing, education, drugs and alcohol and social exclusion. The resources needed to help an individual navigate such challenges should not be underestimated, but their affordability within the given budget is questionable.

We questioned the minister on the matter of one-year contracts that are awarded under the employability fund. We recommended extending those contracts to three years—the same as for fair start Scotland—and he told us that we are

“moving into a new world”.—[*Official Report, Economy, Energy and Fair Work Committee*, 8 January 2019; c 30.]

He did not clarify whether it is the best of all possible worlds, although I am sure that is what he would wish for everyone. He did, however, indicate that the matter is under review.

The second area that I will cover is the spend on the enterprise agencies. In response to our report, the Scottish Government appeared to agree with Scottish Enterprise’s own assessment of its impact, which is that every £1 that the agency spends adds between £6 and £9 of value to the economy. It is curious, therefore, that Scottish Enterprise’s budget has shrunk by 27 per cent over the past decade while Highlands and Islands Enterprise’s budget has shrunk by 9 per cent. If the agencies have been effective in driving economic growth, why take that money away? Both agencies will see their allocations cut by a further 3 per cent or so in the next year. We are told that that will be achieved through running-cost efficiencies. Really? After a decade of reduced funding? The committee raised a collective eyebrow.

Our report also covered how financial transactions money has boosted Scottish Enterprise’s funding in recent years. However, such moneys have been limited to equity and loan funding, and Scottish Enterprise has struggled to commit some of those funds. We found that, from a pot of £10 million, just £0.5 million of funding has been invested so far. We know that financial

transactions make up 30 per cent of Scottish Enterprise’s budget. However, we were not confident that it will succeed in committing this year’s allocation, never mind next year’s increase.

The cabinet secretary has committed to updating us on the bigger picture—the overall £500 million growth scheme—by April. He has also sought to reassure us on the Scottish European growth co-investment programme, stating that the £10 million pot will not be lost from Scotland’s public spending.

Over the past 10 years, the enterprise agencies have consistently met or surpassed their own targets while the country as a whole has underperformed against a range of Scottish Government targets. However, the committee was concerned that the agencies not only set but seem to mark their own homework. We therefore welcomed the greater transparency suggested by the role of the strategic board. The board’s chair, Nora Senior, said that the agencies’ plans will be reviewed by the board and that a performance framework is being developed by the analytical unit. She told us:

“The big challenge for the agencies is to reach people who are not yet engaged in the system, because that is where the greatest growth could be.”—[*Official Report, Economy, Energy and Fair Work Committee*, 8 January 2019; c 38.]

My third and final area is fair work. It was Joe Biden who said:

“Don’t tell me what you value. Show me your budget and I’ll tell you what you value.”

I am not sure that that quote makes any more sense than my understanding of Bruce Crawford’s explanation but, in any event, there it is.

The additional money that has been allocated to the fair work budget line is just under £7 million, which, given the Scottish Government’s emphasis on the inclusive growth agenda, might seem a modest sum. Patricia Findlay, an adviser to the fair work convention, has stated:

“The value of adopting fair work is recognised and accepted but not mainstreamed.”

Nora Senior has recommended to ministers that fair work become a condition of any support from the enterprise agencies, and the cabinet secretary himself told us that “fair work comes first”.

Alas, not everyone is as steeped in these principles as we would wish. We quizzed the cabinet secretary, the minister and Scottish Enterprise on the Kaiam closure. We examined the sequence of events leading to the Livingston-based company entering administration on 22 December and workers being told they were being made redundant on Christmas eve. We addressed the history of the business, how much funding it

received, due diligence and clawback. Most important, we looked at the support available for those who have lost their livelihoods. There seem to remain more questions than answers. We will consider the merits of a wider piece of work that would look at regional selective assistance.

Scottish Enterprise might be working in the risk business, but its business is to manage and mitigate that risk. There is some measure of hope in the situation, with a number of potential buyers for Kaiam said to be in the frame. Will it turn out to be the best of all possible worlds? We hope so, but we shall have to see. According to Orson Welles,

“If you want a happy ending, that depends, of course, on where you stop your story.”

I shall stop mine there.

The Deputy Presiding Officer: I was rather enjoying your range of quotations.

15:11

Joan McAlpine (South Scotland) (SNP): I start by thanking our clerks, our researchers and my fellow committee members for all the work that they have done over the budget process.

This debate is a new development in the Parliament’s budget scrutiny process, arising—as we have heard—from the implementation of recommendations made by the budget process review group.

The 2019-20 budget marks the first year of the operation of the new process, which is designed to take account of the new revenue-raising powers that have been devolved to this Parliament. Although the revenue-raising powers are important, it is also important that the expenditure proposals in the budget are fully scrutinised. I welcome the opportunity to provide the perspective of the Culture, Tourism, Europe and External Affairs Committee on the spending proposals that fall within our remit. I recognise that this is the first year of a new process and that it will take time to bed down. In future years, this debate should provide an opportunity to consider how well the new process is functioning in practice.

Debates on the budget naturally tend to focus on changes in the numerical allocations. Gordon Lindhurst quoted a Democratic Vice President, Joe Biden. I am going to quote a Republican President, George W Bush, who is not someone I would normally quote. He once remarked:

“It’s clearly a budget. It’s got a lot of numbers in it.”

President Bush is remembered for many things, but perhaps not his love of financial detail. However, the purpose of this debate is to dig down

into the detail of the finances. The 2019-20 budget that covers culture, tourism, Europe and external affairs is essentially a standstill budget. I therefore wish to consider some of the broader policy themes within the committee’s remit that the budget seeks to support.

On culture, the new budget process places a significant emphasis on scrutiny of outcomes. The national performance framework contains an outcome on culture, which is welcome. However, how outcomes are directly attributable to culture portfolio spend is at best opaque.

The Cabinet Secretary for Culture, Tourism and External Affairs, Ms Hyslop, said:

“the Scottish Government plans to undertake work to understand how the activities that are directly attributable to the Culture portfolio budget contribute towards”

the national outcome on culture. The committee considers it imperative that work on this issue is concluded rapidly if the committee is to be able to scrutinise the budget from an outcomes perspective.

Ms Hyslop also said that the work on outcomes “will be aligned with the forthcoming culture strategy”.

The committee has noted that the culture strategy was due for publication last year and as yet, there is still no timescale for its publication. The culture strategy will provide a key means via which to assess the Scottish Government’s cultural priorities and how the budget will support those priorities. Therefore, the committee would welcome a timescale for the publication of the culture strategy.

Scottish Government support for the screen sector in Scotland has been a key area of scrutiny by my committee in 2018, as the finance secretary alluded to in his remarks. We welcome the £20 million of support for the sector that is maintained in the 2019-20 budget.

My committee has undertaken considerable scrutiny of the Scottish Government’s screen sector policy. We consider that the sector has significant growth potential and that it is ideally placed to be a key business sector in Scotland. Currently, Scottish Government financial support for the screen sector is provided by Creative Scotland and Scottish Enterprise. A key recommendation in our screen sector report was that those budgets should be brought together under the sole control of the screen unit within Creative Scotland, in order to maximise the impact of Scottish Government support.

Of course, the committee continues to argue that the screen unit should eventually become a stand-alone agency. At the very least, there is a significant need for Scottish Enterprise support to be seen to be more effective in meeting the needs

of the sector. I would welcome the finance secretary's view on that issue.

The committee recognises the considerable financial pressures that local authorities face when it comes to supporting cultural provision in their localities. The committee recognises that Ms Hyslop is keen to reconvene meetings with the group that brings together local authority culture conveners under the auspices of COSLA. The committee shares that objective as a means to encourage strategic dialogue on how best to support cultural provision at a local level.

The finance secretary has clearly set out that the Brexit process could have significant implications for the 2019-20 budget. The committee recognises that position and, over the coming year, we will continue to scrutinise the implications of Brexit for areas of the budget within our remit. As part of its response to the challenges that Brexit presents, the Scottish Government proposes to increase the external affairs budget from £17.2 million in 2018-19 to £24 million. However, Ms Hyslop has confirmed to the committee that that increase is a consequence of total operating costs being included in the budget. Therefore, the committee would welcome the details of the exact amount of operating costs that are contained in the external affairs budget.

The budget contains details of funding levels for the international hub offices that are supported through the external affairs portfolio. Importantly, the budget includes an increase in the budget for the Brussels office, which reflects the impact of the Brexit process. Funding for the hub offices in China, Canada, Paris and the United States are also contained in the level 4 figures for the portfolio budget. However, the hub offices in Dublin and London and the new hub office in Berlin are funded through the finance, economy and fair work portfolio. The committee has explored with Ms Hyslop the rationale for that dual portfolio approach to the funding of hub offices, but it remains an area that the committee wishes to scrutinise further in the coming months.

More generally, the committee wishes to explore further the rationale for the choice of location for hub offices. How the Scottish Government evaluates the performance of those offices is an area that the committee has returned to regularly. Ms Hyslop highlighted to the committee that the Scottish Government is in the process of developing business plans for each of the Scottish Government offices. In evidence to the committee, she emphasised that evaluating the work of the offices in monetary terms would be problematic, because much of the offices' work is on building relationships and influence. Specifically, she said:

"When we look at the business plans, we will consider how we evaluate the power of influence and relationships,

which is not necessarily done in monetary terms."—[*Official Report, Culture, Tourism, Europe and External Affairs Committee*, 10 January 2019; c 11.]

The committee looks forward to scrutinising those business plans once they have been published.

Tourism also falls within the committee's remit. As Mark Twain said,

"Travel is fatal to prejudice, bigotry, and narrow-mindedness".

The budget for tourism is, in essence, the money that the Scottish Government provides to support the work of VisitScotland. It is proposed that in 2019-20, the budget for VisitScotland will be £45.3 million, which is essentially a standstill budget, as that has been its budget since 2016-17. The committee recognises that there has been a substantial increase in visitor numbers in recent years as a result of a variety of factors, including the weak pound, as well as the successful promotion of Scotland as a destination. Of course, that includes a contribution that is related to visitors being attracted to locations that have been the subject of successful screen productions filmed in Scotland.

Although that rise in numbers is welcome, the committee recognises that it can result in significant impacts on localities. The impacts of tourism on cities such as Edinburgh, as well as more rural locations such as the north coast of Scotland, are well documented. A key debate is taking place about the ability of local communities and, critically, local authorities to respond to the capacity and infrastructure challenges that increasing visitor numbers can present. The committee has taken evidence on the proposal for a transient visitor levy, which is more commonly known as the tourist tax. To date, the committee has not taken a position on the proposal, but we have sought to provide a forum for the articulation of views on the issue.

As ever, consideration of the budget raises as many questions as answers. The committee intends to undertake a range of work over the coming months that will contribute to our pre-budget scrutiny for next year, but which will also enable us to ascertain the outcomes from the 2019-20 budget. Ultimately, the budget sets out spending plans. It will be the outcomes that arise from the budget that most concern my committee and, indeed, the people of Scotland.

The Deputy Presiding Officer: We have a little time in hand. I can be elastic, but not so elastic that it snaps.

15:21

Lewis Macdonald (North East Scotland)
(Lab): When it comes to new ways of approaching the budget, the Health and Sport Committee can

claim to have played a leading role, and I thank past and present members of the committee, as well as its clerks, for consistently supporting such an innovative approach.

At the start of the current parliamentary session, ours was, I believe, the first subject committee to build an element of budget scrutiny into all its work throughout the year. We broke new ground, too, by producing pre-budget reports that sought to influence the content of the budget, rather than reactive reports that reflected on the budget after it had been produced. Those innovations were adopted in advance of the recommendations of the budget process review group, and it is good that committees generally are now taking the same approach.

It is clear that committees have an important and distinct role in the budget process, which I, along with other committee conveners, will describe this afternoon. It is important, though, also to recognise the limitations on what committees can claim in the context of the budget process. Precisely because committees seek to reach a consensus and focus on the budget in terms of what it does in a specific portfolio, a debate such as today's cannot be a substitute for wider consideration of the Government's budget by Parliament as a whole. Our input is to inform that wider debate; it is for Parliament as a whole to decide.

To inform the debate, the Health and Sport Committee has sought to do three things: to improve the transparency of the process and of the budget itself; to secure better outputs and outcomes, as measured against benchmarks and publicly stated policy objectives; and to scrutinise the Scottish Government's budget proposals and their effectiveness in delivering those outcomes.

The health and sport budget totals more than £14 billion, which is a substantial share of all the funds that are spent by the Scottish Government on Parliament's behalf. That is why transparency matters so much. The majority of that spending is the responsibility of health and social care integration authorities, which, typically, are integration joint boards that are made up of health board and local council representatives. Back in 2017, the £8 billion budget allocation to IJBs was not broken down even by individual integration authority. That really hindered the committee's ability to fulfil its scrutiny function, and we said so in 2017 and again last year. Therefore, it is good to be able to report that we now receive quarterly consolidated financial returns from IJBs.

The committee also raised concerns about the limited financial information that was made available for national health service boards. Again, it is good to be able to report that detailed information is now being provided on a monthly

basis. That information confirms the challenges that boards face in balancing their books, which is why the Government has a performance escalation framework that reflects its level of concern, or otherwise, about each board's ability to operate within its budget.

At the committee last week, the Cabinet Secretary for Health and Sport agreed that she would publish, alongside the monthly financial information that we have secured, details of where each board stands on that escalation framework in respect of financial performance. That marks a further success for the committee in improving budget transparency in such an important area of public spending.

Beyond the annual budgetary challenges for NHS boards and IJBs, we have asked whether there are adequate financial frameworks to enable long-term financial planning by health and care providers. In line with the budget process review group's recommendations, which call for a more strategic approach to financial planning, the committee has repeatedly recommended support for long-term budget planning. We therefore welcome the publication of the medium-term financial framework for health and social care.

In our pre-budget report, we pressed for clarification of how the planned £2 billion in additional health spending would be delivered. We requested further information on Barnett consequential, on the actual amounts of spending and on the percentage increase in spending in particular areas of the portfolio. We are keen to ensure that the budget information published by the Government is as transparent as possible and consistent with other documentary evidence.

We have repeatedly called for a three-year financial planning cycle, and we are pleased that ministers have now introduced more financial flexibility for NHS boards over a three-year period. That does not yet allow three-year financial planning, though. Last week, Jeane Freeman told the committee that all that boards will be told about their baseline budgets for 2020-21 is that they will not be less than they are for 2019-20. Whether that flexibility goes far enough is therefore a matter to which we must return.

Another feature of health delivery in the recent past has been the development of regional plans for the north, east and west of Scotland. The committee asked that those be published ahead of the budget, precisely to improve our scrutiny of the budget itself. It is disappointing that that has not happened, although the cabinet secretary has committed to providing those plans within the financial year.

The second area where I wish to highlight the impact of our work on the budget process is in linkages with better outputs and outcomes. For us to scrutinise policy priorities and the allocation of resources, we need to know not just the sums allocated but the impacts and outcomes that the investment provides. Integration authorities have made only limited progress in reporting their budgets against the nine national health and wellbeing outcomes to show how the funds approved by Parliament are actually delivering. That is despite a statutory requirement for integration authorities to report on how they have used their resources to achieve outcomes for health and wellbeing. As a committee, we have highlighted our concern about that several times, and our pre-budget report called on the Scottish Government to make it clear that developing information that links budgets with outcomes should be a top priority.

The Scottish Government has acknowledged, on the basis of the available data, that there is wide variation in performance and in ambition for change among different integration authorities. That needs to be addressed, and the committee will explore those issues in more detail once the Scottish Government has published the findings of its own internal review of the current operation of integration authorities.

We have also explored the impact of health service targets on behaviour and outcomes, most recently with Sir Harry Burns in the context of his review of targets and indicators in health and social care in Scotland. The Scottish Government's response to our pre-budget report states that there is no intention to change targets, which appears to mean that the work of that review has been shelved. If that is the case, that is another area that I expect the committee will want to look at again.

The third area that I wish to highlight is around the Scottish Government's actual budget proposals. The committee has not taken a view on the Government's revenue and spending proposals this year, nor have we proposed alternatives, partly because of our focus on the need for more transparency in the budget process and partly because of our focus on the relationship between spending and outcomes.

We have, though, raised a number of fundamental questions about the Scottish Government's investment priorities. One of those areas is in shifting the balance of care. The current Government target is that at least 50 per cent of spending will be on health services in the community by the end of this session of Parliament. We believe that that target is not ambitious, and we have called for an acceleration in the pace of change and for the Scottish

Government to consider setting a more ambitious target.

We have also repeatedly asked questions about the national resource allocation committee formula, which is the basis on which funding is allocated to territorial boards. Last week, the cabinet secretary conceded that there were issues with NRAC and suggested she was open to discussions on them, which is welcome.

Finally, we have explored spending on specific areas such as mental health, which Mr Mackay has already referred to, and alcohol and drug partnerships, and we have called for more transparency on funding and outcomes in those areas. I am sure that in future budget scrutiny we will return to them and pursue those questions further.

The committee will seek to continue to make a difference by increasing transparency, focusing on outcomes, pressing for budget decisions that support policy objectives and assisting the scrutiny of future budgets by Parliament as a whole.

15:30

Gillian Martin (Aberdeenshire East) (SNP):

First, I thank the committee clerks for all their hard work and support as we have undertaken budget scrutiny and, in particular, fellow committee members for acting in a collegiate manner in all that we do and supporting me as their new convener.

The Environment, Climate Change and Land Reform Committee welcomes the focus on national outcomes in the new budget process and the opportunity to engage with the Scottish Government in advance of the draft budget's publication, and we have been encouraged by the openness of that discussion. In our pre-budget scrutiny, we explored opportunities to achieve wider benefits for environmental spend and sought to understand the carbon impact of all capital budget decisions. After all, the decisions that we take on infrastructure today will lock in future emissions.

Before I discuss the detail of the committee's views, I want to say that, although we welcome the move to setting out in each portfolio the total cost of delivery, including the cost of administration, and acknowledge the positive impact that that will have on transparency in future, our scrutiny was made quite difficult by this being the first year of the approach. Not having detailed information on the additional allocation of administration costs to our portfolio in 2019-20 has made it difficult to determine whether the portfolio budget has gone up or down or has remained the same. That said, we realise that things will be easier in that respect in future years, but the committee urges the

cabinet secretary to provide the figures on the costs of administration that have now been included in the total cost of delivery to ensure that we can make a like-for-like comparison.

Overall, we remain concerned that the budget for the environment, climate change and land reform portfolio in respect of the relevant agencies and research has been declining over a number of years, even if we all agree that environmental spend can reduce burdens in other portfolios. The impact of that is apparent when considered against the performance of the relevant national indicators. We are particularly concerned about the budget for research, for Scottish Natural Heritage and for Marine Scotland, and we would stress the impact of that on delivering not only key environmental but economic and health outcomes.

The potential financial impact of EU exit is of great concern to us. The finance received from Europe to deliver environmental objectives is considerable, and the committee remains gravely concerned that there is still no certainty about what will replace it following the UK's exit from the EU. Any reduction in budgets will have significant knock-on effects across the environmental sector in Scotland, and further work on the diversification of funding sources into the sector is vital. We have asked the Scottish Government to continue to press the UK Government to ensure that there is no detriment to Scotland's finances and that Scotland maintains the same level of financial benefits that EU funding has provided. We have also recommended that the Scottish Government work closely with agencies, partners and the UK Government on identifying possible replacement funding streams as a matter of extreme urgency.

The committee agrees with the Scottish Government that investment in Scotland's natural capital is not only fundamental to the economy but fundamentally linked to the delivery of health and wellbeing benefits and the global sustainable development goals. There are significant opportunities to improve key national outcomes, including health, wellbeing and economic growth, through investment in our environment and natural capital. The committee agrees with the Scottish Government that the natural environment is currently an underutilised resource; indeed, it is also significantly undervalued in terms of the understanding of its value to the economy and societal wellbeing.

In our budget scrutiny, we heard that now is not the time to draw back from investing in the environment and the circular economy. Significant health benefits and savings to the health service can be achieved through environmental spend.

For example, if 1 per cent of the sedentary population, of which I sometimes feel that we are part, moved to a healthy pathway, 1,000 or so

lives would be saved and £1.4 billion would be saved across the UK. For every £1 that is invested in health walks, we see £8 to £9 of benefits. If people have easy access to nature, they are three times more likely to participate in physical activity and 40 per cent less likely to become overweight or obese.

Active travel is at the heart of Scotland's policies to reduce air pollution and carbon. An estimated 2,500 deaths and 1,500 early deaths in Scotland each year result from air pollution. If Scotland met its ambition of 10 per cent of journeys being made by bicycle each year, £364 million would be saved as a result of the improvements to air quality. As such, we welcome not only the doubling of the active travel budget but the creation of low-emission zones in some of our cities. We also heard that there is a strong link to lower levels of stress, and associated health complications, in individuals who live in greener streets in greener urban areas, particularly in people who live in areas of multiple deprivation. The committee recommends that the Scottish Government reviews existing research on the health benefits of environmental spend, and, if necessary, commissions research to underpin future spending decisions.

The economic benefits of environmental spend are well documented. Current estimates suggest that Scotland's natural capital is worth around £20 billion per annum to the economy, including the tourism, renewable energy, food and drink and other sectors. The importance of the environment cannot be overstated. The leverage rates for environmental spend are high: SNH's £1.5 million spend on the Scottish rural development programme's agri-environment climate scheme generated £47 million of additional benefit; the £11 million that was received by the Royal Botanic Garden Edinburgh from the Scottish Government in 2017 generated an additional £38 million for the Scottish economy and £102 million for the global economy; and the central Scotland green network will generate £6 billion by 2050 and has the potential to benefit 70 per cent of Scotland's population. We also heard that investment in managing non-native invasive species could save £200 million a year by avoiding damage to forestry, crops and infrastructure.

We are keen to ensure that sufficient investment is made in Scotland's green infrastructure, particularly in urban areas, and we encourage the Scottish Government to extend the green investment fund. We heard of the importance of education policy in mobilising teachers and children to access the environment and we encourage the Scottish Government to provide enhanced funding to support outdoor learning.

We are supportive of the Scottish Government's ambition to transition to a circular economy and we heard that there are greater opportunities for public procurement to become a pull for new circular economy businesses. The committee encourages the Scottish Government to consider what more can be done to bring forward work on the circular economy and the green economy and to provide funding and support packages in order to fully realise the related benefits.

The committee is aware of the need to address the risks that climate change poses to the environment and to ensure that the environment is more resilient to the impacts of climate change. The committee heard that investment in the national ecological network is essential for climate change adaptation. Investment in peatland restoration and the management of water flow contributes to flood protection and the committee encourages the Scottish Government to extend funding to those initiatives in order to achieve the significant benefits.

I turn to the carbon impact and carbon assessment of the budget. We welcome the Scottish Government's commitments to increase the percentage of capital spend on low-carbon projects and to engage more widely when considering the carbon impact of the budget. However, we are concerned that the infrastructure pipeline appears to have a lower percentage of low-carbon projects. We hope that the infrastructure commission will address that in its advice to the Government. Scotland needs to lock in a just transition to a zero-carbon future now, which will require a substantial shift in the proportion of investment that is spent on infrastructure that does not contribute negatively to climate change.

We have made a number of specific proposals about how supporting information could be improved and we are keen to work with the Scottish Government over the coming months to ensure that Parliament better understands the carbon impact of all budget decisions. We are also concerned about the impact of the proposed reduction in the sustainable action fund, which supports a number of new and innovative actions that will underpin much of the necessary success in driving behaviour change and action in new and challenging areas. The research budget underpins the delivery of a wide range of outcomes and generates significant additional benefits to the Scottish economy.

Committee members are satisfied that our committee is now able to play a much greater role in budget scrutiny than has been possible in the past.

15:40

Edward Mountain (Highlands and Islands (Con)): I am pleased to speak in this important debate, as the convener of the Rural Economy and Connectivity Committee. I thank my fellow members of the committee for all the hard work that they have put in, supported by the clerks, in dealing with the massive amount of work on our schedule. As I will talk about farming, I refer to my entry in the register of members' interests. I should also say, from the outset, that I had grave concerns about the Parliament's previous financial oversight system of post-budget scrutiny. Based on my experience in the business world, I believe that that system could not truthfully be described as scrutiny.

Therefore, the new system of looking at areas of interest to the committee before the budget is published, in the hope of influencing it, is laudable; I hope that that hope will not be proved to have been naive. The system needs a considerable amount of improvement work to make it truly worth while.

The committee chose to carry out the new process of pre-budget scrutiny on the strategic investment that is required to support the Clyde and Hebrides ferry services, and we did that throughout 2018 in a focused review. The well-documented problems and significant disruptions that were caused across the Clyde and Hebrides network in the spring and summer of 2018 helped to focus our decision on the issue to choose. More often than not, those problems were a consequence of unreliable and aged vessels. We were also influenced by our recent scrutiny of the Islands (Scotland) Act 2018, which highlighted the vital importance of ferries as lifeline services and linchpins for the on-going sustainability of island communities and economies.

When the committee carried out its scrutiny, it wanted to know whether the level of current and planned investment in ferries and infrastructure matched the need. Nearly all the stakeholders we heard from told the committee that ferry services and infrastructure have suffered from a lengthy period of substantial underinvestment. We heard that the fleet is old, with many vessels approaching the end of their working lives, and that there were no spare vessels or capacity. We also heard that efforts to purchase a second-hand vessel had failed and were likely to continue to fail because of the need for the vessel to have a shallow draft.

Eighty-five per cent of respondents to the committee's online survey thought that the current and proposed level of investment in new ferries and port infrastructure was insufficient. Caledonian Maritime Assets Ltd, the Scottish Government-owned company that owns and operates the

ferries, ports and harbours that serve the network, stated that a significant increase in investment would be required to ensure a properly managed programme of vessel replacement and improvements to ports and infrastructure. It stated that £30 million a year would need to be invested in new vessels and that £20 million a year would be needed for ports and harbours. When quizzed, CMAL said that, over the past 10 years, it had received less than half that amount.

Following consideration of the evidence, the committee recommended to the Scottish Government that it should prioritise ferry investment, with a focus on procuring new vessels to reduce the average age across the fleet, which would also improve service reliability.

So far so good—the committee had identified a problem, which was supported by evidence. It was a true opportunity for the committee’s work to influence Government expenditure.

In response to the committee’s report, Paul Wheelhouse, the Minister for Energy, Connectivity and the Islands, pointed out what we already knew: that two vessels had been commissioned—the MV Glen Sannox and hull 802—which were being constructed by Ferguson Marine. No other vessels had been ordered or confirmed.

Paul Wheelhouse pointed to a further £4 million that had been invested in a resilience fund, which was set up to address vessel reliability issues. We were told that that was to allow the forward purchase of fast-moving spares. That would be fine if all the ferries were a standard model, but they are not. I am sure that the committee will want to monitor how the resilience fund is used in the course of this year.

Those points were repeated when Michael Matheson, the Cabinet Secretary for Transport, Infrastructure and Connectivity, appeared before the committee last week. The investment is welcome, but the problem is that the delivery of both new vessels is late and subject to significant delays. The Glen Sannox is not due until summer 2019 and hull 802 is not due until spring 2020, so there will be at least another two summers of disruption. When the committee took evidence, there was also dubiety about whether those dates were realistic.

Michael Matheson indicated that planning has begun for the future replacement of the Islay ferry. However, there are no concrete plans beyond that for vessel procurement, which the committee called for before the budget.

The committee called on the Scottish Government to conduct an urgent review of the ferries plan to meet current and future needs. Therefore, it welcomes the Scottish Government’s commitment to a review of the plan that will cover

vessels and infrastructure; sadly, that review is not to be completed before the end of this year or before next year’s budget is produced.

Derek Mackay: It would be unfair to expect a committee response to the point that I am about to put, but I am genuinely trying to be constructive. On ferries, there is cross-party interest in the structure of decisions on transport and procurement. Perhaps the committee could assist the Government with that and explore governance, which might help us with delivery issues.

Edward Mountain: Absolutely. The committee visited Ferguson Marine Engineering and would like to be involved and to understand how the delivery of ferries is carried out. We have taken evidence from agencies on the design of ferries, which is critical to ensuring that delivery is on time. The committee will want to follow up on that.

The committee is very aware that similar recommendations to those we made before the budget, about the need for strategic planning backed by appropriate investment, were made by the Transport, Infrastructure and Climate Change Committee in 2008. Despite that previous work, it still appears to the committee that ferries are suffering from underinvestment and a lack of strategic planning. I will not be speaking for the committee in 2028, but if our views are still being reflected in 10 years’ time, as we are reflecting the views of the committee 10 years ago, I think that a future committee would find that unacceptable.

The proposed new ferries plan, when it is delivered, will provide an opportunity for the Scottish Government to deliver a strategic plan that will give confidence to island communities, businesses and the tourism industry that in the future ferry services will be fit for purpose and will meet their needs. That is critical and the committee will monitor that closely.

The committee looked at the road equivalent tariff and recommended that the Scottish Government should reflect on the evidence that it received about ways of further improving and developing RET—for example, through differential or dynamic pricing and enabling islanders to take priority, particularly in emergencies. I am pleased that, in his written response to the committee, Mr Wheelhouse undertook to take that recommendation into account in the network-wide review of RET, which is due to conclude by the end of 2019.

Following a recent evidence session, there was genuine concern in the committee that the Scottish Government might be considering fare increases on some routes in the short term to reduce demand. That move would impact most of the island communities that we heard from in

considering the Islands (Scotland) Bill and would be detrimental to their future.

The committee also took evidence from the relevant cabinet secretaries on the budget as it relates to agriculture and the digital economy. That threw up several important issues, which included the reduction in less favoured area support scheme payments and the investment that is required to deliver the ambitious reaching 100 per cent superfast broadband—or R100—project by 2021. The committee was informed that it will have to await the award of the R100 contract, which should have happened next month but will not now happen until later in 2019, before it can scrutinise arrangements. We will be looking at the £600 million that it will cost to deliver the programme in future budgets. I know that the committee will take a close interest in the issue in the future.

In conclusion, the Rural Economy and Connectivity Committee responded well to the new way of looking at the budget, but we have not seen many of the items that we called for in the budget that has been produced. We look forward to the Scottish Government taking into account the important matters that we raised on critical ferry services to the islands and to reviewing those in next year's budget.

15:50

Ruth Maguire (Cunninghame South) (SNP): I welcome the opportunity to participate in today's debate and to share the pre-budget work of the Equalities and Human Rights Committee.

The committee has a crucial role in driving forward scrutiny of Scottish public funding to deliver equalities outcomes. Since September 2016, the committee has also considered how human rights could be more explicitly identified through the Scottish Government's budget. The report that the committee published just over a year ago, "Making the Most of Equalities and Human Rights Levers", sets the scene. The committee has sought to build on that work. I thank the clerks for their diligence and support for that, and I thank my fellow members for their dedication in exploring those matters through the pre-budget phase. I also acknowledge that scrutiny of cross-cutting issues can be challenging and requires sustained commitment over the longer term to make progress.

I also recognise the contribution that was made by the public bodies, organisations and individuals who shared their experience with us and helped us to keep the spotlight on equalities and now human rights. The committee also appreciates the way in which the Minister for Older People and Equalities has engaged with us and welcomes the carefully considered response to our findings from

the Cabinet Secretary for Social Security and Older People.

The budget for promoting equality is £24.6 million. We note that that is a cash increase of 8.4 per cent on last year. The Government has told us it will be used to respond to recommendations from the advisory council on women and girls and the First Minister's advisory group on human rights. The budget line will implement the social isolation and loneliness strategy and deliver a framework policy on older people. It will deliver on and respond to the advisory council on women and girls and continue to support front-line services and wider activity to address gender-based violence and inequalities, including a major campaign to challenge sexual harassment and sexism.

Because of the cross-cutting nature of equalities and human rights, we note that some of the spending plans come under the communities and local government portfolio. The committee might have a small budget line to scrutinise, but we have a big role and significant challenge in looking strategically at the account that is taken of equalities across the Scottish Government's budget.

It has been 10 years since the Scottish Government first published an equality budget statement. We are a world leader in equalities budgeting, with many countries striving to achieve a similar approach. Equalities budgeting has moved on, and the revised budget process offers us an opportunity to reinvigorate the focus on equalities. Starting this year, under the new approach, the Scottish Government has committed to publishing additional equalities information prior to the summer recess. The committee welcomes that crucial step forward and encourages other committees to make use of the information to support and influence their budget scrutiny. That in turn should influence the Government's budgetary decisions to deliver equality outcomes across portfolios.

The committee understands from the Government that work is under way on developing options for the information that could be included, and my committee would be pleased to meet the Cabinet Secretary for Social Security and Older People to discuss the various options that are under consideration. It is important that we ensure that Scotland builds on its equalities leadership and we would welcome the views of all committees to support such a discussion.

A key area of focus for the committee is the collection of equalities data. Data is crucial if we are going to be able to successfully measure outcomes. Chris Oswald from the Equality and Human Rights Commission told us that the 10-yearly census remains the gold standard of

equalities data but that the UK Government has decided to reduce the amount of administrative data it collects. He said:

“The situation in Scotland, in particular, is unhelpful, because the ethnicity categories are collapsed into five, when the data is gathered across 14 categories. That means that it is not possible to discern the distinctions between the outcomes for Pakistani, Bangladeshi or Indian people, which are quite stark if we are looking for nuanced policy.”—[*Official Report, Equalities and Human Rights Committee*, 25 October 2018; c 18.]

Similarly, Dr Alison Hosie, of the Scottish Human Rights Commission, spoke of the problem of carrying out analysis from a rights perspective on the currently available Scottish data sets referring to the rights to health, housing, food and social security. She said that trying to examine key aspects of those rights was “extremely difficult” owing to the lack of

“financial information in the budget that related to those particular spends”.—[*Official Report, Equalities and Human Rights Committee*, 25 October 2018; c 19.]

In its response, the Government pointed us to a range of data sources, for example, the Scottish surveys core questions, which cover a range of areas, such as equality characteristics, housing and employment; its new gender index, which captures information on gender equality; and, on health, a new report entitled “Measuring Use of Health Services by Equality Group”.

The Government acknowledges that all public bodies need to do more, and, in 2017, it produced an equality evidence strategy. That identifies the evidence gaps in equalities information. It has also updated the equality evidence finder tool. I urge committees to make use of those tools and resources to help inform their scrutiny work so that, together, we can work towards filling the gaps and, in doing so, gain a clearer picture of equalities outcomes.

The use of equality impact assessments is a continuous theme for the committee. We agree with the Government that EqlAs are an invaluable tool for determining the impact of particular policies on protected characteristics. These assessments should be the backbone of policy development and should underpin spending decisions. They should draw out issues of intersectionality where a policy has a cumulative equality impact on, for example, people with a combination of protected characteristics, such as an older disabled man or a pregnant Muslim woman.

A recent strand of our work has focused on cumulative impact assessments and their use by local authorities. They can show where decisions across an authority have a cumulative impact on certain groups in their communities and can therefore help with budget setting.

Also, on cumulative impact, evidence from the Equality and Human Rights Commission highlighted the work that it was undertaking with Landman Economics to develop better scrutiny of budgetary decisions that were taken by the UK Government between 2010 and 2015. A report of that work is due to be published shortly. It will assess the potential impacts on different groups of changes to taxation, social security and public services up to 2022. Chris Oswald told us that that work has allowed the EHRC

“to identify that, going forward, the largest losses will be for those in income decile 2, for any family with more than three children and lone parents—those three groups will have the most significant losses. Black and Caribbean communities are the next most affected, and then it is people with severe disabilities. In terms of age, the most significant losses are among the 18 to 24-year-old age group.”—[*Official Report, Equalities and Human Rights Committee*, 25 October 2018; c 20.]

The committee notes the Scottish Government’s publication of its distributional analysis on income tax changes, which looked at changes by income group, age and disability. We welcome the Government’s commitment to continue to explore cumulative distributional analysis during this year and suggest that the Government might want to consider the work that has been commissioned by the EHRC and any lessons that can be learned from it.

Before I conclude, it would be remiss of me not to highlight the action that is being taken to identify human rights explicitly through the budget process. The committee is pleased to see the inclusion of a human rights outcome in the Scottish Government’s refreshed national performance framework. It says:

“We respect, protect and fulfil human rights and live free from discrimination”.

We look forward to the development of indicators in support of that this year.

The committee is supportive of the development of human rights-based budgeting in the Scottish budget system to ensure that Scotland is meeting its international and national human rights obligations, but we recognise that that will need to happen in a planned way, ensuring that the right building blocks are put in place first, and we acknowledge that that will take time.

In closing, I would like to leave members with one key message. Scotland has previously been at the forefront of equalities budgeting, and we must continue to lead. A lot of innovative work is going on across Government and public bodies. It is essential that we all make the most of the work that has been done and of the information and the tools that are available to us so that we can be assured of a solid connection between public

policy making, resource allocation and stated equalities and human rights outcomes.

16:00

Margaret Mitchell (Central Scotland) (Con): I very much welcome the new pre-budget process and the opportunity that it affords me, as the convener of the Justice Committee, and other conveners, to set out our committee members' priorities and the issues that they have highlighted.

From the Justice Committee's perspective, the new process has worked well and has ensured that, during the year, the committee has kept budgetary issues at the centre of much of our scrutiny of bills and our inquiries. I thank my fellow Justice Committee members for their contributions to our pre-budget scrutiny this year and for the consensual way in which we reached our unanimous conclusions. I also thank the members of the Justice Sub-Committee on Policing and its convener, John Finnie, for their work on policing aspects of the justice budget. I pay tribute to the committee clerks for their invaluable assistance and support as well as to all the organisations and individuals who gave evidence to both committees as part of our budget scrutiny.

The justice portfolio budget is a little over £2.7 billion, which equates to approximately 6.5 per cent of the Scottish Government's total proposed budget for 2019-20. Although that is a relatively small percentage of the Scottish Government's budget, it is important to stress that justice portfolio spending decisions have potentially major consequences for the protection of the public, the functioning of a fair justice system and the effectiveness of our police and fire services. That means that those decisions are among the highest priorities of any Government.

The Justice Committee therefore focused on the following Government-planned spending: funding for the Crown Office and Procurator Fiscal Service; funding for information technology projects in the justice sector; and funding for the third and voluntary sectors. I will address each of those areas in turn, starting with the Crown Office and Procurator Fiscal Service. The smooth running of that service is fundamental to the effectiveness of Scotland's justice system, which is why the first inquiry that was carried out by the Justice Committee in 2016-17 was on the functioning of the Crown Office. That was considered to be a priority, as the committee heard evidence that, at that time and for some considerable time prior to that, the service was "just about managing" with its budget.

Since then, and over several years, the Crown Office and Procurator Fiscal Service has been the subject of the Justice Committee's budget scrutiny

and of the monitoring of the committee's inquiry recommendations. Consequently, additional funding of up to £3.6 million has now been provided for the Crown Office and Procurator Fiscal Service, and £300,000 has been provided for the Scottish Courts and Tribunals Service. In addition, the committee is gratified that the continuity in scrutiny has led to 60 newly appointed COPFS staff who will be prosecutors and that some of the additional £3.6 million COPFS funding has been provided for resources to increase the number of prosecutions for domestic violence and sexual offences.

The COPFS IT systems provide crucial services such as witness notification, the provision of real-time information on witness citations and case management. The need to improve those IT systems was stressed during a very worthwhile meeting that the deputy convener and I had with the Lord Advocate and the Crown Agent to discuss how they planned to use some of the £3.6 million of additional funds. The committee considers that it is vital that the IT systems are modernised and improved and that they link seamlessly with the Scottish Courts and Tribunals Service and Police Scotland to ensure the effective functioning of our justice system.

IT funding more generally, and specifically for policing, was the second area on which the Justice Committee focused. In 2018, the Scottish Police Authority board supported an online business case for a £298 million IT upgrade for Police Scotland over the next nine years. An upgrade is required to modernise existing systems and introduce new mobile devices to ensure that our front-line officers have the technology that they need. Although the additional £12 million in the draft budget for IT purposes is welcome, it falls far short of what is required and might reasonably have been expected, given the challenges and potential dangers that our officers face every day. The committee therefore welcomed the reassurances that the Cabinet Secretary for Justice gave the Justice Sub-Committee on Policing on 17 January, when the matter was put to him. He said, in effect, that our police have to be given the tools for the job.

In addition, both committees heard the SPA view that £23 million is

"a disproportionately small capital budget"—[*Official Report, Justice Sub-Committee on Policing, 4 October 2018; c 23.*]

for a body of the scale and importance of Police Scotland. That has implications for fleet maintenance, in relation to which Police Scotland has confirmed that it has an overspend of around £6 million per year. Although the Scottish Government is aware of that, it appears to have provided no extra funds for fleet and estate management in this year's capital budget, which

remains the same as it was in 2018-19. The committee therefore welcomed the cabinet secretary's reassurance to the Justice Sub-Committee on Policing that he would look at the issue before the next spending review.

The Justice Committee pays tribute to the outstanding work of the many organisations that work in this portfolio. During our scrutiny of the Scottish Government's Management of Offenders (Scotland) Bill, it was evident that, when prisoners are released from prison, support from the voluntary sector is critical in helping with housing, employment and access to general practitioner services. It was worrying to hear that, if such services are not available, joined up and properly resourced, the result is almost certainly that we set up the ex-prisoner to fail—and, potentially, to return to prison.

The Justice Committee therefore seeks to ensure that voluntary organisations that are engaged in such work are adequately funded. Quite simply, that makes sense, given that imprisonment costs tens of thousands of pounds more than it costs to provide support services to prisoners on their release. Crucially, the committee calls on the Government to consider multiyear funding, which would help to ensure that third and voluntary sector organisations could focus on the vital services that they supply instead of being trapped in a continuous cycle of applications for funding. In that regard, the committee welcomed the cabinet secretary's commitment to continue to look for opportunities to move victim support organisations to longer-term funding cycles. However, we urge him to go further and expand that funding approach to other voluntary and third sector organisations in the civil and criminal justice systems.

As the Parliament takes on more powers, the scrutiny work of its committees becomes even more important. Members of the Justice Committee and its sub-committee call on the cabinet secretary to take on board our findings when he finalises funding decisions in relation to the COPFS, Police Scotland IT projects and multiyear funding for voluntary sector organisations that work in the civil and criminal justice sectors.

In the meantime, both committees thank the Cabinet Secretary for Justice for the constructive way in which he has engaged with members. We look forward to working with him in the coming months on the issues that we have raised today.

16:09

Bob Doris (Glasgow Maryhill and Springburn) (SNP): I speak today as convener of the Social Security Committee and I welcome the

opportunity to participate in this debate on committees' pre-budget scrutiny. It is the first such debate as part of the revised budget process, as members will know, and I am sure that it will enlighten and inform both fellow parliamentarians and, more important, the wider public about the scrutiny that all committees give to financial matters here in the Parliament.

First, I will provide a bit of context. In April last year, the Parliament unanimously passed the Social Security (Scotland) Act 2018, paving the way for the Scottish Government to deliver newly devolved benefits to the people of Scotland. Those benefits will form one part of what is a complex delivery of social security, with different agencies delivering different aspects of that system.

The majority of social security benefits remain reserved to Westminster and are administered by the Department for Work and Pensions. Those include the much debated universal credit, which replaces six legacy benefits: housing benefit, income support, income-based jobseekers allowance, income-related employment and support allowance, child tax credit and working tax credit. It is worth noting that those two tax credits were previously the responsibility of HMRC.

In addition, local authorities are responsible for discretionary housing payments and the Scottish welfare fund; the Department for Work and Pensions is paying carers allowance on behalf of the Scottish Government under an agency arrangement; and Social Security Scotland is currently paying a carers allowance supplement and best start grant pregnancy and baby payments.

There is therefore a period of transition, which is also reflected in the 2019-20 budget portfolio. For the first time, the social security budget has been set out separately from the Scotland Act implementation line, adding more clarity to the Scottish Government's spending plans. In 2019-20, the social security budget will be £560 million, which consists of support for the programme of delivery and the administration of Social Security Scotland. From that £560 million, it is forecast that £435 million will be paid to people across Scotland.

Our committee would like to highlight several aspects of the Scottish Government's budget for 2019-20, the first being the establishment of Social Security Scotland. Last October, committee members were delighted to have the opportunity to visit the agency's new headquarters in Dundee, where some of the recently recruited staff talked enthusiastically about the challenge of setting up the new organisation from scratch. It was those members of staff who helped to administer some of the first payments delivered in 2018: the carers

allowance supplement payments and the best start grant pregnancy and baby payments.

The committee was pleased to hear that the best start grants received exceptional numbers of applications. That is a good thing, but as that is demand-led expenditure, the committee asked how the Government would cope with greater than anticipated demand. The cabinet secretary has assured the committee that if demand is greater than expected, all eligible people will be paid and that the Government will be keeping “an exceptionally close eye” on any in-year budgetary pressures. The committee welcomes that.

In 2019-20, Social Security Scotland will continue to expand its functions and will deliver an estimated £56 million in benefits across the country. The agency is expecting to deliver elements of the best start grant, best start foods, funeral expense assistance and the young carer grant. In keeping with the spirit of the Social Security (Scotland) Act 2018, the Scottish Government consulted on each of those forms of assistance. In order to contribute to those consultations, the committee heard evidence from stakeholders, charities and people with lived experience who are expected to receive those forms of assistance. Those people told us about their personal circumstances and the difficulties currently facing them. I thank all of them for contributing to our committee’s work.

The regulations for elements of the best start grant and funeral expense assistance have recently been laid in the Parliament and will be considered by the committee in due course. It is interesting to pick out some of the key points that the Scottish Government has highlighted. The funeral expense assistance, which will replace the current DWP funeral payment, will increase eligibility in Scotland by around 40 per cent. It is forecast that in its first full year of operation, the Government will spend £6.3 million, which is 25 per cent more than the DWP spent on the equivalent benefit in 2017-18. Under the early years assistance best start grant, two new grants will be added: the early learning grant and the school age grant. The value of both grants is expected to be £250.

New forms of assistance continue to be proposed by the Scottish Government and it opened its consultation last week on the job grant, which aims to help meet the initial costs of starting work and to support the smooth transition into employment for young people on low incomes. The grant will consist of a one-off payment of £250, or £400 if the young person is a parent.

The Government also confirmed that it will uprate the carers allowance supplement by the rate of inflation, as required under the Social Security (Scotland) Act 2018. The Government

uses the consumer prices index as its measure of inflation, meaning that the weekly rate will increase by 2.3 per cent to £8.70 in 2019-20.

The Scottish Government has classified that form of assistance as wave 1 and expects to deliver it by the summer of 2019. Wave 2 includes the meatier, larger projects such as disability-related benefits, including the replacement in Scotland of the personal independence payment and other forms of support for people with long-term illnesses, injuries or impairments. The delivery of benefits under wave 2 is not included in this year’s budget, but the agency continues to increase its capacity to be able to deal with those benefits in future. That is reflected in the operating budget of Social Security Scotland, which has increased to £41.5 million: £20.1 million in staffing costs; £5.6 million in information and communications technology; £4.2 million in facilities and property; and £11.6 million in other payments, including administration payments to the DWP for functions delivered. Over the next four years—between 2017-18 and 2020-21—the Scottish Government estimates that the implementation costs for Social Security Scotland will be around £308 million. The committee will continue to monitor the cost of implementation as part of its on-going budget scrutiny.

The committee today met the Scottish Fiscal Commission, which explained its role in providing the forecasts of expenditure for claimants in the Scottish Government’s social security system, both for the year ahead and a five-year estimate. A second set of forecasts is provided in May to accompany the Scottish Government’s medium-term financial strategy. The Scottish Fiscal Commission evaluates its forecasts annually and that evaluation is published annually, at around the same time as the Scottish Government’s fiscal framework outturn report in the autumn.

Given that the new Scottish social security system remains in its infancy, I suspect that the committee will be interested to see how accurate the forecasts were, come the autumn. For instance—and I merely speculate—should uptake exceed forecasts, the committee will be interested in how those cost pressures were managed and what implications that may have for the following year’s budget. Similarly, if uptake is behind forecasts, the committee will be interested in whether that will impact on the following year’s budget in terms of the money allocated to the benefit, or whether there might be an entitlement campaign to drive uptake.

When looking at budget lines and cost pressures and what scrutiny the committee wanted to undertake in relation to the social security budget, the Scottish Fiscal Commission asked committee members to bear in mind the

following three aspects: eligibility criteria, uptake and the level of the benefit. Changing any one of those aspects can cause the outturn to change dramatically in relation to moneys paid and the policy outcome. The committee will look at all those aspects.

I must mention the Scottish welfare fund. The funds that are administered by Social Security Scotland are not the only social security payments that are made by the Scottish Government. The Scottish welfare fund is delivered by local authorities. The previous convener, Clare Adamson, and the committee had concerns about whether the welfare fund was high enough to meet the needs and the demand that are out there in society, noting that the fund's £33 million budget had not increased since its inception. Had the budget been increased at the rate of inflation, it would today be £36 million. Our committee has similar concerns about whether that budget will meet the demand that is out there across our local authorities and we are disappointed that the Scottish Government has not agreed with that.

One caveat is that the Scottish welfare fund does not spend all the moneys that are allocated to it. We must ask why Scottish Borders Council, for example, spends only 64 per cent of the money that it is allocated under the Scottish welfare fund, but Inverclyde Council spends 110 per cent; it supplements it.

There are a whole range of new budget lines for the Social Security Committee to scrutinise. We are getting our baselines this financial year and there will be lots more scrutiny going forward, as part of a rolling programme in this new budget scrutiny process.

16:19

James Dornan (Glasgow Cathcart) (SNP): I am pleased to speak in the debate on behalf of the Local Government and Communities Committee. The local government and housing budget is vast. This year, the committee decided to focus on three issues: first, the biggest spend in our remit, which is the local government annual settlement; secondly, what is, in relative terms, a small spend—funding for housing adaptations for older and disabled people; and, thirdly, the thematic, cross-cutting issue of workforce planning in local authorities. We took evidence on all three issues, and we thank the witnesses for their expert input.

Some of that work dates from before I became the committee's convener, in September, and the committee's work this year builds on a body of evidence taken throughout the parliamentary session. I therefore thank my colleagues on the committee—both past and present—for their hard work, as well as my predecessor, Bob Doris, who

helped to set the priorities during his time as the convener.

I will take the three issues in reverse order. I suspect that workforce planning in local government has become something of a Cinderella subject in the context of parliamentary scrutiny, yet it is critical. Tighter public finances and demographic changes, including the challenges of an ageing population, are leading local authorities to ask big questions about how they organise their human resources to optimise service delivery. Council workers are not merely resources; they are people, and any changes must take account of the human factor.

Over the past decade, council workforces have shrunk and, understandably, councils wish to avoid compulsory redundancies. However, one of the concerns that the committee heard from witnesses was about a perceived hollowing out of council workforces, with more senior and better-paid staff accepting a nudge from management to move on in an effort to save money and avoid compulsory redundancies. The committee heard evidence that, in many cases, that has turned out to be a false economy, with valuable experience having been lost for good.

The underlying question that the committee posed in a pre-budget letter to the Scottish Government was this: where does the balance lie between respecting the autonomy of each council and recognising the Government's responsibility on strategic challenges? As we said in our letter:

"The balance of evidence suggests ... that there is a need for more work done at a national level: data-gathering, horizon scanning, and decision-making, and that the Scottish Government has a role to play in this."

Given the Government's response, we are not totally convinced that it has engaged with that point. Of course, we must not forget that there is also plenty of scope for councils to exercise collective leadership. The underlying challenges on that issue are not going away, so the dialogue is bound to continue. The committee's next step will be an evidence session on absenteeism in the local government workforce.

I now turn to housing adaptations, which is about making physical changes to homes to help elderly people and those with disabilities to go on living in them. Spending in that area is small in global terms, but, as we all know from constituency cases, it is far from an insignificant issue. A good intervention can be transformative and can vastly improve someone's quality of life. It can also be a textbook example of spending to save. If we enable people to go on living at home when the only realistic alternative would be full-time care, as well as making the quality of life better for the individual and their family, we ensure that the impact on the public purse is reduced.

There is much very good work already going on, and, if there are problems, it is important not to overstate them. However, let me signal a couple of related matters in relation to which the committee has shown a dogged interest.

There is frustration at the lack of progress in realising what the jargon calls a “tenure-neutral” approach. In plain English, it should not matter whether someone is an owner-occupier, a private tenant or in social housing; everyone should have an equal chance to get an adaptation done—and done to the same standard. That is a long-standing Government goal, but it is clear from the evidence that some tenures are still less equal than others, and it appears that it is tenants of registered social landlords who are most likely to lose out. It appears that total demands on the RSL adaptation budget increasingly outstrip available funding, and the committee wants the Scottish Government to do more work to cost the level of unmet demand on that budget line.

The level of spending by integration joint boards, which are still relatively new bodies, is also somewhat opaque, and there are question marks over how well they plan their services in respect of adaptations. It is natural that some will perform better than others—that is what devolved decision making means in practice—but, in the years ahead, the committee would like to see evidence of good practice being shared and overall standards being driven up. We intend to take evidence on IJBs in the next financial year.

I turn finally to the local government settlement. The public discussion that takes place each year on that budget line is a passionate one, as the state of our care services, our public libraries, our roads, our refuse collection and our public spaces is important to us all. People may be a wee bit surprised to hear this, but party politics occasionally strays into that debate. I will outline what the committee has agreed on.

We all accept that the past decade has been tough for public services, including local government. Clearly, local government financing has been impacted by the overall amount of money that is available in the Scottish public finances, which, in turn, is impacted by the state of the UK public finances. It has been said elsewhere that the era of austerity in the UK public finances is coming to an end. Let us hope so. Does that mean that next year’s financial settlement signals the beginning of the end of a period of what the committee, in our pre-budget letter, called “doing more with less”? “Yes,” says the Scottish Government. “No,” says COSLA.

For guidance, I turned to the Scottish Parliament information centre briefing paper on the settlement, which states—on the same page—that the local government budget will both increase by

2 per cent and decrease by 3.4 per cent in real terms. I hope that that clears the matter up for everyone.

Patrick Harvie (Glasgow) (Green): The convener is right in saying that there are different ways of interpreting those figures, but he is also aware that, in its evidence to the committee, COSLA described not only the reduction in the non-ring-fenced part of the local government budget but new national protections and new national priorities. It stated that this combined

“perfect storm ... will have a fundamental impact on the ability of local authorities to invest in people, places and inclusive growth”.

Can the convener tell us whether his committee has heard from any local councils that do not share that deep concern about the impact that there will be on their local services if the budget is passed in its current form?

James Dornan: We heard from a number of witnesses who accepted the fact that local government has the ability to access money that would protect its budget, including through raising council tax and other methods of raising finance. Although they may have been complaining that the budget that comes directly from the cabinet secretary is not to their liking, they accepted that, if they took all the opportunities that are available to raise finance, there would be no drop in their budget.

Derek Mackay: Will the member take an intervention?

James Dornan: I will.

The Deputy Presiding Officer (Linda Fabiani): This is all getting very interesting.

Derek Mackay: Will the convener remind members whether the resources spokesperson for COSLA described the priorities that Patrick Harvie mentions as “excellent priorities” that COSLA and local government support?

James Dornan: The cabinet secretary is spot on. COSLA said that it did not want to go down the route of the mess that local authorities in England are in through funding under the Westminster Government.

Bob Doris: Will the member take an intervention?

James Dornan: Yes, I am happy to do so.

The Deputy Presiding Officer: Hold on a minute. We are getting close to time, so please make it quick, Mr Doris.

Bob Doris: Does the convener recognise—as I did when I was the convener of the committee—that COSLA will always try to make the financial position of councils seem as bleak as possible

while the Scottish Government will try to make it seem as positive as possible and that there is a balance to be struck, which we need in this debate?

James Dornan: I appreciate that COSLA is there to represent its local authority members and will, therefore, make the best case it possibly can for the local authorities.

I am surprised by the number of interventions—I thought that this was going to be one of my quieter speeches.

The Deputy Presiding Officer: It is going to become that. Could you wind up, please?

James Dornan: I will try my hardest to do so, Presiding Officer.

Let me be clear: this is no criticism of the SPICE paper, which merely reflects the underlying confusion around local government financing. The paper carefully explains that whether we see a rise or a cut depends on how we classify new non-discretionary spending that is given to councils for specified purposes. In a letter that was published yesterday, the committee called on the Scottish Government to set out its own interpretation of which elements of local government spending are discretionary and which are ring fenced, and to work with the local government sector to find a common language on the issue.

I am under no illusion that we can eliminate partisan disagreement about local government spending, and I am not sure that we should even try. However, when politicians get stuck in semantic arguments about accounting points—about whether a cut is actually a rise or whether a rise is actually a cut—the public reaction is to switch off and go and watch “Coronation Street”. For that reason alone, it would benefit us all to have a bit more clarity about the meaning of protected and discretionary spending in the future and more reassurance that, even when they cannot agree, central and local government are speaking the same language. We look forward to the Government’s response on that issue.

In concluding, I thank all my clerks and other support staff for all their help both to the committee and to me as the convener.

16:29

Jenny Marra (North East Scotland) (Lab): I thank the clerks of my committee for all the work that they do throughout the year. It is very much appreciated by me and all our members.

The Public Audit and Post-legislative Scrutiny Committee’s role is to examine whether public funds are spent wisely and to hold to account those who are charged with spending taxpayers’

money. Our committee undertakes that work primarily through its scrutiny of reports that are prepared by the Auditor General for Scotland.

As a result, traditionally the committee has had little direct involvement in the budget scrutiny process; we focus instead on how and whether spending decisions are good and wise and whether policy is delivered. However, the shift in the Parliament’s new budget process to an outcomes-based approach suggests that, in future, there may be a unique role for our committee in supporting the subject committees in their budget scrutiny. That is why I am speaking today.

The budget process review group noted:

“An outcomes-based scrutiny approach provides a means for evaluating the economic and social outcomes being achieved by public spending. This involves bringing financial and performance information together, so that the impact of spending decisions can be better understood.”

In its audit scrutiny, the committee has regularly emphasised that there should be a clear link between what public money is being spent on and the outcomes that it delivers.

Today, I will highlight three aspects: inputs and outcomes; better data; and the need for an explicit link between public spending and the national performance framework. Despite the long-standing commitment to an outcomes-based approach, the audit reports that we receive suggest that the performance of many public services is still measured in terms of inputs rather than outcomes. For example, the Auditor General’s 2018 report on “Early learning and childcare” indicated that

“The Scottish Government did not set out what specific outcomes the expansion to 600 hours of funded ELC was intended to achieve.”

That leads me to the matter of better data. The new budget process emphasises the need for better performance reporting to provide a clearer focus on the delivery of outcomes. That includes better information about the activity that public spending will support, its aims, and the contribution that it expects to make to national outcomes. However, a number of reports from the Auditor General suggest that data that demonstrates improved outcomes or progress towards longer-term reforms is often completely absent or underdeveloped. In the “Early learning and childcare” report, the Auditor General concluded that the Scottish Government

“did not plan how to evaluate the impact”

of the 600 hours expansion, while the “Self-directed support: 2017 progress report” stated:

“Data should have been developed earlier in the life of the strategy, in order to measure the progress and impact of the strategy and the legislation.”

Finally, the explicit link between the national performance framework and the Government's individual policies and strategies, its detailed spending proposals and the agreed national outcomes is not always evident.

Let me give another example. Audit Scotland noted that the national performance framework

"measures progress towards economic targets and outcomes but it does not measure the contribution of policies and initiatives to delivering these outcomes."

In her recent report "The 2017-18 audit of the Scottish Government Consolidated Accounts", the Auditor General noted that

"as with previous years, the accounts do not report on the performance of individual portfolios or the Scottish Government as a whole, limiting the reader's ability to see the Government's own contribution to national outcomes."

That needs to be addressed if we are to have confidence in the system.

The budget process review group report indicated that the Parliament's committees

"are able to draw on a basket of evidence"

on

"the intended impact of policies and public spending and the effect these are having."

The group noted that that will be a key part of how the Parliament's committees

"evaluate public spending and how they seek to influence the formulation of future spending proposals."

The group concluded that there was scope for committees to make better use of audit reports as part of that basket of evidence to support their evaluation of public spending.

While individual subject committees will continue to have a key interest in how well specific policies and programmes are delivered, the Public Audit and Post-legislative Scrutiny Committee is well placed to offer an overarching perspective on how effective the Government is, overall, in delivering improved outcomes for the people of Scotland. I am keen for the committee to explore with the subject committees how such support might be delivered and what form it might take following the completion of the first year of the new process.

16:35

Colin Beattie (Midlothian North and Musselburgh) (SNP): I welcome the opportunity to take part in the debate on behalf of the Scottish Commission for Public Audit, and I thank the clerks for their work in preparing our report of 21 January.

The commission was established under the Public Finance and Accountability (Scotland) Act

2000. Its membership consists of five MSPs, including me as chair, and one of its main areas of responsibility is to

"examine Audit Scotland's proposals for the use of resources and expenditure and report on them to the Parliament".

Audit Scotland is an independent body that carries out audits on public entities to ensure best value and efficiency. Its work covers more than 220 organisations, which spend about £40 billion of public money annually. In previous years, the commission has reported on its scrutiny of Audit Scotland's annual budget proposal to the Finance and Constitution Committee, but following the report of the budget process review group in June 2017, the commission now reports directly to the Parliament. As Audit Scotland's budget forms part of the total Scottish budget, the commission's report, which was published last Monday, supports the Parliament's wider scrutiny of the budget for 2019-20.

Audit Scotland's budget is drawn from two main sources. The first source, which makes up around 75 per cent of its total budget, consists of the fees that it charges audited bodies for their annual audit work. The second source of Audit Scotland's budget consists of the moneys that are approved by the Parliament from the Scottish consolidated fund. This year, Audit Scotland is seeking £7.564 million from the Scottish consolidated fund, which is an increase of £416,000 on last year's total resource requirement of £7.148 million.

Through its budget proposal of December 2018, Audit Scotland seeks, broadly, to fund activities that the organisation carries out, such as performance audits and implementation of the national fraud initiative and the new financial powers that are in the process of being devolved to Scotland. Audit Scotland notes that the budget proposal has been prepared in the context of a number of significant uncertainties, such as the impact of the UK autumn budget statement on Scottish budgets, the Scottish Government's public sector pay policy and the impact of the UK leaving the EU. The UK is moving rapidly towards its exit from the EU on 29 March, and Brexit carries with it unknown risks and implications, especially for the public sector. As such, it is likely that the amount of work that will have to be done for the current fiscal year will increase as the UK exit strategy becomes clearer. As a result, Audit Scotland might have to hire more employees.

The budget proposal also contains a request to double the management contingency from £150,000 to £300,000. At the commission's meeting on 12 December 2018, the Auditor General for Scotland said that that

"is a direct response to the uncertainty that we are now facing ... Given the extent of the uncertainty that we are

now facing with regard to not just the work that we might need to carry out ... but what the impact might be on our costs in future, we propose to increase the contingency to £300,000.”—[*Official Report, Scottish Commission for Public Audit*, 12 December 2018; c 9.]

As members will see from our report, Audit Scotland has a three-year phased approach to resourcing the audit needs associated with the new financial powers. We looked at that approach for the first time last year, and we have done so again this year. This year’s budget proposal highlights the additional work requirements that will arise from the financial and performance work that will need to be undertaken on Social Security Scotland. The budget proposal states:

“Social Security Scotland began operating as an executive agency on 1 September 2018 and will be responsible for delivering ten devolved benefits totalling around £3.3 billion of spending annually.”

Audit Scotland is the appointed auditor for the agency and its payments and, as such, has a new team to lead on all financial and performance audit work on social security. The commission recognises that the devolution of further financial powers will result in an increased workload for Audit Scotland and considers that its proposed increase of £285,000 to fund people costs is appropriate to meet the requirements of the phased transfer of the new financial powers to Scotland.

Additionally, part of VAT receipts will be assigned to the Scottish budget from April this year. Audit Scotland will work closely with the National Audit Office to ensure a managed VAT assignment to the Scottish Parliament.

Audit Scotland will also work closely with the National Audit Office on the Scottish income tax, which will provide increased assurance to the Scottish Parliament on HMRC’s administration of different tax bands and rates for Scottish taxpayers.

We note in our report that there are some signs that performance in audit quality has fallen. Audit Scotland’s budget provides £250,000 to address that, with Audit Scotland confirming that it is increasing its learning and development work to tackle the concerns raised during its audit quality annual report. The commission will, in future, look to see how effective that budget is in improving audit quality.

The Scottish budget is linked to economic performance. As such, Audit Scotland will need to build capacity to oversee the reporting of fiscal management and financial sustainability, which will help the Parliament to maintain scrutiny.

Last year, and again this year, the commission looked at Audit Scotland’s fee strategy. In this year’s budget proposal, while the costs of auditing

NHS and education bodies remained broadly the same as in 2018-19, the cost of the audit of local authorities has increased by 4.2 per cent, or £483,000. Audit Scotland has explained that that is because local government meets all the costs of its audit work, and the increased costs seen this year have arisen from the increased number of local government bodies being audited. Furthermore, the integration joint boards have increased in size as they have begun to take on their full responsibilities.

Having considered and reported on Audit Scotland’s budget proposal, the commission has agreed to recommend to Parliament that Audit Scotland’s budget proposal for 2019-20, including the request for a total resource requirement of £7.564 million, be approved.

The Deputy Presiding Officer: That concludes the conveners’ contributions and we move to the winding-up speeches. It is disappointing to note that some conveners are absent from the chamber.

16:42

The Minister for Public Finance and Digital Economy (Kate Forbes): I thank the committee conveners, not only for their contribution to the debate but for their budget scrutiny and the way in which they have led their committees over the past few weeks and months.

The debate is part of the implementation of the recommendations of the budget process review group. The revised budget approach is structured around the framework of a full-year approach, which some conveners touched on. It was recommended that there should be a broader process, in which committees would have the flexibility to incorporate budget scrutiny in a continuous cycle rather than just as a one-off. Critically—Jenny Marra touched on this—it was recommended that the process be outcome focused. Scrutiny should be evaluative, with an emphasis on what budgets have achieved and aim to achieve over the long term. In accordance with fiscal responsibility, scrutiny should focus more on prioritisation.

Lastly, and perhaps most interestingly from the point of view of today’s debate, scrutiny should focus more on the interdependent nature of many of the policies that the budget is seeking to deliver. Although the debate has been two and a half hours of discussion of different subject areas, it has demonstrated the interdependence of committees.

I hope that conveners feel that they were able to lead on the up-front scrutiny, rather than it just being, as Edward Mountain suggested conveners

felt it to be in the past, scrutiny post-publication of the draft budget.

The debate has also shown the huge breadth of budget spend and priorities in areas such as education, health, infrastructure, justice, transport and the environment. There will no doubt be ample time in debates in the next few weeks to discuss those spend priorities. Although there is a range of views on those priorities, there is nevertheless a lot of agreement on the importance of outcomes, and indeed a lot of agreement on the outcomes that we all seek. Instead of fixating on the numbers, important as they are, I think it important that we look at the way in which those numbers impact on people.

I am sure that the chamber will be delighted to hear this, but I will not be able to respond to all the points that have been raised in the debate—I will leave that to the next speaker, who is no doubt scribbling furiously. However, I know that the Government has responded—or its responses will be forthcoming—to the letters from committees.

That said, I want to touch on all the committees whose conveners have contributed to today's debate, and to do so in the context of the outcomes that I have mentioned. Starting with education, I want to make it clear that we want young people to achieve their best in this country and to be able to access the same opportunities, no matter where they are from, where they live or what they want to achieve. The draft budget invests over £180 million in closing the poverty-related attainment gap that was mentioned earlier, including £120 million for headteachers to spend on closing that gap. As we want our young people to have those opportunities at an early age, the draft budget contains £210 million of resource and a total of £500 million for nursery buildings and nursery staff. We also recognise the specific challenges that exist and, as a result, we are making £12 million available for mental health provision.

With regard to the economy and fair work and Gordon Lindhurst's speech, we want a healthy economy, businesses to grow and thrive, jobs to be created and people in this country to enjoy a steady and fair wage. We want jobs to be fair. Of course, economic challenges lie ahead, which is why the draft budget invests in the economy, with a new £50 million fund for town centres to drive local economic activity and to stimulate place-based improvements. One of the things that I was most delighted to see in the draft budget was a new £1 million digital start fund to ensure that those who are furthest from the digital workforce, whether they be women returning to work or those from more disadvantaged backgrounds, get the support that they need.

Moving on to culture and Joan McAlpine's contribution, we want to celebrate our historic environment, promote our tourism industry and support cultural organisations. This is the second year in which £6.6 million of additional funding will be available to Creative Scotland to maintain support for its regular funding programme. As for the hub offices around the world that Joan McAlpine mentioned, it is hugely important now, more than ever, that we as a country and as a Government are outward looking.

On health and Lewis Macdonald's speech, we want people to access free healthcare and free health services at the point of need, and we need to drive reform, particularly in light of the demographic challenges that Bruce Crawford touched on. That, again, shows the importance of pooling a lot of the budget scrutiny and discussing the challenges that we face across different areas. Of course, we need to invest wisely, and the budget transforms the NHS with £730 million of additional investment in health and social care. However, it is right that committees scrutinise where that money is spent. We are extending free personal care and increasing direct investment in mental health to £1.1 billion. Lewis Macdonald touched on the importance of long-term budget planning, and in that area perhaps more than anywhere else it is important that we target our investment wisely.

With regard to the environment and Gillian Martin's speech, we need to play our role in mitigating and adapting to climate change, caring for the planet and using not just our financial but our other resources wisely. The budget includes £20 million for Zero Waste Scotland to help support the transition to a more resource-efficient circular economy as well as investment of over £145 million in energy efficiency, tackling fuel poverty and heat decarbonisation. Here perhaps more than anywhere we see the importance of preventative spend, given the economic and health benefits that come from targeting our investment wisely in the environment portfolio. There is a clear overlap of budgets in that respect.

Moving swiftly on the rural economy and Edward Mountain's contribution, I certainly agree with him that we want people in rural areas to have the same opportunities, the same services and the same level of infrastructure as anyone else in this country has. We need to support and invest in sectors such as agriculture, forestry and seafood given that they, perhaps more than others, face the challenges of Brexit. I certainly endorse the committee's focus on ferry transport and the importance of investing in ferries.

I will move on to social security and Bob Doris's speech. We have transformed, and we are transforming, the landscape for social security

benefits in Scotland to deliver a system that treats people with dignity, fairness and respect. The budget provides £435 million of direct assistance through our social security interventions, including more than £100 million to support people on low incomes and to continue, as we have been doing for some years, to mitigate the impact of the hugely unfair bedroom tax and UK welfare cuts.

On Margaret Mitchell's contribution and the importance of access to justice, I agree that the law courts and policing are the foundation stones of our society, which ensure that nobody is deprived of access to justice. The budget includes £18 million to support victims of crime and tackle violence against women and girls.

Ruth Maguire eloquently touched on the way in which equalities and human rights have to be embedded in every portfolio.

I could go on, but I will stop now as I realise that time is of the essence. In a nutshell, the debate has been a very helpful one and I hope that it helps committees to drive and be at the forefront of budget scrutiny.

16:51

Adam Tomkins (Glasgow) (Con): It is my pleasure to close the debate on behalf of the Finance and Constitution Committee.

I will start where the convener of the committee, my friend Bruce Crawford, started, by thanking the clerks who serve the committee. It is clear from the debate that all committees are well served by their clerks, but none more so than the Finance and Constitution Committee, and we are very much in their debt.

As we have heard, the debate is one part—an important part—of the new process of budget scrutiny, which, among other things, was designed to bring the Parliament's subject committees much more to its forefront. The year-round budget scrutiny process has at least three aims in mind: first, that there should be greater parliamentary influence over the Government's budget priorities and decisions; secondly, that there should be fuller transparency with regard to the budget process; and thirdly, that there should be a sharper focus on better outputs and outcomes of spending decisions. As the convener said in his opening remarks, as much as anything else, that requires a change in our culture so that, politically, in both the Government and the Opposition, we focus not only on short-term numbers but on long-term outcomes.

It is clear from what we have heard this afternoon that the enterprise has been shared seriously by committees across the portfolio spectrum, not least with regard to health. Lewis

Macdonald said that the Health and Sport Committee that he convenes has been at the vanguard of the revised budget scrutiny process, especially regarding transparency of the budgets of health boards and integration joint boards. In a striking remark, he warned us that even integration authorities, which are statutorily required to report to Parliament on their budgets in a matter that directly links them to outcomes, are poor at doing so. They do not necessarily fail to do so, but they are struggling to do so, which I think should give us all—not just the Health and Sport Committee—pause for thought.

It is clear that there has been serious engagement with the process across the Parliament, but concerns have been expressed during the debate by one or two committee conveners. Most notably, Edward Mountain warned us that we should not be naive in relation to what we can expect from the input of committees into the process.

I do not want to go through what we have heard committee by committee but, if I may, I will draw out two or three themes from a number of the contributions that caught my ear and that will require us to think a bit deeper. One of them has just been mentioned by Kate Forbes in her closing remarks on behalf of the Government: preventative spend, which is something that the Christie commission told us a long time ago we needed to do much more of in Scotland. Notwithstanding the recommendations of the Christie commission and the fact that all political parties accepted and endorsed those recommendations, we are still not very good at preventative spend in Scotland. We need to have an honest conversation about why our parliamentary politics is not very good at delivering effective preventative spend.

One reason why we are not very good at that is that it is sometimes difficult to see the results of effective preventative spend within a parliamentary cycle. I passionately believe in parliamentary democracy—I much prefer it to direct democracy, which is another form of democracy, but perhaps that is a debate for another day—but one of its flaws is that we think that we need to see results within a parliamentary cycle. That is not a plea for fewer elections or longer parliamentary cycles, but for what Bruce Crawford referred to as a change of culture, so that we—in Government and Opposition—accept that effective preventative spend is not necessarily going to yield visible or tangible results in a single parliamentary session.

Kate Forbes: Will Adam Tomkins give way?

Adam Tomkins: I will just give two examples, then I will happily give way to the minister.

Gillian Martin spoke interestingly about that in the context of the environment and in what she said about health walks, active travel, air quality and stress, and the relationship between those things.

Margaret Mitchell also talked about preventative spend very effectively and gave another interesting example in the context of the work that the Justice Committee has been doing. She said that, in the Justice Committee's scrutiny of the Management of Offenders (Scotland) Bill, its work on budgetary scrutiny is to the forefront of its thinking. There is a direct relationship between that committee's bill scrutiny work and its thinking about the budget in a year-round way. She said that it is evident from the evidence that the committee has received that, without adequate resourcing, our management of offenders is doomed to fail. It needs to be joined up and properly resourced, otherwise there is more potential for ex-offenders to return to prison and cost much more to the public purse.

Kate Forbes: I have a question on preventative spend from a committee perspective. For it to work, it has to happen on a cross-committee basis and committees have to be willing to recognise that a budget line might need to go elsewhere. How does Adam Tomkins see that happening?

Adam Tomkins: That is an interesting question. Later in my remarks, I want to talk about one or two of the challenges that have been posed in this afternoon's speeches, one of which is exactly that. I think that, in the minister's speech, she referred to it as interdependence.

There are a couple of interesting examples of where, to be effective, spending has to be understood to be cross-portfolio. If we have subject committees that are focused on individual portfolios, how can we ensure that the budget and spending decisions across those portfolios are effective? There were two striking examples of that in the debate. The first was in what Clare Adamson had to say about the complex and extraordinarily important relationship between child poverty and education policy. The second was in what Gillian Martin said about the importance of environmental education. Are those issues for the Social Security Committee, the Education and Skills Committee or the Environment, Climate Change and Land Reform Committee? The answer is that they are for all those committees.

As we go forward with this process, we might need more effective joined-up working between committees. That happens increasingly in the House of Commons, and we might want that in this Parliament as well. That might address the remarks that the minister just made.

The second theme to which I will briefly allude was strikingly discussed in the comments of Gordon Lindhurst from the Economy, Energy and Fair Work Committee. It was about the importance not of preventative spend but of the effectiveness of spend. He asked an interesting question to which I think that, with respect, the minister did not respond. He said that we are told that for every £1 that is spent by the enterprise agencies, between £6 and £9 is added to the value of the Scottish economy. That is a brilliant example of the effectiveness of spend, yet the enterprise agencies' budget has been cut over the past decade of SNP Administrations. That is an example of the kind of long-term economic planning—with an emphasis on the effectiveness of spend and on outcomes, as the convener said—that we need to focus on in the future.

This afternoon, we have heard that there are a number of challenges as we go forward in the budget process. There are challenges for the future review of the fiscal framework, to which the Finance and Constitution Committee convener referred in his opening remarks, and for the Scottish Government, whoever the Scottish Government is at the material time.

Challenges for the fiscal framework include the management and allocation of volatility, uncertainty and risk. We all know that there is increased volatility, uncertainty and risk in the Scottish budget. The question is whether that risk is fairly allocated between the Scottish Government and other institutions in the United Kingdom. One aspect of that, which we heard quite a lot about this afternoon, is the relevance and importance to the budget of relative population decline on the health of Scotland's public services and the added risk that Brexit poses to that. Those are the challenges for the fiscal framework that, from this afternoon's debate, I think the Parliament will want to take forward.

Challenges for the Scottish Government, as underscored in the Finance and Constitution Committee's pre-budget scrutiny report, are on-going subdued growth relative to growth in the rest of the United Kingdom and the much lower number of higher-rate and additional-rate income tax payers in Scotland than was initially forecast, which we have not heard much about this afternoon, although it has been central to the committee's consideration of this year's budget. Whoever is in government, those challenges will have to be taken seriously.

As I have said before in the chamber, we are entering a new period of devolution, in which our Parliament is responsible for raising much of the revenue to fund our public services. That requires us all to rise to the challenge of using the new

powers wisely and to manage the inevitable risks with a pragmatic and reasonable approach.

I echo the view that Bruce Crawford set out at the beginning of the debate, which is that the biggest challenge that we face is cultural. Let us allow our politics to mature, with a clear focus on outcomes and on what we seek to achieve, rather than argue only about numbers, notwithstanding how important they can sometimes be. I support the motion in the name of the convener of the Finance and Constitution Committee.

Decision Time

17:01

The Presiding Officer (Ken Macintosh): There is only one question to be put this evening. The question is, that motion S5M-15421, in the name of Bruce Crawford, on committees' pre-budget scrutiny, be agreed to.

Motion agreed to,

That the Parliament notes the pre-budget scrutiny undertaken by parliamentary committees.

Meeting closed at 17:01.

This is the final edition of the *Official Report* for this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

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