

# **FINANCE COMMITTEE**

Tuesday 11 March 2008

Session 3

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## FINANCE COMMITTEE

### 7<sup>th</sup> Meeting 2008, Session 3

#### CONVENER

\*Andrew Welsh (Angus) (SNP)

#### DEPUTY CONVENER

\*Elaine Murray (Dumfries) (Lab)

#### COMMITTEE MEMBERS

\*Derek Brownlee (South of Scotland) (Con)

\*Joe Fitz Patrick (Dundee West) (SNP)

\*James Kelly (Glasgow Rutherglen) (Lab)

\*Liam McArthur (Orkney) (LD)

\*Tom McCabe (Hamilton South) (Lab)

\*Alex Neil (Central Scotland) (SNP)

#### COMMITTEE SUBSTITUTES

Roseanna Cunningham (Perth) (SNP)

Ross Finnie (West of Scotland) (LD)

Murdo Fraser (Mid Scotland and Fife) (Con)

Peter Peacock (Highlands and Islands) (Lab)

\*attended

#### CLERK TO THE COMMITTEE

Susan Duffy

#### SENIOR ASSISTANT CLERK

Mark Brough

#### ASSISTANT CLERK

Allan Campbell

#### LOCATION

Committee Room 1



## Scottish Parliament

### Finance Committee

*Tuesday 11 March 2008*

[THE CONVENER *opened the meeting at 14:02*]

### Decisions on Taking Business in Private

**The Convener (Andrew Welsh):** Good afternoon and welcome to the seventh meeting of the Finance Committee in 2008, in the third session of the Scottish Parliament. I ask everyone to turn off their mobile phones and pagers.

The first item on the agenda is to decide whether to take in private items 4 and 5 on our inquiry into capital investment and on public sector pay. Since we will consider our approach on those issues and possible witnesses, I propose that we take those items in private. Do members agree?

**Members indicated agreement.**

**The Convener:** We also need to decide whether to consider in private our approach to a review of the budget process at our next meeting. Again, because we will consider possible witnesses, I propose that we deal with the business in private. Do members agree?

**Members indicated agreement.**

## Judiciary and Courts (Scotland)

### Bill: Financial Memorandum

14:03

**The Convener:** The second item on our agenda is consideration of the written evidence that we have received on the financial memorandum to the Judiciary and Courts (Scotland) Bill. As members know, we decided to adopt level 1 scrutiny, which involves seeking written evidence with the intention of forwarding it to the lead committee.

I have some concerns. There are comments in the submissions about unquantified costs, about the fact that there has not even been a “detailed discussion” yet, and about the figures being “as accurate as possible” and that they could be

“in the low tens or hundreds of thousands of pounds at most”.

It concerns me that it is stated on page 3 that

“the figures contained in the Memorandum are indicative at this stage and will require to be further developed and refined ... to ensure that they take full account of the identifiable additional cost heads”.

The submission includes quite a list.

Similarly, paragraph 3 on page 4 states:

“The consultation did not include any details of financial projections.”

There are other such comments. It strikes me that there has been a loose approach to financing the bill. I am quite concerned about that.

I wonder whether the committee should seek further evidence, for example by writing to the bill team or calling for oral evidence. I am concerned about the accuracy of the figures, because the memorandum seems to be hedging bets and there is a great deal of dubiety. I would like a much tighter financial memorandum. I am open to suggestions from committee members.

**Alex Neil (Central Scotland) (SNP):** I suggest that we ask the officials to revisit it: this is not an acceptable standard for a financial memorandum. To paraphrase the words of the old song, we will send them home to think again, and give them another opportunity to submit written evidence. If we are not satisfied with that, we will call them before the committee.

**The Convener:** Or we can ask them to explain why they cannot submit more evidence. We will write to the bill team—is that acceptable to committee members?

**Members indicated agreement.**

## Local Authority Single Status Agreement

14:08

*Meeting continued in private until 14:24.*

14:05

**The Convener:** We move to agenda item 3, on the single status agreement. As members will recall, we agreed to follow up on correspondence that the previous session's Finance Committee had sent to the Convention of Scottish Local Authorities asking for an update on where councils were with single status agreements. As members will remember from our evidence session in December with COSLA, we did not get a reply to our letter. I have written again to COSLA on the matter.

I draw to members' attention the attached letter from Unison, which reminded me that we have not heard anything from COSLA. Before I open the matter up for discussion, I must say that it would not be appropriate for the committee to get involved in negotiations in respect of individual local authorities. When the committee considered the suggestion that the previous Finance Committee made in its legacy paper—that we keep a watching brief on the issue—we agreed to write to COSLA for an update. I believe that that was the right decision: if we want to do more, I recommend that we follow that route. Do members want to do anything further on the issue?

**Liam McArthur (Orkney) (LD):** When it emerged from the legacy paper that we had not had a response from COSLA to the earlier correspondence, there was some shock among members. To be fair to Pat Watters, he seemed to share that shock when the matter was brought to his attention. The fact that COSLA has still not communicated with us is utterly unacceptable. I agree with the convener's point about individual council decisions, but that makes it all the more important that we get a response from COSLA.

**Alex Neil:** I suggest that we put a time limit on that—we have powers to summon COSLA if it refuses to co-operate. I suggest that we give it no more than another month or so to respond, and remind it that it is quid pro quo in this game. If COSLA expects to be heard by us, we expect a response from it.

**The Convener:** We will write to COSLA and seek a response as soon as possible within a maximum time limit of one month. Are members agreed?

**Members** *indicated agreement.*

**The Convener:** We now reach agenda item 4, on the inquiry into capital investment funding, which will be taken in private.

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