

FINANCE COMMITTEE

Tuesday 8 March 2005

Session 2

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CONTENTS

Tuesday 8 March 2005

	Col.
ITEMS IN PRIVATE.....	2443
TIME SERIES DATA	2444
FINANCIAL MEMORANDA	2446

FINANCE COMMITTEE

8th Meeting 2005, Session 2

CONVENER

*Des McNulty (Clydebank and Milngavie) (Lab)

DEPUTY CONVENER

*Alasdair Morgan (South of Scotland) (SNP)

COMMITTEE MEMBERS

Ms Wendy Alexander (Paisley North) (Lab)

*Mr Andrew Arbuckle (Mid Scotland and Fife) (LD)

Mr Ted Brocklebank (Mid Scotland and Fife) (Con)

Jim Mather (Highlands and Islands) (SNP)

*Mr Frank McAveety (Glasgow Shettleston) (Lab)

*Dr Elaine Murray (Dumfries) (Lab)

*John Swinburne (Central Scotland) (SSCUP)

COMMITTEE SUBSTITUTES

Gordon Jackson (Glasgow Govan) (Lab)

David Mundell (South of Scotland) (Con)

Alex Neil (Central Scotland) (SNP)

Iain Smith (North East Fife) (LD)

*attended

THE FOLLOWING ALSO ATTENDED:

Jim Dewar (Scottish Parliament Information Centre)

Professor Arthur Midwinter (Adviser)

CLERK TO THE COMMITTEE

Susan Duffy

SENIOR ASSISTANT CLERK

Judith Evans

ASSISTANT CLERK

Kristin Mitchell

LOCATION

Committee Room 1

Scottish Parliament

Finance Committee

Tuesday 8 March 2005

[THE CONVENER *opened the meeting at 10:15*]

Items in Private

The Convener (Des McNulty): I open the eighth meeting of the Finance Committee in 2005. I apologise profusely for being late—it is my first time in two years, but never mind. Please turn off pagers and mobile phones. We have received apologies from Ted Brocklebank, Jim Mather and Wendy Alexander. On behalf of the committee, I welcome Kristin Mitchell, who is our new assistant clerk.

Agenda item 1 is to consider whether to discuss item 4 in private. Item 4 is our draft response to the Executive's relocation guide. Do members agree to take item 4 in private?

Members indicated agreement.

The Convener: I also propose that we discuss our draft report on the financial memorandum to the Smoking, Health and Social Care (Scotland) Bill in private at next week's meeting. In addition, I propose that we consider the paper on the Executive's capital plan in private at that meeting because it might have a bearing on our draft report on economic development, which we will also discuss at that meeting. Do members agree to discuss those items in private?

Members indicated agreement.

Time Series Data

10:16

The Convener: Agenda item 2 is to note an extract from a Scottish Parliament information centre briefing paper on the time series data that the Executive sent to us and subsequently published. As an aide-mémoire for newer members of the committee, the budget adviser's paper that was considered at our meeting on 9 September 2004—paper FI/S2/05/8/1—is attached to the clerk's note.

Jim Dewar and Arthur Midwinter are with us to answer any questions. Unfortunately, we are without the two members—Wendy Alexander and Jim Mather—who have the most intense interest in the subject.

Mr Frank McAveety (Glasgow Shettleston (Lab): They might be described as enthusiasts.

The Convener: Does Jim Dewar want to speak to the paper, or is he happy to let it stand as it is?

Jim Dewar (Scottish Parliament Information Centre): I have little to say. The briefing is intended to give a broad overall picture of the Executive's spending over the 10-year period. I have tried to pick out the main trends in how departmental spending has changed, both absolutely and relatively, over the 10 years.

The Convener: Have members any questions?

Alasdair Morgan (South of Scotland) (SNP): I am not sure whether I was a member of the committee when the paper was first considered. In table 1, is the word "trend" used simply to describe the percentage change in spending from the beginning of the period to the end of the period?

Jim Dewar: Yes.

Alasdair Morgan: In table 3, what is included in "Rural Development"?

Professor Arthur Midwinter (Adviser): It is mainly Highlands and Islands Enterprise's spending programme to support employment in rural areas. I can send you a more detailed statement on that. Rural development is a budget line in the Scottish Executive Environment and Rural Development Department's budget. We are not taking about large sums of money.

Alasdair Morgan: If the table simply lists individual level 2 budget lines, I should be able to find the details easily.

Professor Midwinter: Although the increase in the rural development line is big in percentage terms, it is small in cash terms.

Mr McAveety: I think that table 9 gives a better snapshot of the trend.

Professor Midwinter: The Executive also now has a Scottish rural partnership fund that is intended to be a rural equivalent of social inclusion spending. From memory, I think that the fund is only £6 million. We are talking about small amounts of money.

Alasdair Morgan: Does “Rural Development” include the top-slicing, or modulation, of the common agricultural policy payments? I suppose that I can check that in the budget documents.

Jim Dewar: Note 2 to table 9 mentions

“match funding DEL for an assumed 10% rate of Modulation of CAP Market Support payments.”

Alasdair Morgan: I see. Thank you.

The Convener: Do members have any other queries? I could organise an informal meeting for Wendy Alexander and Jim Mather if they require clarification.

Alasdair Morgan: What people do in the privacy of their own home is their business.

The Convener: They will have the privacy of their own committee room.

Financial Memoranda

10:20

The Convener: Agenda item 3 is to consider the level of scrutiny that we should apply to the financial memoranda for the Licensing (Scotland) Bill, the Family Law (Scotland) Bill and the Environmental Assessment (Scotland) Bill. The clerk’s paper—FI/S2/05/8/2—outlines the bills’ potential timescales, which are generally pretty tight. The three annexes to the paper deal with each bill.

The paper proposes that we adopt level 1 scrutiny—the lowest level of scrutiny—for the Licensing (Scotland) Bill, and that we adopt level 2 scrutiny for the other two bills. Level 2 scrutiny involves taking evidence from the Executive. Are members content with those proposals?

Members indicated agreement.

The Convener: I point out that we will soon deal with other bills that will require more intense scrutiny. Two bills have been published in the past two days, so work is coming.

We have agreed to discuss item 4, on the relocation of public sector jobs, in private. We now go into private session.

10:21

Meeting continued in private until 10:22.

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