



OFFICIAL REPORT
AITHISG OIFIGEIL

Meeting of the Parliament

Tuesday 4 February 2025

Session 6



The Scottish Parliament
Pàrlamaid na h-Alba

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website - www.parliament.scot or by contacting Public Information on 0131 348 5000

Tuesday 4 February 2025

CONTENTS

	Col.
TIME FOR REFLECTION	1
TOPICAL QUESTION TIME	3
Children's Eyesight (Lockdown Impacts)	3
Access to Banking Services (Branch Closures)	5
Ambulance Crews (Mental Health Absences)	8
BUDGET (SCOTLAND) (No 4) BILL: STAGE 1	11
<i>Motion moved—[Shona Robison].</i>	
The Cabinet Secretary for Finance and Local Government (Shona Robison)	11
Kenneth Gibson (Cunninghame North) (SNP)	16
Craig Hoy (South Scotland) (Con)	21
Michael Marra (North East Scotland) (Lab)	26
Ross Greer (West Scotland) (Green)	29
Alex Cole-Hamilton (Edinburgh Western) (LD)	32
Michelle Thomson (Falkirk East) (SNP)	34
Pam Gosal (West Scotland) (Con)	36
Kevin Stewart (Aberdeen Central) (SNP)	38
Pam Duncan-Glancy (Glasgow) (Lab)	39
Stuart McMillan (Greenock and Inverclyde) (SNP)	43
Liz Smith (Mid Scotland and Fife) (Con)	45
Emma Roddick (Highlands and Islands) (SNP)	48
Mark Griffin (Central Scotland) (Lab)	50
Alexander Stewart (Mid Scotland and Fife) (Con)	53
Keith Brown (Clackmannanshire and Dunblane) (SNP)	55
John Mason (Glasgow Shettleston) (Ind)	58
Ross Greer	59
Paul O'Kane (West Scotland) (Lab)	62
Murdo Fraser (Mid Scotland and Fife) (Con)	65
The Minister for Public Finance (Ivan McKee)	69
DECISION TIME	74
LOCKERBIE BOMBING	77
<i>Motion debated—[Christine Grahame].</i>	
Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP)	77
Emma Harper (South Scotland) (SNP)	80
Colin Smyth (South Scotland) (Lab)	81
The Minister for Victims and Community Safety (Siobhian Brown)	83

Scottish Parliament

Tuesday 4 February 2025

[The Presiding Officer opened the meeting at 14:00]

Time for Reflection

The Presiding Officer (Alison Johnstone):

Good afternoon. The first item of business is time for reflection, and our time for reflection leader is Senga Ishaq from the Humanist Society Scotland.

Senga Ishaq (Humanist Society Scotland): I thank the Presiding Officer and the members of the Scottish Parliament for the opportunity to lead time for reflection today.

As a humanist, I live my life with logic and reason, and I treat other people the way that I would like to be treated. Some people think that humanism comes with no rules and that we can do wrong with no consequences, but, in fact, it is the opposite—we are completely accountable for our actions. To say it another way, humanists do the right thing even though they know that no one is watching.

As a celebrant with the charity, the Humanist Society Scotland, for 15 years, I have conducted more than 800 ceremonies for weddings, namings and funerals. The most important skill that I have learned is listening. Through listening, we make sure that clients get exactly what they want in every ceremony. That is what makes our ceremonies unique and an absolute joy to do. Seeing how happy people are at the end of a ceremony is an amazing feeling. Yes—even at the end of a funeral, people feel happy that they have encompassed everything that their loved one meant to them.

Talking to clients before their ceremony can bring out amazing ideas that touch our hearts and can be offered to other people in the future. To illustrate that, I will share a couple of stories.

For her adoption naming ceremony, an eight-year-old girl asked whether she could have a black candle lit at the start and, once I gave her her new surname, whether she could blow that one out and light a white one, to show her old life ending and the new one starting. When she lit that white candle, it was so powerful that there was not a dry eye in the room.

At a same-sex marriage ceremony, one of the grooms told me that they got engaged on 24 July “for obvious reasons”. I had to ask what was obvious about 24 July, and he looked at me, nonplussed, and said, “Because we love each other 24/7.” In all of the ceremonies that I had

done, I had never heard that fantastic reason for picking a date.

I am very proud of our country and of our Parliament’s achievements, because we are a leader in the two fields that I have just mentioned. The children’s hearings system, which protects children in Scotland, is, in my opinion, second to none. Of course, a decade ago, we were, again, a leader when we introduced equal marriage, thereby accepting that love is love, regardless of gender.

I wish all of you the strength and courage to continue to listen to people and make sure that we get what we need for the people that you are working for. In that way, we will keep Scotland ahead of the pack. I wish you lots of those important listening skills to help us to get there and I thank you for listening to me.

Topical Question Time

14:04

The Presiding Officer (Alison Johnstone): The next item of business is topical question time.

Children's Eyesight (Lockdown Impacts)

1. **Roz McCall (Mid Scotland and Fife) (Con):**

To ask the Scottish Government what its response is to reports that the Covid-19 lockdowns might have left a generation of children in Scotland with damaged eyesight. (S6T-02322)

The Cabinet Secretary for Health and Social Care (Neil Gray): The Covid-19 pandemic was the greatest shock to our health and social care system since the establishment of the national health service. The lockdowns were a necessary public health measure to protect life. There is evidence that there is a global rise in shortsightedness, otherwise known as myopia. That is caused by a range of factors, including more screen-based activities. However, it would not be appropriate for me to speculate on precise causes, although it is possible that the pandemic has exacerbated those.

Roz McCall: The analysis that was carried out by Ninewells hospital and the University of London, following a study that compared results from eight Scottish health board areas for three years before the pandemic with results after the pandemic, should be deeply concerning to us all, because it found that there has been a 42 per cent increase in shortsightedness, or myopia, in the wake of the pandemic lockdowns.

Given that it is so unusual for conditions such as myopia to set in at such a young age, those results are concerning. The Scottish Government's see4school campaign is very successful in picking up vision issues in preschoolers, but what information does the Scottish Government currently have on sight and vision standards for primary and secondary pupils?

Neil Gray: I agree that the findings are concerning. Of course, we wish to do everything that we possibly can to prevent myopia from occurring and, where it has occurred in the population, to address that through the availability of optometry services and the expansion of those services in the community. All children aged under 16, and those who are aged between 16 and 18 and in full-time education, are entitled to NHS-funded help with the cost of glasses and contact lenses.

I encourage any parent—I declare an interest, as a father of four—who has concerns about their child's vision to arrange a free NHS eye

examination with an optometry practice, and I strongly encourage children to undertake as much outdoor play as possible, as those areas have been assessed as assisting in preventing myopia from happening in the first place and in its rehabilitation.

Roz McCall: Again, I thank the cabinet secretary for his response and for the tone that he has taken on the matter so far today.

The study that I mentioned is wide ranging and has found a clear link between shortsightedness and living in urban areas with a large number of flats. For example, children who are living in the Greater Glasgow and Clyde and Lothian health board areas have been found to be twice as likely to be myopic as those in the Highlands and in Ayrshire and Arran. International studies, such as those conducted in China, where lockdowns were particularly strict, also show a sharp increase in myopia among seven and eight-year-olds.

With all those worrying trends, there is now a louder call for a sustained and repeated testing programme to be rolled out for slightly older year groups, including seven and eight-year-olds. Does the Scottish Government agree that an extended testing programme should be considered? Will the cabinet secretary report back to Parliament with the results of any in-depth studies regarding that public health issue?

Neil Gray: Vision is one of eight developmental domains that are assessed by a health visitor during universal child health reviews at 13 to 15 months, 27 to 30 months and four to five years. Health visitors can provide appropriate intervention in response to any concerns at those stages.

In addition, in 2023, we launched our early child development transformational change programme, which supports the provision of oversight and better integration of policies that contribute to early child development, with a focus on prevention to emphasise the importance of pre-birth and early years. Nevertheless, I absolutely take the point that Roz McCall makes regarding the evidence that she points to from elsewhere, and we will continue to consider that.

Bill Kidd (Glasgow Anniesland) (SNP): I am grateful that, as the cabinet secretary said, the Scottish Government has committed to ensuring that everyone in Scotland—and children and young people, in particular—is entitled to receive free NHS eye tests to make sure that preventative care is offered to those who need it before their eyesight worsens.

Can the cabinet secretary advise us on how the Government will build on Scotland's world-leading eyecare service in the future?

Neil Gray: The Government is committed to delivering new, enhanced services that utilise the capacity of community optometrists to manage more patients closer to home, reducing the burden on hospitals and general practitioners. We have made provision for that in the budget that we have set out for next year, which will be debated this afternoon.

We are already rolling out a new community glaucoma service, which provides capacity for lower-risk glaucoma patients to be discharged from hospital and registered instead with accredited community optometrists. We will also expand our free universal NHS eye examination service in 2025 to support independent prescribing community optometrists to manage patients who have more complex acute anterior eye conditions, who are currently normally referred to hospital.

Martin Whitfield (South Scotland) (Lab): The cabinet secretary is aware of the see4school programme, which gives an orthoptic vision test for preschoolers between the ages of four and five—indeed, he has just made reference to it. There is also the very successful national dental inspection programme that operates between primary 1 and primary 7. Those programmes highlight potential challenges that young children face and act as an interface with the school to assist with children's health as well as their education. Would the cabinet secretary be willing to meet members from all parties to discuss the ophthalmic research and the dental research to see how there can be better linkages between the health and the education needs of children?

Neil Gray: In the interests of brevity, I will simply say that Martin Whitfield points to a range of successful interventions that have made a real difference in children's lives and in their ability to interact at school. The Minister for Public Health and Women's Health, education colleagues or I would be more than happy to have that discussion on a cross-party basis.

Access to Banking Services (Branch Closures)

2. Foyso Choudhury (Lothian) (Lab): To ask the Scottish Government what discussions it has had with the banking sector regarding how to ensure that communities do not lose access to banking services, in light of reports that Lloyds Banking Group plans to close 14 Bank of Scotland branches over the next two years. (S6T-02335)

The Minister for Business (Richard Lochhead): Ministers were concerned to hear Lloyds Banking Group's decision to close 14 Bank of Scotland branches across Scotland. Any reduction in branches raises concerns not only for the affected employees but for access to services, particularly for rural communities, vulnerable individuals and digitally excluded customers.

The Scottish Government regularly engages with the banking sector, including the regulator, through ministerial meetings and the financial services growth and development board. We will raise the issue with Lloyds Banking Group at the next meeting.

In October 2024, I convened a cross-party round-table event on access to cash and banking services in Scotland. Lloyds Banking Group attended alongside other banks and sector representatives including the Financial Conduct Authority, LINK, Cash Access UK and the Post Office. That provided a common understanding of Scotland-specific challenges and a basis for consistent engagement as the new regulatory regime embeds.

Foyso Choudhury: With the closures, communities across Scotland, including Wester Hailes in Edinburgh, will lose access to vital financial services. That will particularly affect older and vulnerable people who cannot access online services. Does the minister agree that in-person banking is an important public service, not just a business decision? What recent discussion has the Scottish Government had with the Financial Conduct Authority on the issue?

Richard Lochhead: The member is quite correct to raise those concerns, which are shared by the Scottish Government and by all parties in the chamber. Financial regulation is reserved to the United Kingdom Government. The FCA, which is the regulator, introduced access to cash rules recently in response to concerns that were expressed by communities the length and breadth of the UK, particularly in rural Scotland and some Scottish communities. That is why it is important that Lloyds Banking Group engages with LINK and the regulator with regard to its announcement, and I understand that it has done that. Of course, alternative arrangements will be put in place for a number of the announced closures, although that will not address all the concerns that will be expressed by communities. That is why financial exclusion continues to be a concern for us all.

Foyso Choudhury: I have previously been contacted by constituents regarding bank closures in Bathgate, where a banking hub is now planned to open. However, although more than 600 bank branches have closed since 2015, there are only 21 banking hubs in Scotland. How is the Scottish Government working to identify areas that are most in need of banking hubs, and what representations are being made to speed up their roll-out?

Richard Lochhead: The job of identifying such areas falls to LINK under the new access-to-cash rules that have been adopted by the regulator, the FCA. I recommend that any member who has concerns that those issues have not been

adequately addressed since the bank announced its decision to close those branches should urgently contact LINK to ensure that there is a reassessment of the needs locally.

Pam Gosal (West Scotland) (Con): My West Scotland region is not immune to Bank of Scotland branch closures. Closures are expected in Bishopbriggs, Kirkintilloch, Alexandria and Helensburgh. In Helensburgh, that will represent the closure of the last in-person bank branch. That will be devastating for many of my constituents, especially the older constituents who are unable to use online banking. What is the Scottish Government doing to fight digital exclusion and to ensure that people have access to the banking services that they require locally?

Richard Lochhead: I very much identify with the member's concerns, not least because my constituency was one of the hardest hit—if not the hardest hit—in the whole of Scotland by bank closures in recent years.

On what the Scottish Government has done, we spoke to the regulator at a round-table meeting. We were keen for access-to-cash rules to be updated to be made stronger, and new rules on that were introduced a few months ago by the regulator.

A banking hub will be introduced in Helensburgh, for example. That might not go all the way to satisfy the concerns—I absolutely understand that—but regulation of the banks is a reserved matter. I know that the banking hub in Forres, in my constituency, has been popular.

Those measures have resulted from on-going dialogue between the Scottish Government and others, including the UK regulator, LINK and others who have a say in the matter. I urge the member to contact LINK if she has further concerns that those measures do not go far enough.

Paul O'Kane (West Scotland) (Lab): In addition to the communities that Pam Gosal mentioned, in places including Barrhead and Bishopbriggs in my region, the Bank of Scotland has the last remaining branch on the high street and so is the last bank in the town. Does the minister recognise the particular pressure and disadvantage that is put on local communities by there being no banks left in their areas? Although I understand that the Scottish Government cannot compel banks to keep branches open, will he impress on the Bank of Scotland, in his discussions with it, the importance of access to cash in those communities?

Richard Lochhead: I will certainly ensure that that happens. I share the member's concern that, as technology moves apace and people turn to digital banking in greater numbers, there is a

danger that other people are left behind. That is why the Scottish Government is also funding a number of digital inclusion projects through the voluntary sector. That is an important part of this.

I understand that a banking hub is to be introduced in Bishopbriggs and I will absolutely ensure that the member's wider concerns are conveyed to the bank.

Ambulance Crews (Mental Health Absences)

3. Kevin Stewart (Aberdeen Central) (SNP): I refer members to my entry in the register of members' interests. I am a member of Unison.

To ask the Scottish Government what its response is to reports that mental health absences among ambulance crews have risen in Aberdeen and other parts of Scotland. (S6T-02326)

The Cabinet Secretary for Health and Social Care (Neil Gray): I take this opportunity to put on record my thanks to all national health service and social care staff for their incredible service.

In this case, we are discussing issues that paramedics are facing, which I absolutely recognise from the meetings that the First Minister and I held over Christmas, as well as from the visit that I paid to the Scottish Ambulance Service in Edinburgh before Christmas.

Healthcare services are under significant pressure, and we must ensure that support is sustainable and aligned with staff needs. We will continue collaborating with healthcare leaders and staff to identify and address areas of stress and take actions to provide support. Staff wellbeing is absolutely paramount. From 2024-25, the Scottish Government is dedicating more than £2.5 million annually to support staff wellbeing. Since 2019, the Scottish Government has invested more than £480,000 in the development and implementation of the national Lifelines Scotland programme.

Kevin Stewart: Ambulance stacking at Aberdeen royal infirmary has caused a great deal of stress for ambulance crews, according to a paramedic who I listened to yesterday. That, of course, has consequences.

What is being done to improve patient flow at ARI to improve the situation? Has best practice from elsewhere been brought into play in Aberdeen?

Neil Gray: I absolutely recognise the scenario that Kevin Stewart outlines and the impact that ambulance stacking has on staff across the system, but in particular on paramedics. Officials have been meeting the executive team at NHS Grampian to discuss actions that can be taken to ease pressures. The central aim is to improve patient flow through the system, from the Scottish Ambulance Service into NHS Grampian's acute

sites and back into the community as soon as patients are fit for discharge. The Scottish Ambulance Service and Grampian's health and social care partnerships have been collaborating to implement their unscheduled care improvement plan. The centre for sustainable delivery is also providing support to NHS Grampian; it has identified opportunities within its acute system for more efficient use of in-patient capacity and learning from best practice elsewhere.

Kevin Stewart: People who I have talked to in the past few days have been highly complimentary of our paramedics and the job that they do. What more can the Government do to ease the strain on and improve the wellbeing of ambulance crews? What measures in the Scottish budget will help in that regard?

Neil Gray: I absolutely echo the compliments for our Scottish Ambulance Service staff, as I set out in my answer to Kevin Stewart's first question.

If the 2025-26 Scottish budget, which we will hear about shortly, is agreed by the Scottish Parliament, it will provide record funding of £21 billion to health and social care. That includes an increase for the Scottish Ambulance Service of more than £88 million, taking its baseline funding to £437.2 million for 2025-26. That will help the service to continue to develop, enhance capacity and deliver high-quality patient care across Scotland.

Further, our wellbeing services include a 24/7 compassionate listening service through the national wellbeing helpline; self-guided resources via the national wellbeing hub; confidential mental health care through the workforce specialist service; and access to psychological therapies.

Carol Mochan (South Scotland) (Lab): In Ayrshire and Arran, ambulances have had to wait more than five hours before patients can be admitted, due to lack of capacity. Insufficient workforce planning has meant that NHS services have been unable to cope with high pressures and demand. That clearly links to the mental health pressures that have been placed on ambulance crews. Despite that, newly qualified paramedics are being forced to relocate, due to a shortage of job opportunities in Scotland. Surely the Government recognises that better workforce planning would alleviate some of the pressure that is felt by the Scottish Ambulance Service. What steps is the cabinet secretary taking to ensure that Scotland fully benefits from the investment that has been made in paramedic education and training?

Neil Gray: Carol Mochan will recognise that we have increased investment in the Scottish Ambulance Service, which has resulted in an increased number of paramedics being employed

by the service. As I said in answer to Kevin Stewart, the provisions that we are setting out in the budget will allow the Scottish Ambulance Service to continue that investment and maintain capacity.

I would be more than happy to engage further with the member on the points that she has raised on training.

Budget (Scotland) (No 4) Bill: Stage 1

The Presiding Officer (Alison Johnstone):

The next item of business is a debate on motion S6M-16299, in the name of Shona Robison, on the Budget (Scotland) (No 4) Bill at stage 1. I invite members who wish to speak in the debate to press their request-to-speak buttons. I call the cabinet secretary to speak to and move the motion.

14:22

The Cabinet Secretary for Finance and Local Government (Shona Robison): I am pleased to lead today's stage 1 debate on the 2025-26 Scottish budget bill. Since I introduced the budget to Parliament in December, the Government has engaged widely across the Parliament to build consensus on a spending programme that will deliver for all of Scotland. Parliament can see that the offer to Scotland has been enhanced by the separate agreements that were reached with the Scottish Liberal Democrats and the Scottish Greens, and by the further action on and investment in free school meals, nature restoration and neonates who are affected by drugs, along with the introduction of a bus fare cap pilot and targeted support for hospices and colleges.

That collaborative approach between parties demonstrates how the Scottish Parliament was designed to work: effectively engaging and negotiating to agree solutions for the benefit of Scotland. We will now move ahead with delivery, providing improvements to services in Scotland, which is what the people of Scotland want.

As a Government, we are proud that the 2025-26 Scottish budget delivers around £64 billion of funding—[*Inaudible.*]

The Presiding Officer: Cabinet secretary, there seems to be a problem with your microphone.

If you would like to continue, it appears that your microphone has come back on.

Shona Robison: As a Government, we are proud that the 2025-26 Scottish budget delivers around £64 billion of funding to deliver on our programme for government, and that it supports our top priorities, which are to eradicate child poverty, grow the economy, tackle the climate emergency and provide high-quality and sustainable public services.

Just yesterday, I saw a key example of how society will benefit from the budget when I visited the excellent national treatment centre in Kirkcaldy. I was able to see how it is providing thousands of additional appointments and

diagnostic tests, and I thank those working at the centre who took time out to talk to me.

As a Parliament, it is important that we recognise that the budget is set against continued and unprecedented challenges to public finances. The block grant position for 2025-26 represents only a 1 per cent increase in real terms for resource following the very welcome reset of budgets in 2024-25, which started to address the austerity of the past 14 years. Although the United Kingdom autumn budget was a step in the right direction, this Government is clear that the extent of the challenges that we face in our public services will not be addressed in a single year.

That further underlines the need for clarity from the UK Government on its longer-term investment plans and commitments. I will be pressing for that clarity in my engagement with His Majesty's Treasury and in the work towards the UK spending review over the coming months.

The great unknown, of course, is the net impact of the UK Government's hikes in employer national insurance costs, which we estimate could add more than £530 million in directly employed public sector staff costs. If we include the costs of staff delivering wider public services, such as general practitioners, dentists and social care staff, the figure would increase to more than £700 million.

It is essential that the UK Treasury fully funds the actual costs for Scotland's public sector, but it has indicated that we will instead receive a much lower-value Barnett share of spending in England. That is unacceptable, and Scottish ministers are pressing the UK Government to fund those additional public sector costs in full. Scotland and its public services should not be punished because we have chosen to invest more in public services and in the pay of those delivering our public services. We need an urgent decision on that to give public sector employers—including the national health service, the police and local authorities—clarity to inform their spending decisions.

I want to provide as much clarity today as I can, particularly for local government. I recognise that councils are in the process of finalising their budgets. Although we do not yet have figures from the Treasury, I want to support local government in managing its planning assumptions. I can therefore confirm that, as things stand, I am aiming to provide funding that covers 60 per cent of the reported costs for all portfolios. That means that I will commit to providing local government with an additional £144 million to support the cost of the hikes that have been inflicted on the public sector by the UK Government.

By providing councils with the equivalent of a 5 per cent national increase in council tax, the certainty that I offer today should reduce the pressure on council tax decisions locally and help councils avoid inflation-busting increases. I will follow up with further detail on the issue once I receive further clarity from the Treasury, which I continue to press for.

Willie Rennie (North East Fife) (LD): This is an important issue that formed part of our discussions during the budget negotiations. If the UK Government is more generous, will the cabinet secretary be prepared to increase the amount that is available for local government?

Shona Robison: I can certainly give that commitment to Willie Rennie. In the meantime, I want to give some certainty around planning assumptions. Of course, the more money that we get from the UK Treasury for employer national insurance contributions, the more that I will distribute on a fair basis.

Looking ahead, our tax policy decisions in this budget continue to deliver our progressive approach in Scotland while raising substantial revenues to support the delivery of our public services. We are asking those with the broadest shoulders to contribute more.

In line with our tax strategy, for the remainder of this session of Parliament, we will provide certainty for our largest source of tax revenue and will not introduce any new bands or increase the rates of Scottish income tax. We will also maintain our commitment that, in 2025-26 and until the end of this session of Parliament, more than half of taxpayers will pay less income tax in Scotland than they would pay in the rest of UK.

The Scottish Fiscal Commission estimates that our choices on income tax since devolution will raise up to an additional £1.7 billion in 2025-26 compared with what the position would have been had we matched our policy to that in the rest of the UK. Thanks to the tax and social security decisions that we have taken, 60 per cent of Scots will be better off because they live in Scotland. That is exactly what this budget is about—delivering for and improving the lives of the people of Scotland.

I want to remind Parliament of what the 2025-26 Scottish budget is delivering for Scotland.

We believe that tackling poverty is an investment in the future of this country, and that is why eradicating child poverty is this Government's number 1 priority. The Joseph Rowntree Foundation's "UK Poverty 2025" report is clear that only in Scotland is the rate of child poverty set to fall by 2029. That is a great achievement that bucks the trend across the UK and it is thanks in part to measures such as our Scottish child

payment. However, we are in no doubt that there is still much more to do. That is why, through this budget, we are developing the systems necessary to effectively scrap the impact of the two-child cap in 2026.

We are also supporting households more widely through investing £768 million for the affordable housing supply programme, boosting affordable housing supply across Scotland and enabling housing providers to deliver at least 8,000 homes for social rent, mid-market rent and low-cost home ownership. To help with home energy costs, the budget will reinstate the universal winter heating payment to every pensioner household.

On wider support for children, this budget will continue to invest around £1 billion through the local government settlement in continuing to deliver high-quality funded early learning and childcare for three and four-year-olds and eligible two-year-olds, supporting families to provide their children with an essential early learning experience at that critical stage in life.

To support our schoolchildren, the budget will provide up to £3 million to deliver a bright start breakfasts pilot to test the delivery of free breakfast clubs and kick-start more breakfast delivery across Scotland.

We will also provide £37 million to support local government to deliver on our commitment to expand free school meals provision for children in primary 6 and primary 7 who are in receipt of the Scottish child payment, which is expected to support around 25,000 pupils. We will also provide an estimated £3 million to support a new test of change phase that will extend free school meal eligibility in eight local authority areas for pupils in secondary 1 to secondary 3 who are in receipt of the Scottish child payment.

We want to see a Scotland where everyone is able to flourish and to support Scotland in reaching its full potential. That is why we are taking these important steps through this budget.

Boosting fair and green economic growth is also essential. It improves living standards and outcomes for the people of Scotland and it helps to increase tax revenues to support high-quality public services. This budget prioritises major capital investment in the foundations of our economy, including in housing, transport, digital connectivity and delivering critical infrastructure for a green and growing economy.

We are investing more than £7 billion in our total infrastructure package. That includes almost tripling our investment in offshore wind to £150 million, advancing our commitment of up to £500 million over five years; expanding regeneration funding to £62 million to invest in communities across Scotland; and investing £100 million for the

continued roll-out of our digital connectivity programmes across Scotland.

This budget will also ensure that enterprise and innovation are at the heart of our economic strategy, and, through investing in an expanded enterprise package, we will grow the start-up economy and contribute towards our ambition of establishing Scotland as a top-performing start-up economy.

Specifically, we are investing £321 million in Scotland's enterprise agencies to deliver our programme of support to help Scottish businesses to start, be more productive and attract investment. The Government is supporting further investment in the Scottish National Investment Bank, with a net £200 million being offered to create jobs, support innovation and attract investment. This Government is also supporting the development of its future workforce by continuing to invest more than £2 billion in Scotland's colleges, universities and skills development programmes.

On non-domestic rates, the budget will support businesses and communities by freezing the basic property rate—the lowest such rate in the UK—and maintaining the small business bonus scheme, which is the most generous of its kind in the UK. The budget also provides 40 per cent rates relief in 2025-26 for the 92 per cent of hospitality premises that are liable for the basic property rate. For our islands and remote areas, hospitality relief will continue at 100 per cent. Both are capped at £110,000 per business.

Craig Hoy (South Scotland) (Con): Can the minister explain the difference between a pub with a rateable value of £50,000 that is facing extreme financial pressures and a pub with a rateable value of £60,000 or £75,000? Is that not an entirely arbitrary distinction?

Shona Robison: The measure will impact 92 per cent of hospitality premises, which is the vast majority. The local pub and the local restaurant are the priorities that the Scottish National Party Government is focusing on.

More widely, as part of the Government's commitment to net zero and tackling the climate emergency, the budget will commit £4.9 billion of investment with a positive benefit for the climate. That will support our commitment to scaling up renewable energy, restoring Scotland's natural environment, expanding our public transport and active travel networks, and supporting a step change in how we heat our homes by investing more than £300 million in energy efficiency and clean heat measures.

Our public services are an integral part of our daily lives, and we remain committed to protecting those valued services through the budget, building

on many years of investment by the Scottish Government. I am proud that the 2025-26 budget takes significant steps in continuing the Government's investment in our front-line staff and public services, including record investment of £21.7 billion for health and social care and more than £15 billion for local government.

At the start of this year, the First Minister said

"There is nothing wrong in Scotland that can't be fixed by what is right in Scotland."

The budget is all about putting the resources in place to do just that.

I end with a reminder to the Parliament of the important measures that the Government is putting in place for the people of Scotland: record NHS investment, including money to reduce waiting lists and make it easier for people to see their GP; tax choices that put money in the pockets of low-income and middle-income earners and that help hard-pressed local pubs and restaurants; winter heating payments for older Scots; more affordable homes; investment in childcare and nursery education through more jobs and business growth; more breakfast clubs in our schools; £4.9 billion for positive climate action; a record increase in funding for local services; transformational increases in culture spending; and action to mitigate the two-child cap, which will lift 15,000 children out of poverty.

I am proud of the budget and all that it delivers for the people of Scotland, and I urge the Parliament to support it.

I move,

That the Parliament agrees to the general principles of the Budget (Scotland) (No. 4) Bill.

14:37

Kenneth Gibson (Cunninghame North) (SNP): I am pleased to speak on behalf of the Finance and Public Administration Committee, which published a detailed report on the Scottish budget 2025-26 on 29 January.

I begin with the committee's reflections on the approach that was taken to timetabling the Scottish budget. The UK budget on 30 October provided a welcome opportunity for the Scottish Government to publish its budget document on 4 December, which was earlier than in recent years. That prompted discussions with the Scottish Government on the overall timetable for publication and scrutiny. Given the UK Government's welcome commitment to holding one fiscal event each autumn, the committee asks that a similar engagement approach is taken in future years, not least to aid the work of the Scottish Fiscal Commission. That will enable the development of robust budgetary proposals and

accurate forecasts and, importantly, will ensure that there is effective parliamentary scrutiny.

The committee remains concerned about the Scottish Government's lack of crucial medium and longer-term financial planning and the repeated delays in publishing key strategic financial documents. The certainty of regular UK spending reviews and one fiscal event each year provides an opportunity for the Scottish Government to demonstrate its commitment to a more strategic approach to financial planning.

We welcome the cabinet secretary's comment during the committee's pre-budget debate that she has

"instructed officials to begin planning for a Scottish spending review that will identify opportunities to optimise the use of Scottish Government funding over the longer term."—[*Official Report*, 30 January 2025; c 74.]

The committee looks forward to engaging with her on those plans in early course.

As part of that engagement, we ask the Government to clarify when it will publish the framework document that precedes a spending review, to allow committees, public bodies, external organisations, think tanks and the public to input their views and influence those plans. We also repeat our calls for the Government to consider taking a zero-based budgeting approach to its spending review, learning lessons from countries such as Estonia.

It is reassuring that the Scottish Government is working to a May 2025 publication date for its medium-term financial strategy. The absence of that, because of the general election, hindered last year's pre-budget scrutiny. We have asked the Scottish Government, as part of its 2025 MTFS, to set out detailed scenario planning for capital and resource borrowing, including details of how the Government will approach any negative reconciliations that exceed annual borrowing limits.

We know that the Scottish Government will provide an update on the fiscal sustainability of social security spending. The committee asks that that includes details of how the Scottish Government is assessing the effectiveness and outcomes of its approach to the delivery of benefits and the impact on other parts of the budget.

As we explored rising social security spending in some detail last week, I will now move on to the Scottish Government's approach to taxation.

The committee welcomes the production of a tax strategy as providing clarity on the Government's overall approach. The Government's focus on building an evidence base, including on behavioural responses, to inform

future tax policy is also very welcome, particularly as the committee has repeatedly called for more detailed research on behavioural responses to tax policy. However, in our view, the tax strategy should include details of plans for council tax reform, as that is long overdue. The cabinet secretary said that she will work with the Convention of Scottish Local Authorities in an effort to build consensus across the political spectrum on some guiding principles for reform before the end of this parliamentary session. We look forward to that. The issue was explored during evidence, and I am sure that other committee members will touch on it again during the debate.

The tax strategy references further discussions with the UK Government, not on VAT devolution but on VAT assignment. Our clear view is that

"VAT assignment would be of no benefit to the Scottish Budget and would be both expensive to administer and potentially confusing to those expected to pay it."

We trust that VAT assignment will now be put to bed once and for all.

Some witnesses stated that tax is a significant factor in people's decisions about whether to come to Scotland or to retain a business here and argued that the tax landscape must be more competitive in making Scotland an attractive place in which to do business, work and live. We therefore welcome the Scottish Government's decision to make no further changes to income tax in this parliamentary session.

The committee agrees with the cabinet secretary that there is merit in carrying out a wider review of how the fiscal framework is operating. That should include how block grant adjustments based on growth relative to the rest of the UK impact on Scottish income tax revenue. The SFC's view is that we are unlikely to see significant behavioural effects from income tax policy this year as compared with previous years, due to the freezing of bands. It suggests that those on the top tax rate are more likely to be affected

"because they will probably have the most discretion to change their behaviour, to move around and so on."—[*Official Report, Finance and Public Administration Committee*, 10 December 2024; c 8.]

We have spoken much in the chamber about the potential impact of the UK Government's decision to increase employer national insurance contributions, particularly on the public sector. Last Thursday, the cabinet secretary said:

"As committees will be aware, the Government has called on the UK Treasury to fully fund those additional costs. On 24 January, the Treasury advised that Scotland will receive only a Barnett share of the available funding, which is deeply concerning because it will create a shortfall of £300 million."—[*Official Report*, 30 January 2025; c 76-7.]

Prior to that announcement, we recommended that the Scottish Government should set out how it would meet the expected shortfall in UK funding for increased employer national insurance contributions. That includes the impact on the Scottish budget were the Scottish Government to provide any additional funding required, or on public bodies if they had to absorb some of those costs. We look forward to hearing more from the cabinet secretary about that key issue, and I am pleased that she touched on it in her opening speech. Given the potential impact on the Scottish budget, we have asked the UK Government to have early discussions with the Scottish Government in future to resolve funding uncertainties arising from such significant UK policy announcements.

I am keen to highlight evidence that we heard on growing the economy. Both Scottish Financial Enterprise and Colleges Scotland seek greater flexibility to respond to the needs of the economy and business. SFE said:

“As an industry, we need short, sharp interventions—say, six months for retraining people.”

According to Scottish Renewables,

“Vocational pathways are absolutely key and, as we have seen in some of the most productive economies in the world, work-based learning options work.”—[*Official Report, Finance and Public Administration Committee*, 17 December 2024; c 10-11.]

Technology Scotland reminded us that, while investment in skills is

“challenging ... the talent pool is as attractive in Scotland as it is anywhere else.”—[*Official Report, Finance and Public Administration Committee*, 17 December 2024; c 33.]

When we put those points to the cabinet secretary, she recognised that more action was needed on skills to address gaps and match them to the requirements of the economy. We look forward to receiving the follow-up information that she offered to provide on the on-going work to join up the activities of Skills Development Scotland and colleges to ensure that the skills needs of employers and the economy are met in this rapidly changing world. The committee seeks further detail on how the Scottish Government is working to maximise the opportunities for universities and high-performing sectors to enable them to be even more globally competitive.

The committee awaits a detailed written response setting out the Scottish Government’s vision of how a sustainable higher education sector, which is essential to economic growth, can be achieved, given the evidence that we heard about on-going financial challenges.

The creation of a Cabinet sub-committee on investment and the economy, chaired by the Deputy First Minister, to

“help create a business environment that drives investment and growth”,

including by progressing key opportunities identified in the green industrial strategy, is welcome. We look forward to receiving regular updates in relation to the progress of, and outcomes from, the Cabinet sub-committee’s new strands of work.

On the Scottish Government’s public service reform programme, we heard from public bodies including Food Standards Scotland, Registers of Scotland, South of Scotland Enterprise, Transport Scotland, the Scottish Funding Council and NHS National Services Scotland about the reform and innovation that their organisations are progressing. We welcome their efforts to work collaboratively to achieve efficiencies in and improvements to public service delivery.

Nevertheless, we share the Auditor General for Scotland’s view that the Scottish Government must demonstrate stronger leadership and bring an overall vision to public service reform if more progress is to be made, including in relation to potentially changing public service delivery models.

The Scottish Government’s approach to reform has changed many times over recent years and, as the Auditor General said, it is difficult to scrutinise a moving target. It is therefore hoped that the Government’s new public service reform strategy will bring more vision and stability and enable progress and outcomes to be properly measured and scrutinised for effectiveness.

The committee believes that there would be merit in the Government leading an annual debate on public service reform. After all, the Government has cited reform as a significant priority in achieving fiscal sustainability, and the issue touches on the remits of almost all committees and the lives of every individual in Scotland. We trust that that proposal will be supported by members from across the chamber.

I wish to touch on our scrutiny of the Scottish Parliamentary Corporate Body. As members will know, the SPCB has a prior call on the Scottish consolidated fund, which means that its budget is allocated before the Scottish Government makes any other commitments. The SPCB’s budget provides for the operating costs of the Parliament, along with the costs of the ombudsman and commissioners, who are termed office-holders and are defined as SPCB-supported bodies.

The SPCB’s 2025-26 budget will be £136.2 million, which is a net £9.7 million, or 7.6 per cent,

increase on this year's budget. Changes to employer national insurance contributions account for £1.9 million of that increase. Around 3 per cent of the increase is due to MSP salary rises—which, of course, is the only part of the SPCB budget that is reported on by the media.

The SPCB has restated its on-going concerns about the growing share of its budget that is being spent on office-holders. In 2025-26, that amounts to 15.7 per cent, which includes an unforeseen increase for the Electoral Commission of £2.1 million. That is partly offset by the delay in appointing a patient safety commissioner for Scotland.

Following the committee's recent inquiry, our "Report on Scotland's Commissioner Landscape: A Strategic Approach" found that the current commissioner situation is no longer fit for purpose and called for

"a moratorium on creating any new SPCB supported bodies, or expanding the remit of existing bodies, until a 'root and branch' review of the structure is carried out".

The committee is delighted that the SPCB Supported Bodies Landscape Review Committee has now been established to carry out that review. We seek an update from the SPCB on shared services and how it will enhance the transparency of office-holder governance arrangements.

In the light of wide-scale public service reform and continuing pressure on Scotland's public finances, we recommend that future bids include information on the specific actions that the SPCB is taking to deliver reform in the Parliament, such as digitalisation, collaboration and sharing of corporate functions and premises. An assessment of the impact of those actions should also be provided.

It only remains for me to thank my committee colleagues and our first-class clerking team for their hard work and our witnesses whose evidence enabled us to deliver our report.

14:48

Craig Hoy (South Scotland) (Con): Today's budget debate sets out a core dividing line in Scottish politics—a dividing line between my party and the failed cosy socialist consensus, which is wedded to high tax and low growth and stands in stark contrast to our common-sense budget plans.

Tonight, it will be the Scottish Conservatives—and the Scottish Conservatives alone—who will vote against this bad budget. Contrary to Shona Robison's narrative, we engaged constructively, setting out a new direction for Scotland. We would cut tax for workers, businesses and home buyers. We would grow the economy and tackle the SNP's soaring benefits bill. [*Interruption.*]

The Presiding Officer: Let us hear Mr Hoy.

Craig Hoy: We would do something that Mr Swinney has not done: deliver public service reform to drive real savings at the same time.

However, today is a day of betrayal for Scottish workers and Scottish taxpayers. For 18 years, the SNP Government has let down hard-working Scots. It has failed to deliver for businesses, including many retail and hospitality operators, who are yet again to be robbed of rates relief support that is available elsewhere in the UK.

The SNP focuses on inputs but not outcomes—more tax, more spending—and, pitifully, it ignores the performance of our public services. Our schools, hospitals, roads and railways are all deteriorating. Crime is up, police numbers are down, and many Scottish businesses are teetering on the edge as a result of decisions taken by Keir Starmer and John Swinney.

Rather than taking a stand against the budget, opposition parties will today endorse the SNP's failed legacy by backing it. In recent days, rather than standing up for his constituents, Alex Cole-Hamilton has ridden to John Swinney's rescue.

The Deputy First Minister and Cabinet Secretary for Economy and Gaelic (Kate Forbes): Will Mr Hoy take an intervention?

Craig Hoy: I will in a moment.

Mr Cole-Hamilton has been getting carried away. I do not disagree that he has secured some concessions in his budget negotiations, but Mr Cole-Hamilton says—and in fact has boasted—that the Liberal Democrats secured the reinstatement of the winter fuel payment and that he alone delivered rates relief for hospitality businesses. What the Lib Dems do not want you to know is that they have gone back on their word. In December, Mr Cole-Hamilton said that he would vote down the budget if it contained a single penny to be spent on independence, but it was confirmed last week that spending on the constitution is woven right throughout the budget.

Alex Cole-Hamilton (Edinburgh Western) (LD): Will the member accept an intervention?

Craig Hoy: I will give way if Mr Cole-Hamilton can answer this question: is he being disingenuous, or was he duped?

Alex Cole-Hamilton: I had been under the impression that pantomime season was over, but—how wrong I was—oh no, it isn't. Clearly, Mr Hoy did not read the letters pages of many august Scottish publications last weekend and did not see the wilder outriders of the nationalist cause bemoaning the fact that Liberal Democrats have secured the deletion of any spending on

independence from this year's budget. He will find that we have kept our word.

Craig Hoy: I think that the member will find that there are many civil servants in the deepest, darkest recesses of the Scottish Government buildings who are beavering away to take Scotland out of the United Kingdom.

We expected that from the Liberal Democrats, but we did not expect Scottish Labour's position. Anas Sarwar will spinelessly let the budget pass without securing a single concession from the SNP. It took just one mildly hysterical speech from John Swinney for Scottish Labour to blink first, and Labour's decision to cave in handed the SNP the cheapest budget deal in the history of devolution.

I will explain why the Scottish Conservatives oppose the budget.

Kate Forbes: I would like to know what Craig Hoy is delivering for his constituents today, apart from doom, gloom and financial illiteracy.

Craig Hoy: If the Deputy First Minister had read our submission, she would have seen that we would cut tax for ordinary, hard-working Scots.

Kate Forbes: What are you delivering for people?

Craig Hoy: We are delivering something that is not coming from the Liberal Democrats or from the Labour Party, which is strong opposition to this useless SNP Government.

The First Minister (John Swinney): Will Mr Hoy give way?

Craig Hoy: I will not give way to Mr Swinney, as I do not have time—unless I could get the time back, Deputy Presiding Officer.

The Deputy Presiding Officer (Annabelle Ewing): There is a bit of time in hand if the member wishes to give way to the First Minister.

Craig Hoy: If there is a bit of time, I will give way to Mr Swinney.

The First Minister: What will Mr Hoy say to his constituents—his elderly constituents—when he explains that he is going to vote today against the restoration of a winter fuel payment? What will he say to his constituents about that betrayal?

Craig Hoy: I will be very clear that it was the SNP and Labour who took that away from them and are now only partially restoring it.

Those are not just my warnings. The budget ignores deep-seated problems in the structure and sustainability of Scotland's public finances. Audit Scotland has expressed misgivings about the failure to deliver the radical modernisation that our public services urgently need. The Scottish Fiscal Commission has sounded alarm bells about the

affordability, sustainability and desirability of the SNP's social security policies. Scottish Financial Enterprise has raised concerns about the consequences—most notably, behavioural change—of the SNP's tax policies.

We could opt to have a modern, dynamic and competitive economy in Scotland, and we should not have to justify the case for lower taxation. It should be for the SNP Government to explain why it has made Scotland the highest-taxed part of the United Kingdom. There is an economic and moral case for low taxation, but the SNP cannot see it. All things being equal, lower taxes should deliver increased growth and higher living standards but, sadly, both are absent in the SNP's big-state Scotland.

Under the SNP, the Scottish tax base has grown at a slower rate than the tax base in the rest of the UK, and Scottish salaries have failed to keep pace with those south of the border. Devolved income tax decisions mean that Scottish taxpayers are paying £1.7 billion more than they would pay if we had the same rates and thresholds as the rest of the UK, but the net funding for the Scottish budget is only £838 million. The Scottish Fiscal Commission calls that an "economic performance gap". I call it a lost decade and more dogma under the SNP's misplaced priorities.

When Shona Robison gave her budget speech, it looked for a moment as if she might have learned from the mistakes of the past. She said:

"I thank those with the broadest shoulders who are paying a little bit more".—[*Official Report*, 4 December 2024; c 29.]

In reality, however, what did her thank you mean for Scots who earn £30,000? It meant a tax cut of just £1.21 per month. The budget confirms that the thresholds for the basic and intermediate rates will rise by 3.5 per cent in April but that, as the convener of the Finance and Public Administration Committee said, the top three bands will remain frozen. That means that the number of higher-rate taxpayers in Scotland is expected to jump from 490,000 to 550,000.

In contrast, we proposed a package of bold, forward-looking, growth-generating tax cuts for those on middle incomes to make Scotland more competitive with the rest of the UK. We would offer targeted tax cuts to businesses, including to Scotland's struggling pub and hospitality sectors. [*Interruption.*] Mr Swinney is chuntering away.

Ministers will, of course, assert that the higher taxes are used to deliver its social contract with the Scottish people. However, let us look at the reality of that social contract. Winter fuel payments were stripped from most pensioners last winter. The number of Scots who are in pain and relying on private healthcare is at a record high, and the

number of economically inactive young Scots, too many of whom are now parked on benefits, hit 210,000 last year. Despite all the rhetoric, that is the reality of the SNP's social contract with Scotland.

This year, even with Labour's national insurance tax on jobs, the budget settlement delivers a real-terms increase in revenue spending and an uplift in the capital budget. However, as the Institute for Fiscal Studies has warned, more money alone will not fix our public services, and it is not alone in saying that. Dr Iain Kennedy, chairman of the British Medical Association Scotland, said that new funding will

"never alone be the answer to solving the NHS crisis."

Audit Scotland warns that the Scottish Government's plans for the future of the public sector workforce are too vague, with the Auditor General for Scotland, Stephen Boyle, questioning the Government's commitment to "right-size" the workforce. This year, the cost of the public sector workforce will absorb 54 per cent of the Government's revenue budget. Last week, we discovered that the number of senior civil servants has risen by nearly 500 in just two years. I ask the minister, when he sums up, to say something to the public sector bodies that are saying that they need to address the size of their workforce and are therefore calling for flexibility around the policy of no compulsory redundancies. Ministers must look seriously at that.

The greatest risk to Scotland's public finances lies in the SNP's welfare policies, and that risk has grown as a result of the SNP's 11th-hour decision to mitigate the two-child benefit cap. The Scottish Fiscal Commission forecasts that social security spending will increase from £6.3 billion in 2024-25 to a staggering £8.8 billion by the end of the decade. I ask the minister, when he speaks, to say how that will be paid for. On current trends, the Scottish budget will crumble under the weight of the welfare bill as a result of a political choice that has been taken by ministers.

This is the wrong budget for Scotland. It fails to tackle waste or deliver reform, it fails to reverse damaging trends on welfare, and it fails to deliver growth. It will pass with the support of the Greens, Alba and the Liberal Democrats and because of the abject weakness of Scottish Labour, but it will not pass with our support. I agree with what Shona Robison said at the weekend. A dividing line has been drawn, and we know exactly where we stand in relation to our political opponents. We stand on the side of taxpayers, businesses and public services, and that is why we will vote against this rotten budget tonight.

14:59

Michael Marra (North East Scotland) (Lab): Scottish Labour will not stand in the way of this budget, because we desperately want to see Labour's record investment improve delivery on the front line, but we will not vote for this budget, because we very much doubt that it will. Years and years of evidence tell us that that is the case, with a complete lack of delivery. This budget, as it stands, promises more of the same, and that is nowhere near good enough for the one in six Scots who are stuck on an NHS waiting list, the patients who are waiting for days in accident and emergency and the elderly Scots who are stuck on trolleys in corridors. They are not shocked but are resigned to what is the new SNP normality.

The need for a change of direction was Labour's principal ask in all our cordial and constructive discussions with the cabinet secretary and the finance minister, but there is no evidence of that change. There is not even the recognition that change is required. For example, the First Minister's NHS speech just last week was a reannouncement of the old plans, which had not worked, and the old schemes, which had not been followed through. There were no new ideas, no new direction and no resolve to unite the Parliament and the country behind a programme of national renewal.

The First Minister: I want to put Mr Marra right on the point that he has just made. As this budget demonstrates, I am very happy to lead a process of bringing together people in this Parliament to agree conclusions. We have done that—my Cabinet Secretary for Finance and Local Government has done that superbly well, in bringing together the Greens, the Liberal Democrats and our colleague in Alba. The invitation is there for the Labour Party to be part of that big consensus to do the right thing for Scotland—that applies to the health service as well. I am very happy to have those discussions. However, Labour has to vote for the budget to make it happen.

Michael Marra: Unfortunately, there is absolutely no evidence that the First Minister can build a consensus around the need for a change of direction in this country. He has been singularly unable to answer that question.

Scottish Labour's contribution to this budget is a record £5.2 billion, and that delivery for Scotland is possible only because the people of Scotland kicked out the Tories and sent Scottish Labour MPs into the heart of a UK Labour Government. It is the largest Scottish budget in the history of devolution.

Let us therefore be clear. The only reason that the measures that are set out today are possible is

that Labour moved decisively to end austerity, to rebuild the public finances and to invest in public services. All of that was voted against by the SNP, which has opposed every measure for raising the money that it is spending today. The SNP's fantasy finances of demanding £70 billion in further spending but opposing every measure to pay for it would make Liz Truss blush.

Craig Hoy: Will Michael Marra give way?

Michael Marra: No thank you, sir.

To be fair, however, John Swinney had one suggestion, which was for the Chancellor of the Exchequer to raise income tax in England to match income tax rates in Scotland. Surely, the man who negotiated the fiscal framework would know that doing that would reduce the amount of money that came to Scotland. *[Interruption.]* Well, the First Minister might want to listen to the Fraser of Allander Institute, which said that his fatal misunderstanding of public money would cut Scotland's budget by £636 million—

The First Minister: That is an old quote.

Michael Marra: It was two weeks ago.

Labour increased the budget by more than £5 billion, and John Swinney seems to want to have cut it by more than £600 million. That is SNP fiscal incompetence of the highest order, and it is little wonder that so many struggle to believe that that record investment will result in better outcomes with John Swinney at the helm.

The SNP has used the budget to fix some of the most egregious mistakes of three consecutive years of emergency budgets and panic cuts—slashing the housing budget and leaving council budgets in tatters.

Emma Roddick (Highlands and Islands) (SNP): *[Made a request to intervene.]*

Michael Marra: No thank you, madam.

Those decisions have had devastating consequences: a lost year in Scottish house building, while homelessness hit record high levels, and tens of thousands of children woke up in temporary accommodation on Christmas day. The uplift in local government funding this year will not put right the damage that has been done by more than a decade of budget cuts—most of which were authored by the First Minister—which treated councils as an afterthought and decimated their funding. Only the SNP could think that reversing some of its worst mistakes was a triumph.

This budget could have been so much more. A time of increased investment should be the moment for a serious Government to seize the opportunity to reform services for the better, but the SNP has declined that opportunity. In the past

15 months alone, Audit Scotland has published five major reports calling on the Scottish Government to urgently prioritise and act on public service reform.

The Auditor General is now banging his head against the SNP's brick wall every month. The Auditor General, the Scottish Fiscal Commission and the Parliament's finance committee are all of one voice, yet nothing ever changes.

The First Minister: Will the member give way?

Michael Marra: No thank you, sir.

Nowhere is the need for a new direction clearer to see than in Scotland's NHS. Hard-working staff are being pushed to breaking point. The Auditor General appealed to the Government last November, saying:

“Fundamental change in how NHS services are provided is now urgently needed.”

The Institute for Fiscal Studies rightly pointed out that the SNP appears unable to

“translate the money and the staff into what it needs to deliver the appointments and the treatments.”

Data published today shows that, in 2024, almost 50,000 fewer planned operations took place compared with the figure for 2019. The height of the SNP's ambition is that, by 2026, patients will not have to wait more than a year for treatment. Even that meagre ambition is a reheated promise that it has failed to deliver previously.

This budget will not bring change to our NHS.

The Cabinet Secretary for Health and Social Care (Neil Gray): Can Michael Marra set out anything that the Labour Party asked for in relation to the health service in the budget negotiations? Is it not true that it asked for precisely nothing, and therefore got nothing in return?

Michael Marra: In all the meetings, we asked for the Government to take a new approach to our NHS. *[Interruption.]* We asked it to clear the backlogs and reform the NHS so that it is actually able to deliver. *[Interruption.]* Just last week, the First Minister republished his previous plans that he failed to deliver anything of.

This is a tired Government that has lost its way and run out of ideas. Week after week—*[Interruption.]*

The Deputy Presiding Officer: There is a bit too much noise, members. We need to hear from Mr Marra.

Michael Marra: Week after week, the First Minister says that things are not really that bad, but admissions of crisis are wheedled out of him in moments of weakness. Daily, he denies the reality experienced by so many people who have come

into contact with our NHS, our schools and our justice system.

Scots are paying ever more, and getting less in return. Every institution is weaker after 18 years of John Swinney and the SNP. A Government that will not admit when things are going wrong is never going to turn things around.

Our country needs a new direction. We need a Government that is invested in making things better, turning things around, and doing the hard work of fixing what the SNP has broken. This is not as good as it gets. Our country desperately needs a new direction.

15:07

Ross Greer (West Scotland) (Green): I should start by congratulating Michael Marra, who I sincerely have a lot of respect for, because that was a truly barnstorming defence of having had the opportunity to achieve something for the people of Scotland, but turning it down. It was a level of passion for fence-sitting that was previously the preserve of our Liberal colleagues, but is apparently now the preserve of the Labour Party, the Liberals having started to engage in the process.

Last week, when we announced the agreement on the budget, I was asked by a journalist whether, given everything that had happened to the Greens last year, we should not have taken the opportunity to, in their words,

“give the SNP a bloody nose”.

Putting the violent metaphor to the side for a moment, I could not quite understand the question, because that is a style of politics and game playing that does not feed any children, does not create any jobs and does not protect our natural environment. It delivers nothing but headlines. I get that, from the perspective of the media, conflict is interesting and easy to write about, while co-operation is often a bit boring. However, I know what has a better outcome for people and the planet, and I know what the public expect us to do when we come here.

Of course, there are limits to compromise. Our parties believe in different things. However, by any standard measure—as Craig Hoy somewhat melodramatically put it—this Parliament has the largest majority of politicians from parties to the left of centre of any in Europe. There is a broad consensus around the need to build a more compassionate society, and that consensus is powerful.

Monica Lennon (Central Scotland) (Lab): The commitment in the budget to expand universal free school meals, particularly in relation to secondary schools, is welcome.

Did the Green Party ask about the primary 6 and 7 roll-out, and was any commitment given about any action in the near future?

Ross Greer: I am grateful to Monica Lennon for that intervention because the roll-out for primary 6 and 7 will, indeed, continue in the near future, and that was exactly what I was about to come on to.

A key commitment in the package that we agreed to last week was the extension of free school meals to thousands more young people in S1 to S3. That builds on a previous budget agreement, which the Greens secured, that delivered universal free school meals for primary 4 and 5 pupils and the on-going roll-out to children in primary 6 and 7 who receive the Scottish child payment. The Scottish Greens see all of those measures as steps towards universal free school meals from the early years to the end of high school because, in a country as rich as ours, there is no need for any child to sit in school hungry.

That was not the only element of last week's package that we agreed to. We also secured a year-long trial of a bus fare cap in one part of Scotland, which was a recommendation of the fair fares review. With respect to Government colleagues, they did not appear to intend to take that recommendation forward, but the trial will now happen. That reflects the fact that bus journeys make up something in the region of three quarters of all public transport journeys in this country, although they often receive too little attention in this Parliament, especially given that transport is the one area in Scotland where emissions are still going up significantly. Shifting people on to public transport is key to tackling that, so reducing the cost of taking the bus is essential.

The bus fare cap pilot will build on the success of free bus travel for young people under 22, which the cabinet secretary referred to a few weeks ago as one of the reasons why the bus network in Scotland has been able to stave off collapse. Concessionary travel for young people has been a huge success.

We also secured a record amount of funding for Scotland's nature restoration fund and associated projects. That has been transformational, not just for our natural environment—one of the most depleted on the planet—but for local communities, where the funding has created jobs, especially across our rural communities.

I have seen the impact of that on Arran, where the RV Coast Explorer, which is a research vessel particularly for use in Lamlash Bay's no-take zone, was part funded through the nature restoration fund during my colleague Lorna Slater's time as minister.

That final package was not all that the Greens secured through the budget. Before that, we had

set out our two key red lines. The first was on climate spending—that there should be no step back from the record amount of climate spending that the Greens delivered in our last year in Government. That could not be more urgent, given that our planet hit 1.5 degrees of global warming just last month. It is also absolutely essential to Scotland's economic future. In the most recent report on jobs and green energy, we saw that, in a single year, we have gone from 27,000 to 42,000 jobs.

Craig Hoy talks about common sense, but I cannot think of a clearer example of common sense than investing in the sector of our economy that is literally protecting the future of life on this planet and creating thousands of high-quality, lasting jobs across the country.

Our second red line was on the funding of local councils for essential local services such as schools, social care, libraries and waste collection. At the start of discussions with the Government, we made it clear that the Greens could not vote for a budget that continued the council tax freeze. That freeze has ended and no cap has been brought in. It is for councils to make up their minds on that, as they have every right to do as local elected bodies.

We said that we would need to see a real-terms increase in local council funding. That has also been delivered.

We need substantial long-term reform to avoid the annual haggle over how much councils are funded by central Government. In European terms, we are a total outlier when it comes to the fact that the vast majority of municipal government funding is set by national Government. Scotland needs to get into the European mainstream on that.

Those were not always easy negotiations. In many ways, they were the most difficult negotiations for the Greens in a decade. We were not the only party that the Government could rely on to get its budget over the line and we were no longer in Government, so we did not have that level of influence. Despite that, I can give a long list of achievements for people and the planet as a result of the Greens' engagement in the budget, compared with the Labour Party, which got everything that it asked for out of the budget because it simply asked for nothing.

I am proud that, as a result of the Scottish Greens' constructive engagement with the Government and the agreement that we have come to, more children will be fed, the price of the bus will go down for many people across the country, our natural environment will be protected and jobs will be created. That was what we were

elected to do—not to grandstand and grab headlines, but to deliver for people and planet.

The Deputy Presiding Officer: I call on Alex Cole-Hamilton to open on behalf of the Scottish Liberal Democrats.

15:14

Alex Cole-Hamilton (Edinburgh Western) (LD): This afternoon, I speak from a position for my party that, although not wholly unprecedented, is largely uncommon in the tenure of this minority Administration. We support this budget not just in its general principles but at all stages as it transits through Parliament because, in a Parliament of minorities, Scottish Liberal Democrats will always act responsibly and try to find common ground where it exists.

It was in that spirit that we managed to reach agreement with the Government on the budget. Thanks to the Liberal Democrats, that budget will now include a long-overdue replacement for the Belford hospital in Fort William; a replacement for the Edinburgh eye pavilion; and help for babies who are born addicted to drugs, with further investment totalling £2.6 million. That last issue is personal for me, and I raised it with the First Minister just a couple of weeks ago. When I was a youth worker, I worked with Aberlour, which will benefit from the development of those new services, in its work in helping babies to withdraw from drugs. There have been 1,500 such babies born since 2017. That is one of the reasons that I got into politics in the first place, and we have done some real good there.

Liberal Democrats have also secured the right for family carers to earn more without having their support withdrawn. My colleague in Westminster, Sir Ed Davey, has led the way on that in the UK Parliament, and we have followed suit in the Scottish Parliament. There is also the reinstatement of the winter fuel payment for pensioners, and the £200 million improvement package for social care, which will reduce NHS waiting lists and tackle issues such as delayed discharge. There is more money for local healthcare to make it easier for people to see a GP or an NHS dentist near them. Those services are under pressure like never before; we all see it in our casework mailbags day in, day out.

People should not have to live in pain or wait for weeks for treatment and vital appointments. There is an extra £5 million of backing for hospices, and funding for brand-new specialist support across the country for long Covid, myalgic encephalitis and chronic fatigue care pathways, which Liberal Democrats have been demanding and calling for since the Parliament first convened.

That is not all that Liberal Democrats are delivering. We have secured £3.5 million so that colleges can deliver baskets of skills that our economy and our public services need, with new programmes that are focused on areas such as social care and offshore wind to create a pipeline of the skilled workforce that we need for the jobs of the future. There is also funding to provide a brighter future for young people with complex needs who attend Corseford College in Renfrewshire, and an extra £29 million for additional support needs to help pupils and their teachers.

That is all on top of progress on business rates relief for the hospitality sector, and funding to build more affordable homes, which is up by 26 per cent thanks to an extra £172 million. We have ring fenced agricultural funding and more money for local council services, including enhanced support for local authorities that operate key ferry services, which are lifeline links. There is now a line of sight, through the infrastructure investment plan, to replace the Gilbert Bain hospital in Lerwick and Kilmaron special school in Cupar, and for a new railway station in Newburgh in Fife.

My party and its members will keep fighting to propel those projects to the top of the to-do list, and none more so than Beatrice Wishart, in her pursuit of the new hospital that Shetland so desperately needs. That hospital serves not only the isles but many of the industries that operate in the North Sea, as their first point of call in emergencies.

From early on in the budget process, it was clear that an early election was always very unlikely. Although Liberal Democrats have said many times that we think that Scotland fundamentally needs a change of Government, we will not have the opportunity for some months to come. Indeed, Labour's announcement a month ago that its members would abstain on the budget confirmed that once and for all. That is why my party has sought to shape the budget and get the best out of it for our constituents. The budget is not a referendum on the performance of the SNP, which, by any metric, is failing the people of Scotland. We have been determined to use the budget to begin to unpick some of that damage. Nevertheless, the people who voted for us and sent us here expect us to act like grown-ups, to put their interests first and to get things done.

Liberal Democrat priorities will now be backed by hundreds upon hundreds of millions of pounds of Government investment. As I have outlined, there is a long list of policies and projects that we have won not only for our constituents but for Scotland as a whole, so we will be voting for the budget today.

Let there be no doubt, however, that we will continue to hold the Government to account. We remain ardent critics of it and of the decisions that it has taken. The funds and the promises that we have secured now need to be backed by delivery. We have handed ministers the resources—it is now for them to prosecute the case that we have laid out. The Government has proven time and time again that it is sometimes incapable of that delivery, but we will hold it to account on our NHS, on social care and on lifeline ferries for island communities. My party is not afraid to collaborate when it is in the best interests of our country, and we will negotiate in good faith, as we have done on this occasion, but we are also not afraid to tell the truth about a Government that, after 18 years, is long past its sell-by date.

The Deputy Presiding Officer: We move to the open debate, with speeches of around six minutes.

15:20

Michelle Thomson (Falkirk East) (SNP): This is, indeed, a budget that is made in Scotland for Scotland, and I add my voice to those who welcome the contribution of the Greens, the Liberal Democrats and Alba.

The Tories, as ever, are taking their job of opposition so seriously that they seem to oppose everything that the Scottish Government does, everything that this Parliament does and pretty much everything that Scotland does.

But what of the bridesmaid party, also known as the Scottish Labour Party, which never quite gets the white dress? It aspires to government, yet is unable to accept that being in government brings responsibility and choices. Stuck between its lack of policy ideas and the missteps of Sir Keir Starmer, Scottish Labour has chosen to sit on its hands. It takes a special kind of political incompetence to announce months in advance that it will abstain, having achieved absolutely nothing to advance its cause or the interests of the Scottish people.

Scottish Labour claims that the bill will “not deliver the change Scotland needs”,

and that is why it is standing with the Tories in not supporting this SNP budget.

Michael Marra: Does the member not think that £5.2 billion is a worthwhile contribution to the Scottish people?

Michelle Thomson: Absolutely, but I make it completely clear that my ambition for Scotland is far more than that. I do not want us to rely on handouts. How about we all grow up and create

our own future, in the form of independence? That would sort that.

Let us look at some of the changes that are in the budget. There is a compelling suite of policies across health and social care; support for our most vulnerable in society, including a winter heating payment; a £34 million uplift to the culture budget, which has been very well received by the sector; £25 million to properly focus on green jobs and to build a sustainable supply chain; and more than £300 million of ScotWind revenue, which is, thankfully, protected for investment in jobs.

All that is enabled by investment, and we see a real growth agenda in the form of a budget of £768 million for affordable homes, which will enable more than 8,000 new properties for social rent to be built this year. Who would not support that?

Before the general election, in December 2023, much attention was paid to independent research from the Nuffield Foundation and the centre for economic performance at the London School of Economics, which concluded that the UK had lacked a coherent economic strategy for many years. Since being elected, the Labour UK Government has done its best to cement that lack of strategy into the UK's DNA.

The report bemoaned the cuts to benefits under the post-2010 austerity drive of successive Tory Governments over the previous 15 years, claiming that all forms of cuts had reduced the incomes of the poorest fifth by just under £3,000 a year. However, UK Labour, in picking up the mantle of government, clearly thinks that the Tories did not go far enough. It is changing the work capability assessment, means testing the winter fuel payment and accelerating the migration of claimants from employment and support allowance on to universal credit. Overall, it plans to reduce the welfare bill by a further £4.1 billion by 2029-30, whereas the few benefits increases that are planned amount to a paltry rise of just £0.2 billion.

The UK Government is keeping two benefit rules that have a particularly dire effect on the living standards of the poorest: the benefit cap and the two-child limit. This SNP Government already mitigates, or plans to mitigate, those policies, but the Labour Party in Scotland will not support that.

The huge amount that this SNP Government pays to mitigate Tory and now Labour austerity is worth putting on the record. I quote from a letter from the Scottish Government to the Finance and Public Administration Committee:

"Subject to Parliamentary approval, in 2025-26 our investment to mitigate the impacts of UK Government policies will rise to over £210 million per year, an increase of over £56 million."

The term "social contract" is often used in this chamber. It is worth hearing a reminder of what it means. It is about much more than the choices of the SNP Government to ensure that our Scottish students do not pay university fees, that our chronically ill do not pay constantly for prescriptions, that our youth get free bus travel, and so on. A social contract is at the heart of democracy. If the public feel that they are not being heard and the Government does not respond with public services that take into account their needs, that Government risks losing legitimacy. The social contract fundamentally underpins trust in our democracy.

At the most recent UK general election, the people of Scotland placed their faith and trust in Labour. How misplaced that was. Buyers' regret is being felt across the board, not least by the newly elected Labour MP for my area, who claimed that my constituents should vote Labour to save the Grangemouth refinery. How did that work out for him?

The people of Scotland can put their faith and their trust in this SNP Government to endeavour to do the right thing for them, even in difficult circumstances, instead of using difficult circumstances as an excuse to do nothing.

15:25

Pam Gosal (West Scotland) (Con): Every year, the budget is a chance for the SNP Government to set a new direction for Scotland's finances—to put more money back into the pockets of hard-working people, and to give businesses the support that they desperately need to thrive and to grow our economy. Instead, after 18 years, the SNP Government has produced yet another budget that is more of the same: high tax and low growth. It is the same stifling agenda that has cost Scotland's economy £11 billion since 2011. That means that Scotland has £624 million less to spend on public services every single year than we would have had if we had grown at the same rate as the rest of the UK.

The SNP has never understood that you cannot tax your way to growth—that is common sense. Instead, under its so-called "progressive" income tax regime, Scotland remains the highest-taxed part of the United Kingdom. Everyone who earns more than £30,000 a year pays more income tax in Scotland than they would south of the border. That means that teachers, nurses and police officers all pay more. That is not progressive; it is unfair, and it is tanking our economy. In the words of Sandy Begbie from Scottish Financial Enterprise,

"higher income tax rates in Scotland have led to less rather than more money for public services, while also deterring investment and harming economic growth."

Not only that, but the public services that Scots receive in return are getting worse every year. A recent poll found that 49 per cent of Scots feel that they are not getting value for money for their bigger tax bills. Who can blame them? Under the SNP, everything from Scotland's roads to our schools to our hospitals is declining. The budget sets out no serious plans to fix that but continues to tell people that they must contribute more and get less.

For business, the SNP budget is no better. Andrew McRae, from the Federation of Small Businesses, said that the budget will be

"a bitter pill to swallow"

for small retailers. Not only are businesses being harmed by the UK Labour Government's national insurance rises, but the SNP has once again failed to pass on business rates relief to many of them. Let us not forget that that vital support has been funded by the UK Government since 2022-23 but has never been fully passed on by the SNP.

Recently, I met representatives of the hospitality industry, who said that the SNP's failure to extend full business rates relief to pubs and restaurants would be the death knell for many of them.

One said that many restaurants have been forced to move from a seven-day working week to a three-day one because of soaring costs, which has led to a hiring freeze for many businesses, taking vital jobs out of the market. Labour MPs at Westminster have imposed punishing taxes on businesses while Labour MSPs here at Holyrood are sitting back and allowing the SNP budget to pass without the slightest protest. Even worse, the Liberal Democrats will be voting yes at decision time—so much for opposition.

Once again, the Scottish Conservatives are the only party standing up to the SNP and the left-wing Holyrood consensus. We have proposed a set of bold common-sense solutions that would support the aspirations of families and businesses across Scotland and let people keep more of the money that they earn. Those include cutting income tax to 19 per cent on earnings up to £43,662, which would save the average worker £222 a year; exempting all pubs and restaurants from business rates; and cutting taxes for home buyers to help people to climb the property ladder. Those proposals would mean that six in seven Scots would pay less income tax than their counterparts in the rest of the United Kingdom. At the same time, nearly 3,500 pubs and 3,000 restaurants would save an average of more than £15,400 and £20,000 respectively. That would be a true budget for growth.

The SNP's 18 years in power can be summed up in two words: financial mismanagement. With

£30 million wasted on the doomed national care service—[*Interruption.*]

Members should listen to this. There was £300 million on two delayed ferries and more than £300,000 to defend the outrageous Gender Recognition Reform (Scotland) Bill, and the list goes on and on. Had the SNP made better decisions, Scotland could be the most prosperous part of the United Kingdom. Instead of learning its lesson, the SNP has introduced another high-tax budget that does little to right the 18 years of wrongs. Therefore, I will not vote for it today.

15:32

Kevin Stewart (Aberdeen Central) (SNP): Last week, a good friend and former Aberdeen City Council colleague, Muriel Jaffrey, passed away. She served on Aberdeen City Council for 18 years, and she firmly believed that each of us who has the honour to be elected should always do our very best in delivering for our constituents' needs. I therefore thank the Greens, the Liberal Democrats and Ash Regan for doing what they were elected to do: to stand up and deliver for their constituents. They have done a good service through the negotiations that they have been involved in to deliver for people right across Scotland.

It does not surprise me that the Tories are going to vote against an SNP Scottish Government budget because, let us be honest, there is very little that they will vote for. The disappointing thing is the Labour Party, as always. Mr Marra said that Labour "moved decisively"—it moved decisively to abstain. Labour members' forebears must be wondering what is going on, because the new Labour mantra is, "We'll keep the white flag flying here." They have no ability to offer anything to people out there. They do not have the ability to deliver anything through the budget, because they did not take up the opportunity to do so.

Michael Marra: Does the member not recognise, as his colleague Michelle Thomson perhaps neglected to, that £5.2 billion of additional funding for the Scottish Government has enabled the many measures that I am sure he will go on to highlight in the positive aspects of his speech? That is what Labour has contributed to the budget.

Kevin Stewart: Scotland is not a charity; we are getting our own money back.

If Mr Marra were as keen to ensure that that investment was spent wisely as he says he is, he would have engaged, along with his Labour colleagues, in helping to shape this budget for Scotland. Instead, they chose to sit on their hands. They chose to abstain. They chose to raise and wave the white flag. That is Labour in Scotland. They had the ability to back a budget that

continues the social contract with the people of Scotland, which has been the SNP approach since we came to government in 2007.

What does that mean? It means free prescriptions, free university tuition and free school meals. It means free childcare for three and four-year-olds, as well as eligible two-year-olds. It means free bus travel for 2.3 million people. It means an NHS that is free at the point of use and seven social security payments—including the Scottish child payment—that have no equivalent anywhere else in the UK. Going further, there are moves to eradicate the two-child cap and lift 15,000 children out of poverty, and there is the move to reintroduce winter fuel payments, which Labour cut for tens of thousands of people across Scotland.

Beyond that, we have new policies coming into play, partly down to the negotiations that have taken place, including a £2 bus fare cap pilot that I hope will be carried out in the great city of Aberdeen and in Aberdeenshire. I have already written to the Cabinet Secretary for Transport to express my wish that the pilot goes ahead in my own fair city of Aberdeen.

These are the things that the budget brings to the people of Scotland: it brings NHS investment up to a record level of £21.7 billion. It increases the local government settlement to a record £15 billion. It will restore that universal winter heating payment, as I mentioned earlier, and it will provide £768 million for affordable homes in our country. It triples the investment for offshore wind to £150 million, creating the jobs of the future, and it delivers a £158 million uplift for education and skills. It will develop the necessary means to scrap the two-child cap. These are the great things that this budget delivers.

It is a pity that some folk have forgotten that they were elected to this Parliament to serve the people and deliver for the people. Instead, they choose to sit on their hands and not negotiate or to constantly vote against things. We are here to serve the people, and passing the budget will show that we are doing so.

15:38

Pam Duncan-Glancy (Glasgow) (Lab): The SNP Government's budget is set to pass today, with support from the Scottish Greens and the Scottish Liberal Democrats. It is crucial that the record £5.2 billion of funding delivered by the UK Labour Government reaches front-line services, so we will not stand in the way of it being passed. However, it is fair to say that the budget will not deliver the transformation that is needed, because the reality is that the SNP continues to take short-term decisions, reacting to events rather than

making fundamental changes, disrupting services at short notice and restricting progress towards better, longer-term outcomes for people.

There is no change of direction, and there are few areas that show that more clearly than in education, where I fear that the lack of vision and the lack of a different approach will deny young people the opportunities that they deserve. The SNP's failure to change direction from short-term solutions, reacting in the moment, or to properly plan for delivery on the ground, will leave teachers overworked, with too few staff to support pupils with additional support needs and local authorities expected to perform budgetary miracles, and, ultimately, that will hold Scotland's pupils back.

The Government has made much of the fact that the draft budget sets out to maintain teacher numbers, but, regarding how the budget will be delivered in reality, it shows no awareness of the reality in schools, in other public services and in local communities that are crying out for support.

Emma Roddick: I hear the member say that she is unhappy with the budget that has been presented, but could she give us a bit more detail on that? I am unclear about what Scottish Labour was demanding in exchange for supporting the budget, and I think that a lot of people outside Parliament are unclear about that, too.

Pam Duncan-Glancy: I am just one minute into my six-minute speech, so I have five more minutes to explain exactly why we do not think that the budget changes the direction of travel or delivers for young people across Scotland.

The Government has said that there is an increase in the budget for teacher numbers. However, we know that £145 million of that funding was brought in during Covid, and that it has stayed at that level since it was introduced in 2022-23. Councils are already using it for staff, and all that has happened this year is that the Government has added £41 million to recognise teacher pay rises and other costs that have risen since the funding was first introduced.

This is not just about another broken manifesto promise of 3,500 more teachers; it is about this Government's long-standing focus on rhetoric without reforming the reality for our constituents. The lack of reform in education, a plan to bring that about or contact with delivering in reality does not address the fact that teachers are still, on average, working 11 hours a week unpaid.

The pupil-teacher ratio in secondary schools is now the highest that it has been in 20 years. Nearly 40 per cent of pupils have additional support needs, yet the situation for them is intolerable. Waits for child and adolescent mental health services leave children in distress and unable to attend school. Parents are left fighting

for everything that their young person needs. In some localities, there are teacher shortages in key subjects. Nor does the budget address the fact that only 25 per cent of newly qualified teachers got permanent full-time jobs this year, leaving us in the ridiculous position of having gaps in the workforce and unemployed teachers.

Ross Greer: Will the member take an intervention?

Pam Duncan-Glancy: Is it possible to get some time back?

The Deputy Presiding Officer: There is a little bit of flexibility at this stage.

Pam Duncan-Glancy: Thank you—yes, I will take the intervention from my colleague.

Ross Greer: The member is absolutely correct to lay out the massive challenges facing Scotland's teachers, and she clearly does not think that the additional £41 million in the budget is enough. Could she clarify how much above that amount the Labour Party asked for during budget negotiations?

Pam Duncan-Glancy: If the member had listened to the other parts of my contribution, he would have understood that this is about a direction of travel and making sure that we fundamentally change direction in Scotland, rather than plugging holes and having the short-termism that this Government is used to, which leaves teachers, pupils and parents struggling.

The Cabinet Secretary for Education and Skills (Jenny Gilruth): Will the member take an intervention on that point?

Pam Duncan-Glancy: I will take one final intervention.

Jenny Gilruth: I have to bring the member back to the point that she made about the funding increase that the Government is providing to local authorities to fund teacher numbers. We are also providing additionality in the form of £29 million for additional support needs. I thought that the member would have welcomed that, and I am not sure why she is not able to support that provision in the Government's budget.

Pam Duncan-Glancy: I thank the cabinet secretary for pointing that out. Of course, none of those interventions would have been possible without the £5.2 billion increase that the UK Labour Government has delivered for people across Scotland. That £29 million on ASN is less than £1 million per local authority, at a time when the situation for young people with additional support needs is intolerable.

A commitment to effectively stay the same as we were in 2023, with conditions attached but without reform or the resources that are needed,

will be little comfort to staff in schools, pupils and parents who are desperate for a change of direction.

The draft budget, as we are told regularly by the cabinet secretary—and as she has just pointed out—includes £29 million to fund the Government's ASN plan. The updated additional support for learning plan, which was published in November, lacked the detail on timescales and the appropriate delivery that would let us know what that money would do, and many recommendations of the Morgan review remain unaddressed.

For example, we still do not know what fundamental change will be made to support for learning in relation to the scaffolding for children and young people, such as having access to CAMHS, educational psychology or speech and language therapy. The Government has given no indication that it understands that those aspects are crucial to addressing the problem.

I am afraid to say that the SNP's failures in education do not stop at schools. The Government's original commitment to the whole family wellbeing fund was £500 million over the life of the parliamentary session, but that commitment has stalled. At a time when families are screaming out for help, the Government cannot get its act together to spend the money that families need.

Despite the rhetoric on a world-class skills system and warm words on a college-first approach, too many young people from the poorest backgrounds are losing out on opportunities. Colleges Scotland said that the Government's draft budget

"imposes an unsustainable financial burden on the college sector, creating a substantial risk of curriculum reductions, campus closures and reduced opportunities for learners."

There is no change in direction for universities, either, with a proposed 0.7 per cent real-terms cut that comes on top of previous funding cuts, which universities have all warned will lead to drastic action to address deficits, including job losses, recruitment freezes and restructuring plans. I also wonder how the real-terms cut of 3.2 per cent to student support will help with the trend of more students dropping out.

If the Government is serious about a college-first approach and about universities becoming and remaining beacons for the world, as it says it is, its action is far removed from its rhetoric. If it is serious about skills and growing the economy, it is short-sighted to be leaving in limbo crucial initiatives such as developing the young workforce groups that are working in schools and are dedicated to embedding practical work-based learning in the curriculum and providing opportunities for pupils to access pathways into employment.

Ultimately, despite record funding being delivered by the UK Labour Government, the SNP budget will not bring about the transformation that is needed in education to ensure opportunity for all. Scotland really can be a land of opportunity. I honestly believe that our best days lie ahead, but it is clearer now than ever that only Scottish Labour can deliver the new direction that Scotland needs.

15:45

Stuart McMillan (Greenock and Inverclyde) (SNP): I support the budget. I believe that it provides additional investment in our public services, which is what the people of Scotland want to see.

The First Minister has made it clear that his focus is on delivering on the people's priorities of eradicating child poverty, growing the economy, improving public services such as our NHS and tackling the climate emergency. I do not think that anyone in the chamber could disagree with those priorities. The Scottish Government has listened carefully to the needs and priorities of organisations and businesses across the country, and it has engaged seriously and constructively with other parties—as we now know, because the Scottish Greens, Scottish Liberal Democrats and Alba are going to vote for the budget.

I will highlight some of the announcements from the budget that will have tangible and positive benefits for my Greenock and Inverclyde constituency. The first is the commitment to deliver a record £2 billion increase in front-line NHS spending. That will take overall health and social care investment to more than £21 billion, including an increase in capital spending power of £139 million.

I am sure that colleagues from across the chamber can relate to this: health is one of the key issues that leads to constituents contacting our offices and seeking assistance. Their concerns range from small points of clarification to major issues that have occurred over several months or years. Regardless of that, it is clear that our NHS is beloved by people across Scotland. The additional investment in services to ensure that improvements happen at scale and pace is very welcome.

Importantly, the extra capital investment will provide NHS Greater Glasgow and Clyde with the opportunity to progress plans for some of its capital projects. We all know that, in recent years, there have been major issues with progressing capital projects, primarily because of the huge cost of construction inflation. I have lobbied consistently for a new Port Glasgow health centre, which I know is a priority for the health board, and I will continue to lobby for it until it is delivered.

Another key announcement is the delivery of the real-terms uplift of 3 per cent in spending on education and skills to maintain teacher levels and invest in school infrastructure. There is also new funding to put more breakfast clubs in primary schools. Those measures will have a positive impact on children and young people across Inverclyde.

The announcement of this year's £34 million uplift to the culture budget—the largest-ever funding commitment to Scotland's cultural sector—is also hugely positive. In Inverclyde, the Beacon Arts Centre and RIG Arts will benefit from that, receiving multiyear funding awards from Creative Scotland that total more than £1.5 million. That will enable the two organisations to increase the accessibility of culture and the arts, and to collaborate with other local groups on projects that enrich my constituency and beyond.

Another budget commitment that I welcome is the £4.9 billion investment in tackling the climate and nature emergencies. Boosting fair green economic growth is central to the delivery of the Scottish Government's priorities, and prioritising the transition to net zero will benefit everyone through a strong, growing green economy. I am therefore pleased that the budget will invest in the work to scale up renewable energy, restore Scotland's natural environment, expand our public transport and active travel networks, and support a step change in how we heat our homes.

The final key budget commitment that I wish to focus on is the record local government settlement of £15 billion, which includes a £1 billion uplift. That will enable councils to deliver the services that people rely on and the pay increases that have been agreed for our teachers, social care workers, refuse collectors and others.

While the Scottish Government delivers more funding for local authorities, the UK Government will remove a huge chunk of that investment through its increase to employer national insurance contributions. The estimated cost to Inverclyde is some £3 million. The local government settlement from the Scottish Government is the result of meaningful budget engagement. It is therefore hugely disappointing that the Labour UK Government has failed to thoroughly engage with the Scottish Government on its tax on jobs—its NI hike—which undermines the increases in funding for Scotland's public sector and third sector organisations. I say for the record that I chair a third sector organisation, Moving On Inverclyde, which is a local recovery service.

Michael Marra: It is certainly right that the member highlights the challenges that the issue presents for businesses, the third sector and the public sector across Scotland. That is clearly the

case, and the Chancellor of the Exchequer has taken a difficult decision. However, if he is completely opposed to how the £5.2 billion that he talked about in the first part of his speech was raised, how does he think that it should have been raised? What is his alternative?

Stuart McMillan: Mr Marra will very much recognise that, as my colleague Kevin Stewart said, Scotland is not a charity; Scotland is a country. Regarding how the UK Government gets money, it has access to full powers, unlike the Scottish Parliament.

Michael Marra: Is that the answer?

Stuart McMillan: Mr Marra is shaking his head. The Scottish Parliament has limited powers, and he should know that.

I am conscious of the time, so I want to finish on this point. Over the past two years, Labour Party demos have taken place outside my constituency office, with people claiming that the budget settlement has not been fair for local government. Thus far this year, I have not received a notification of any such demo. Perhaps Inverclyde Labour will be holding a demo outside the Labour Party MP's office instead, calling for the full cost of the national insurance contributions bill to be paid back to Scotland and for Inverclyde to get back the £3 million that will be grabbed by the chancellor.

I will back the budget, and I encourage all parties to do the same.

15:52

Liz Smith (Mid Scotland and Fife) (Con): The Parliament will be very well aware of the Finance and Public Administration Committee's concern about several key issues over the course of the budget process.

There is no discernible improvement in widening the tax base—something that I rightly hear the Deputy First Minister referring to quite regularly. The persistently higher tax rates levied on medium and higher earners are not delivering the extent of the tax revenues that are needed to pay for the projected increases in public expenditure. A further concern is that public sector reform is too slow, and there is a lack of convincing evidence in that regard.

Perhaps the biggest concern for the Finance and Public Administration Committee, as it is for the Scottish Fiscal Commission and Audit Scotland, is the lack of long-term planning for fiscal sustainability and, just as important, a complete lack of clarity from the Scottish Government when it comes to the committee's repeated requests as to how ministers will create that financial sustainability in the future.

I want to put this in the context of social security. We know that the Scottish Parliament information centre has said that

"Scottish Government decisions on social security have cumulatively added significant cost pressures to its budget."

We know, too, that the Scottish Fiscal Commission has calculated that social security payments in 2025-26 will cost £1.334 billion more than they would have done had we remained at UK levels, and that the figure will rise to £1.463 billion in 2029-30—and that is not accounting for inflation. That is why the convener of the Finance and Public Administration Committee, in his speech last week, repeated the committee's question to the Scottish Government on how it will

"assess the long-term affordability and sustainability of its social security policies and their impact on other areas of spend".

In response to the committee, the Scottish Government said that it will

"continue to take a responsible and capable approach to Scotland's finances as new budget pressures emerge ... monitoring all areas of expenditure during the year, prioritising ... and maximising efficiencies."

It is little wonder that the committee—unanimously, I may say—did not consider that to be an adequate response, because, quite frankly, it tells us nothing, except perhaps that the Scottish Government really does not know where the money is coming from to pay for the very high social security budget, which has ballooned out of control in recent months.

Michelle Thomson is not in the chamber just now, but I was interested in the debate that we had about the social contract. That social contract could be very important, but there is no point in having a social contract with the people of Scotland if we cannot fund all the payments that we want to make. We are certainly in no position at the moment to be able to do that, which I think the cabinet secretary knows well as she debates the issue.

It is all well and good to promise the earth when it comes to free benefits and mitigations, but the Scottish Government is simply not able to fund all that, given the current expenditure forecast. It keeps telling us that there will be significant savings to come from public service reform, digitisation and better workforce planning, but, as the Finance and Public Administration Committee said, it is very hard to see the evidence of that, and it is clearly not going to happen in time for this budget.

I come to the Scottish Conservative policy on benefits. Are we committed to the welfare state? We absolutely are, in order to provide a helping hand to those who are most in need. Did we vote for the Social Security (Scotland) Act 2018? Yes,

we did, because we believed that the new devolved benefits would be better administered in Scotland, even if many of the principles underpinning the system are much the same as those underpinning that of the Department for Work and Pensions.

Kate Forbes: Will Liz Smith take an intervention?

Liz Smith: Let me just finish this point.

Did we vote for the Scottish child payment in 2021? Yes, we did, because we agreed with the sentiments of the Scottish Government on addressing child poverty. I believe that recent evidence shows that that was the correct decision.

Kate Forbes: I am often struck by the point that Liz Smith has just identified, which is that the Conservatives obviously have a different approach from that of the SNP on matters of taxation and budget spend but are always consistent in pushing us to go further in spending more on welfare when it comes to specific examples. Does she think that it requires a little bit more financial arithmetic to understand that, when the Conservative party pushes the Government to go further on certain spend, which probably happens every day, that cannot be married with a reduction in tax?

Liz Smith: What matters is what the evidence is saying. When it comes to welfare benefits, we are clear that payments should be made where the evidence shows that the benefit is decent, which is the case when it comes to the child payment. However, there are lots of other areas in which that is not the case. For example, many more people in Scotland are now staying on the welfare benefits case load, which is not happening down south. In addition, over the course of just one year, the budget for the child disability payment will increase by 37 per cent, but, as far as I can see, we have not yet had any explanation as to why that is.

There is a balance to be achieved, and it is important that, when we look at the welfare side of things, we make a calculation that is based on where the evidence shows that the benefits are helpful and not where it shows that they have quite clearly put us on a trajectory whereby we simply cannot afford them.

I will finish on this point. When it comes to the welfare spend, it is absolutely essential that we do not go on with the current system, because we simply cannot afford it. There is a spiralling set of benefits in this country, yet the Scottish Government does not have the money to pay for them. To me, that is simple arithmetic—it is simple economics—and that is where the Scottish Government should listen a lot to what the Finance and Public Administration Committee is saying.

15:59

Emma Roddick (Highlands and Islands)

(SNP): On complex tasks such as setting the budget, I think that people want politicians from different parties to sit down and work together. I was glad to see the Greens and Liberal Democrats doing exactly that—sitting down with the SNP, working on more money for hospices such as the Highland Hospice, giving Orkney Islands Council more flexibility in its settlement and extending free school meals even further. Those are all excellent policies. Meanwhile, Labour has said that it will abstain.

I expect the Tories to oppose the SNP's budget. Their contributions this afternoon show that they want tax cuts for the wealthy while we continue to expect those who have the most to contribute the most. However, Labour's early announcement that its MSPs were going to take no interest in deciding how money will be spent in Scotland was genuinely surprising to me. We are supposed to believe that Labour is ready for Government, but Labour MSPs will not even talk about governing, and I wonder how much of their resistance to taking part in this process is the result of an inability to challenge their London bosses or to reconcile their vague calls for a new direction with what their own party has decided to do and say on welfare.

Michael Marra: I assure the member that I have met the economy secretary and the finance secretary on numerous occasions and that we had discussions about the direction of the budget. Unfortunately, the requests that I made for a change of direction for Scotland and a new approach to the delivery of public services were not met. I assure her that the dialogue was there but, unfortunately, they did not rise to the challenge.

Emma Roddick: It might have been only a few short weeks ago that Labour announced in the press that it would not make any further demands on the Scottish budget, but that was certainly long enough ago for Labour to negotiate something, as other parties have managed to do, in a respectful and constructive way.

A budget that seeks to mitigate UK Labour's, frankly, terrible decisions to keep the Tory two-child cap, hike employer national insurance contributions and remove money to support pensioners with their heating bills over the winter would be quite an embarrassing one for Labour MSPs to vote against when they are still trying to trick folk into believing that their beliefs are different to Keir Starmer's and are not directed by him. Perhaps that is why they have decided to sit the budget out entirely. The budget is the biggest opportunity for individual MSPs to directly influence what the coming year will look like and

which priorities will get most funding, but Labour has chosen to abstain.

Scotland needs action to protect to protect our communities, public services and pensioners from Labour's disastrous first choices in Government. From restoring a universal winter heating payment to looking at how we can mitigate the two-child cap, the Scottish budget has committed £210 million to directly mitigate Labour's policies. The national insurance hike has terrified everyone, from local authorities to social care providers working in childcare, nursing homes and third sector organisations. It is likely that the cost to our public services in Scotland will be £700 million. The Scottish Council for Voluntary Organisations says that the voluntary sector is likely to see £75 million gone, and culture organisations, which were excited about the Scottish Government's uplift to their budgets, now worry that much of that new money will be swallowed by a tax on jobs.

Michael Marra: I appreciate the member giving way once again. Does she recognise that those welcome spending commitments must be paid for and where does she think that the money should come from if she is opposed to every means by which that money was actually raised?

Emma Roddick: I think that the money should come from where it does in every normal independent country, which is through the revenue and financial powers that we would have if we could take all our decisions in this place rather than rely on the whims of a Labour Government that takes with one hand while giving with the other.

Scottish Labour members would not come here today to brag about how much money the Scottish Government has to invest in Scotland if they had actually tried to design a budget, because then they would have to look at how much it is costing to undo the damage that UK Labour is doing and how much the national insurance hike is going to cost everyone.

Scottish Labour is not willing to help us to protect people from those terrible decisions. Their members also will not vote for a £2 billion increase in front-line NHS spending or for a record £15 billion for local government. They will not vote for concrete action on climate change and an uplift to the culture budget. That is not because they did not get their way or because they negotiated and did not get enough; it is because they announced in the press, from the off, that they were going to abstain without bothering to talk it through first. I am not sure what message that is supposed to send to our constituents, other than that Scottish Labour is aimless, pointless and cannot be bothered.

Thanks to Labour's commitment to abstain, the SNP did not actually have to negotiate with other parties, but the Scottish Government has done some grown-up politics, sat down with others anyway and worked out a deal. That means that the budget is a compromise that recognises the priorities of those across Scotland who did not vote SNP at the last election. It is a budget by Scotland, for Scotland.

That is why it invests in housing, with £768 million for the housing programme to deliver at least 8,000 more homes. Having engaged with the cabinet secretary and her predecessors on the issue, I am delighted that young islanders aged under 22 will be able to access interisland ferry transport in the same way that the bus scheme supports mainland kids to use buses. The budget also protects free prescriptions, free university tuition, free childcare for three and four-year-olds and eligible two-year-olds and an NHS that is free at the point of use.

Those are not new policies, but we should be in no doubt that funding for them is not a given. It depends on who is sitting on the Government front bench. Last week, we heard Scottish Labour dismiss universal free prescriptions as "a good headline", and every other month, somebody suggests that privatisation might be a good thing for the NHS.

I do not remember a Scotland without an SNP Government, and we have always remained steadfast in our commitment to those policies, so I understand that people are used to them and maybe even take them for granted, but we cannot do that. If people value those things, they should remember who has delivered them for the best part of two decades, remember what we have managed to do with the limited powers of devolution and imagine what we could do with the full powers of an independent country.

The Deputy Presiding Officer (Liam McArthur): I advise members that we have exhausted any time that we had in hand, so speakers will have to stick to their allocated times.

16:05

Mark Griffin (Central Scotland) (Lab): In last week's debate, I was struck by an SNP member's comment that

"this is a good and clever budget".—[*Official Report*, 30 January 2025; c 102.]

I believe that a good budget provides the financial backing to deliver the Government's priorities. John Swinney has said repeatedly that the Government's priority is to tackle child poverty, but to my mind, it is impossible to do that without making sure that every child has a warm, secure and affordable house to live in and without relying

on the services and support that are provided by local government across Scotland.

Shona Robison: Will the member give way?

Mark Griffin: I have just started my speech and I want to make some progress. I will maybe come back to the cabinet secretary.

I welcome the Government's decision to reverse last year's cut to the affordable housing programme. That is a good decision—or, I should say, part of a good decision, because what the Government has not said is that it actually cut the affordable housing supply budget twice. It cut it last year and the year before that, and the full cut over the two years has not been restored.

The Government's approach to affordable housing is one of the clearest indicators of what Audit Scotland has called "short-term" thinking that balances budgets

"but risks disrupting services ... and restricting progress towards ... long-term outcomes".

With the chaos that was unleashed by this Government's housing budget cuts, more than 500 more children have woken up in temporary homes. As Shelter Scotland's director, Alison Watson, said,

"No child should be living in poverty and the only way to eradicate child poverty is to end child homelessness."

During the SNP's time in Government, far from ending child homelessness, it has seen the number of kids in temporary homes almost double, increasing by 85 per cent between 2007 until 2024.

Although I welcome the partial reinstatement of those desperately needed funds, it is important to set out what the Government's disastrous approach has done to the supply of affordable housing in Scotland, because we are just not building enough homes. Astonishingly, the SNP's latest affordable housing pledge actually promises a drop in the number of affordable homes to be built. The Government has said that this year's affordable homes budget will enable

"over 8000 new properties ... to be built this coming year",

and the cabinet secretary said in her speech that the budget will build more affordable homes. However, that is the lowest number of new affordable homes in any year since 2016-17, excluding the pandemic. For the past three years, even amid the most brutal cuts to the affordable housing supply budget, between 9,500 and 10,400 new affordable homes were completed each year. I can only assume that the attempt to present failure as success means that the Government is quietly giving up on its pledge to build 110,000 homes by 2032.

Stuart McMillan: If Mr Griffin wants even more resource to go into the housing budget, which budget would he take it from? Would it come from health or from local government?

Mark Griffin: The point that I am trying to make is that the UK Government has provided this Parliament—this budget—with £5.2 billion in extra funding. Instead of making transformative change to lift kids out of poverty and put them into the houses that they need, the Scottish Government is simply fixing the problems that it has made over the past 18 years. Restoring—not even fully restoring—the cuts that were made in last year's budget and the budget before that does not go anywhere near the ambition that we have for this country.

The Cabinet Secretary for Social Justice (Shirley-Anne Somerville): Can we get down to how much Mr Griffin's party asked for during the budget negotiations, and what he did to deliver that? He heard what the First Minister said: if Labour wants to get on board, it needs to come forward with proposals. The door is still open, but we are looking for constructive opportunities, and Mr Griffin is not taking that up.

Mark Griffin: We have been clear that the reason that this Government has extra money to spend—£5.2 billion—is because of a Labour Government delivering for Scotland. We expect to see transformation in our public services—*[Interruption.]*

The Deputy Presiding Officer: Listen to the member.

Mark Griffin: In dialogue with the Cabinet Secretary for Finance and Local Government and ministers, my front-bench colleagues have constructively asked for that funding to be used for the transformation of the public sector in Scotland, not for fixing the problems that the SNP has made for itself in the past. That has been borne out by the reaction to this budget by organisations—

Kevin Stewart: Will Mark Griffin give way?

The Deputy Presiding Officer: Mr Griffin does not have time at this stage.

Mark Griffin: I am in my last minute, and I am told that there is no time in hand. Organisation after organisation, and report after report from Audit Scotland and the Accounts Commission, from which we heard this morning at the Local Government, Housing and Planning Committee, have made it clear that this budget is a short-term fix. There is no forward thinking. The budget will not address the fundamental problems that the Scottish Government has stored up for the past 17 years.

The other area that I will touch on when it comes to the inability to tackle child poverty, which

I mentioned, is local government. The local government budget has increased—which is welcome—but it will not cover the past 10 years' worth of budget cuts, which amount to a cumulative £6 billion.

It is clear that the biggest demonstration in the budget is that the Government has run out of ideas and that we need the new direction that comes with a new Labour Government.

16:12

Alexander Stewart (Mid Scotland and Fife) (Con): After the low-growth, anti-job autumn budget from the UK Labour Government, many stakeholders hoped that the Scottish Government and the Scottish budget would deliver the support that public services are crying out for right now—none more so than councils, which have spent the past decade having to deal with a long series of real-terms cuts, while being asked to deliver ever more services. Reports by SPICe show that, over the past 10 years, total local government funding has fallen as a percentage of the Scottish Government's budget. The consequences of that are clear to see.

Shona Robison: Will Alexander Stewart give way on that point?

Alexander Stewart: I will, once I have made some progress.

Last year's Local Government Information Unit survey asked senior council representatives whether they thought that the current level of local government finances was sustainable. Not one respondent said yes. That was unprecedented. On top of that, respondents from 23 councils indicated that, given the balances that they had, they would find it really difficult to pass a balanced budget in at least one of the next five financial years.

This year's reports by Audit Scotland and the Accounts Commission paint an even more concerning picture. They make it clear that the situation is unprecedented—councils face uncertain futures and are uncertain about where the opportunities are to enable them to balance their budgets. The scale of the uncertainty means that only around half of councils have long-term financial plans in place.

I will take the cabinet secretary's intervention.

Shona Robison: The budget for this year—2025-26—includes a real-terms increase for local government. How does Alexander Stewart reconcile that with the £1 billion of tax cuts that his party wants to deliver? What impact would that have on the local government settlement?

Alexander Stewart: Grow the economy, cabinet secretary. You cannot say—

The Deputy Presiding Officer: Speak through the chair, Mr Stewart.

Alexander Stewart: Over the past 10 years, you have systematically—

The Deputy Presiding Officer: Mr Stewart, I ask you to speak through the chair, please.

Alexander Stewart: Cabinet secretary, you have systematically—

The Deputy Presiding Officer: Through the chair, Mr Stewart.

Alexander Stewart: —removed millions and billions of pounds from local government. None of that paints a picture of a Scottish Government that has the interests of local government at its heart.

As it stands, councils across Scotland are sceptical about what the budget means for long-term council funding. Indeed, COSLA has made it abundantly clear that budgets will not receive the impact that is required to improve services.

Stuart McMillan: Will the member take an intervention?

Alexander Stewart: No, thank you, Mr McMillan.

We all know what is happening across our constituencies and regions. Members will no doubt be well aware of examples of funding being squeezed from their constituencies and regions. In my region, Perth and Kinross, Stirling and Clackmannanshire councils have all been forced to cut numerous services to deal with the increasing pressures on budgets in recent years. Key services have been stripped back over the past few years. Funding for local halls and libraries has been slashed, and funding for opportunities in relation to leisure is under huge strain.

We have been talking about the uncertainty in relation to employer national insurance contributions. The cabinet secretary has indicated that there will be a 60 per cent uplift, but that is still not enough. Percentages will still be added on to council taxes, because the gap has not been filled. There will be additional costs for the partner organisations that deliver services, as well as for the councils themselves.

At the beginning of the year, COSLA and the Scottish Government talked directly to the UK chancellor about support. However, months on, we have still not got the full package. I suggest that the cabinet secretary and the Government continue to work on the issue.

Over the past 18 years, the SNP Government has demonstrated that it does not see local government as one of its priorities, that it does not see businesses as one of its priorities and that it does not see communities as one of its priorities.

Despite talking a big game, it has never been the case that the SNP has put its money where its mouth is.

This is the Government that announced a brand-new relationship with local government and promised that there would be better engagement and better budgetary processes. That has not happened. We have seen a squeeze on local government, and every council across Scotland will have to put up council tax in the next few weeks. We talk about the Verity house agreement, but we are still looking for the warm aspects of this Government.

It is high time that the SNP Government recognised the value of the role that councils play in our communities across Scotland. It is also time for it to deliver a commonsense budget that shows councils the respect that they deserve in looking after communities.

It is time for individuals to stand up. The SNP is failing individuals and communities, and Scottish people are having to pay the price. The SNP has failed business, communities and councils. Those are among the many reasons why I will not support the budget bill at stage 1.

16:18

Keith Brown (Clackmannanshire and Dunblane) (SNP): I refer members to my entry in the register of members' interests. I also say well done to the cabinet secretary for the work that she has put in so far—it has not been an easy process—as well as to her civil servants and colleagues in the Scottish Government. I also include within that the Greens and the Lib Dems, who have taken a positive and constructive approach to the very serious business of ensuring that funds are available for public services in Scotland.

It is worth mentioning that there are some very good things in this budget bill, the general principles of which we are being asked to support. I am very pleased about the uplift for local government. Whatever our party, we can all acknowledge the fact that it has been a difficult few years for local government because of budget settlements from elsewhere. It is a great relief to see a real uplift for local government services.

In relation to health, I note that I currently have cause to interact with the health service a great deal, and my experience is that people are fed up with the work that they are doing being denigrated in this place on a weekly basis. They know that they are better paid and that there is more money coming to the health service. Of course there are challenges, but they provide an excellent service. It is good to see the uplift that is being allocated to health as well.

Similarly, it is a tough time for our police force, but, at every level in Scotland, they are paid more than their counterparts elsewhere in the UK, and we should not let the budget pass without saying that we are grateful that that will continue.

A couple of members have mentioned free prescriptions, and we sometimes forget how important they are to people across the country, as are free tuition fees. There are horror stories down south just now because people face tuition fee debts of hundreds of thousands of pounds. Apart from being a disincentive to other people to go on to further and higher education, that is a crippling start to people's working lives, and we will not have that in Scotland, just as we will not have the bedroom tax once again. We used to hear a great deal about that, but we do not hear so much about it these days.

We should also recognise that, in this country, we have a publicly owned train company that is deemed to be the best train operating company in the UK, and it is great to see that continuing under this budget.

I very much welcome the proposal to have a cap on bus fares for a trial period. At some point in the future—although I would not propose it for this parliamentary session—we might have to consider a completely free bus service, because of the benefits that that could provide for the environment and for people across the country. The trial is a great initiative to see whether we can start that process.

Over and above that, two things should be mentioned. One is the action on the two-child cap—which we have heard little about from Labour or the Tories, but which is so important to many people—and the other is the action on the winter fuel allowance.

It seems absolutely astonishing that all the benefits that I have just mentioned will be opposed by the Tory party and not supported by the Labour Party.

Let us look at the Tories. The Tories will vote against the budget and Labour will not support it, but I could not believe it when I heard Pam Gosal accuse the Scottish Government of financial incompetence. The Government of Liz Truss is the very acme of Tory financial incompetence.

Let us look in more detail at the Tories' track record. People in England now pay higher tax than the majority of people in Scotland. The Tories do not like that fact, but it is simply a fact. The majority of people in Scotland pay less tax than people in the rest of the UK. The Tories brought in the highest tax burden since the second world war.

Liz Smith: Will the member give way?

Keith Brown: If Ms Smith can be brief, I will give way.

Liz Smith: How does Mr Brown react to the Scottish Fiscal Commission's comment that we do not have anything like the tax base that we need or, indeed, the amount of revenue coming in to pay for all his projected free services?

Keith Brown: The budget will be balanced, as it has been every year. The cabinet secretary will ensure that that happens, and I am content with that.

It is also true that the Tories have brought in a debt of £1.7 trillion. That is financial mismanagement. That is nearly 100 per cent of gross domestic product. That is the Tories' track record of 14 years of failed austerity.

The big story is the Labour Party, which will abstain from the vote. One of the dictionary definitions of abstain is to refrain from performing a duty. That is exactly what Labour members are doing. They have a duty to participate in this Parliament and make decisions for the benefit of the people of Scotland. Simply opting out because they have difficult choices is not good enough.

That is one reason among many why Labour is slipping down the polls in the way that it is. The Tories are now fourth or fifth behind Reform and various others, but Labour is tumbling down the polls. One reason for that is the lack of decision making, the lack of principle and the lack of conviction from the Labour Party here.

Why can you not support something that will address the two-child cap? You have said that you are against the cap, so why can you not support something that will—

The Deputy Presiding Officer: Please speak through the chair.

Keith Brown: Why can the Labour Party not support something that will address the horrendous decision to cut the winter fuel allowance? You would think that it would jump at the opportunity to do that.

We have heard a great deal from the Conservatives and the Labour Party. They are very much in favour of reform, even to the extent that they are willing to give their votes away to the Reform party, as we can see. I read today that Anas Sarwar is willing to work with Nigel Farage on a case-by-case basis. That gives the game away as to what kind of Labour Party we currently have in this Parliament.

This is a very good budget but, of course, it should be open to influence and amendment if members have any decent ideas and they can say where they would make cuts. The Tories have been asked a number of times where they would

get their tax cuts from. Is it local government? Is it transport? Is it health? They will not say because they cannot say. This is a good budget, and I urge the Parliament to support it.

The Deputy Presiding Officer: We come to the final speaker in the open debate, after which we will move to closing speeches. I call John Mason—you have up to four minutes, please, Mr Mason.

16:24

John Mason (Glasgow Shettleston) (Ind): Thank you for the opportunity to speak on the budget again today. I will touch on some of the points that I made in Thursday's debate.

First, the fiscal framework is biased against Scotland and needs a fundamental review. Secondly, UK and Scottish taxes are too low overall. If we want quality public services such as Denmark has, for example, we need to fundamentally increase taxation. Thirdly, the issue of a replacement council tax has been dragging on for far too long, and eventually someone has to bite the bullet on that. I very much doubt that we will ever get complete consensus as to what the replacement should be, so we just need to get on with it and get as many parties on board as we can.

I am broadly supportive of this year's budget and will vote for it at decision time. There are a lot of good things in it, including increased funding for the NHS and for local government—in particular, increased capital funding for more affordable housing. However, we should remember that the Scottish budget is increasing by only 0.8 per cent in real terms, which is not the huge increase that Labour has been suggesting.

Around budget time, we hear conflicting and contradictory claims, not least from the Conservatives, who tell us, on the one hand, to cut tax while, on the other hand, asking for more funding for their favourite projects. The Finance and Public Administration Committee and others have been calling for more medium-term and long-term planning for Scotland's finances, and one of the issues with the fiscal framework as it stands is the lack of borrowing capacity. In addition, longer-term financial stability surely means putting money aside in the good years, as Norway has done and as the UK has failed to do, so that there is more money for manoeuvre when the next rainy day inevitably comes—be it another pandemic or something else. However, assuming that we are going to be borrowing to some extent, the next question is whether we use Scottish Government bonds as one of the methods. The committee has asked to be kept updated, and we look forward to

hearing from the Government about that in due course.

Whether local authorities are going to feel that they have been generously treated remains to be seen. Perhaps it was unwise to freeze council tax last year, but we are where we are, and we all see the needs around us at a local level, be it in the state of the roads, pressure on refuse collection and recycling budgets or cuts to libraries and leisure services. I fear that increasing council funding by inflation or just a little bit more will not cut it in the long term, as the needs are increasing.

It is all very well to say, as the Conservatives do, that we have to be competitive on taxation, which I presume means that we should not differ too much from what England does. The problem is, though, that if English taxes are too low and, for example, old people in England cannot get a care home place when they need one, we do not want to be copying and competing with that.

On the theme of following England and the rest of the UK, we need to break the fixation on following London spending. After all, devolution is about making our own decisions and using the resources that we have where the need is greatest, which might or might not be the same as in the rest of the UK. For example, there have been repeated calls to copy hospitality reliefs that are available down south, and the Scottish Government has—very generously, in my opinion—agreed to do that to some extent. We may get a Barnett allocation because of actions at Westminster, but that money is not ring fenced and we may well see a higher-priority need in Scotland.

MSPs' salaries are part of the budget process, although many might feel uncomfortable talking about them. The proposal is to increase them to £74,500. Many of us might have a tendency to look at others who are better paid, including members of Parliament at £91,000 and Welsh members of the Senedd at £76,000. However, remembering that the full new state pension from April this year will be £12,000, I maintain that we are very well paid at six times that amount, and I certainly think that we should be grateful for it.

The Deputy Presiding Officer: You need to conclude.

John Mason: Thank you, Deputy Presiding Officer.

The Deputy Presiding Officer: We move to closing speeches.

16:28

Ross Greer: In my opening speech, I talked about some of the proposals that the Greens put forward in the budget process and which were

agreed, but I did not cover all of them, so I will start by listing most, if not all, of what we were able to secure in the budget.

There is a record £4.9 billion for climate and nature. That includes the £26 million for the nature restoration fund that I mentioned earlier, which is going towards projects such as the restoration of our Atlantic rainforests. Scotland once—not that long ago—had a rainforest, but we now have only tiny fragments of it left. Through the NRF and other funds, we are reconnecting and rebuilding that ecosystem.

We asked that, ahead of the budget, the A96 climate compatibility assessment be published, and it was. We are pleased to see that no money is being allocated for dualling this year but that funding is being allocated for the much-needed bypasses, which we support. We are also pleased to see the £2 bus fare cap trial, £10 million for a bus infrastructure fund and the roll-out of free bus travel for asylum seekers.

There is money for the roll-out of 20mph speed limits in built-up areas. Just last week, we saw the immediate impact of that and the many lives that have been saved as a result of moving to a 20mph default speed limit in Wales.

We are delivering more free ferry travel for young islanders; some £172 million has been added back into the affordable housing budget; and we have increased the amount of tax that is to be paid on the purchase of second and holiday homes, which will not only raise about £32 million for our public services but give first-time buyers more support in a very competitive housing market. Finally, this month, the consultation will be launched on proposals for a cruise ship levy, which is a much-needed power for local authorities such as Inverclyde Council, in my region.

I congratulate the Lib Dems on the solid list of achievements that they can claim credit for in the budget, particularly the support for babies who are born addicted to drugs. I will certainly be proud to vote for a budget that includes such funding. However, in response to his earlier comments, I respectfully ask Alex Cole-Hamilton to point out the budget line relating to independence that the Lib Dems have apparently deleted. The constitutional projects division, which has existed for many years, continues to exist—that funding is still in the budget.

Craig Hoy and our Conservative colleagues spent this afternoon warning us all that there is a spectre haunting Scotland—the spectre of socialism. If only that were the case, Mr Hoy. Unfortunately, the powers afforded to this place under devolution are not quite enough to bring down global capitalism. However, if we all try a little bit harder, I am sure that we can make a bit

more progress. If there was a socialist majority in this Parliament, we would see boosting trade union membership, particularly in the private sector, as one of the key ways—if not the key way—to boost wages, as has always been the case. That is certainly something that the Greens have pushed for.

One socialist change that the Greens have delivered in recent years is the redistribution of wealth as a result of changing Scotland's income tax system. Most people pay a little bit less and those on higher incomes pay more. That is worth £1.7 billion a year to our public services, which goes towards the delivery of measures that lift children out of poverty, such as the Scottish child payment and free school meals. It also contributes to our national health service staff being the best paid in the UK. Therefore, it is clear that the election of Scottish Greens to this place is a way to deliver the socialist change that Craig Hoy warns us all about.

I want to touch again on the contribution that Michael Marra and Labour colleagues made. It seems that Labour's argument this afternoon is that Scottish Labour's contribution to the budget is the £5 billion of consequential from the UK Government. If I was being generous, I would say that that is an argument for the election of Scottish Labour MPs. I hate to break it to our Labour colleagues here, but they are not MPs: they are MSPs—they are members of this Parliament who had the opportunity to negotiate to include their priorities in this budget and declined to do so. I am not quite sure what kind of advert that is for the value of voting for Scottish Labour ahead of next year's Scottish election.

On the topic of socialism, one thing that the Greens are particularly proud to have achieved in the area of public sector reform is the four-day working week. We do not live to work, and workers deserve a better work-life balance. From the initial evidence that the Finance and Public Administration Committee took, the roll-out of the trials across the public sector has met with huge success. There has been a dramatic reduction in ill health among the staff involved and there has been no apparent loss of productivity.

There is a need to do far more, though. I absolutely agree with the cabinet secretary on the need to have some long-term certainty from the UK Government, but I agree with Liz Smith that that is no reason for the Scottish Government not to get on with its own planning. Of course, Liz Smith and I would come up with very different spending plans if that was our responsibility, but there is no reason not to make progress on that at this point. Even just scenario planning would be of great benefit to the resilience of our public services.

The debate has shown the dividing line in the final 13 or so months of this session of Parliament. The dividing line is between those who are here to play games and grab headlines and those who are here to deliver real change for their constituents. We might all disagree on what that change is—that is absolutely fine—but, surely, we were elected on manifestos full of specific policy proposals and the delivery of the change that we all believe in. Some of us are trying to pursue that.

The Greens who were elected to this place have delivered more free school meals for the children who need them, free bus travel for young people and now a bus fare cap trial to make fares cheaper for everyone. We have delivered nature restoration funding and the job creation that comes with that, as well as record funding for climate action. The Scottish Greens were elected here to deliver for people and the planet, and by voting for the budget this afternoon, with the changes that we have secured, we are fulfilling that promise.

16:34

Paul O'Kane (West Scotland) (Lab): I will close for the Scottish Labour Party in this stage 1 debate on the budget.

Throughout the budget process, a number of things have become clear, and those have been further clarified this afternoon. First, as we have heard, this budget is possible only because the UK Labour Government delivered record investment—the largest block grant in the history of devolution, which added £5.2 billion to Scotland's budget.

We have heard much commentary on that this afternoon, and there seems to be a disagreement between the back and front benches of the SNP in this chamber. We heard a cautious welcome of that money from the Scottish Government; the finance secretary said that it is a step in the right direction. However, from the back benches, we heard it tutted at and called "charity" or "handouts". We have had no answers from members on the SNP back benches about what decisions they would have taken in the UK budget in order to deliver that settlement for Scotland. Indeed, SNP MPs did not even go to vote for that budget. It is important to put that on the record as we begin our conclusions this evening.

The second point that it is important to take from this process and from this debate is that the budget was always going to pass. There has been a huge effort on the part of the First Minister and Government ministers to pretend otherwise. At times they have engaged in a level of amateur dramatics that would have rivalled a pantomime—I am glad that Mr Cole-Hamilton got his wish for pantomime season to be extended—and we have

seen that repeated in the chamber this afternoon. Indeed, the patter about being always the bridesmaid, never the bride would be more at home in the Pavilion than here in the debating chamber of the Scottish Parliament. It was always clear that the Greens and the Liberal Democrats would sign up to help the Government pass the budget.

Instead of that political intrigue—for which the First Minister and the Government were so desperate in order to distract from the fundamental question how the Government would reform the public sector in Scotland—we have sought to focus on that very question.

Kate Forbes: Does the fact that, while Labour was going to abstain on the budget, the Government was willing to engage with other parties to secure changes for them not demonstrate that the Government is absolutely serious about building consensus and unity in delivering for Scotland, and does it not reveal that the Labour Party is far out of kilter with that objective?

Paul O'Kane: The Government spent months shadow-boxing on those issues. We were threatened with the breakdown of public services, with the rise of Elon Musk and with all manner of issues. The reality is that the budget does not provide a new direction in our public services on which we could build a consensus in Scotland. It does not change the direction of the Government or the country.

Ross Greer: Will the member take an intervention?

Paul O'Kane: No, I will not. I want to make progress.

That brings me to the point that I want to make about the budget. This is not year 1 of a new Government. It is not the first budget that this Government has delivered. It is the 18th budget under the SNP and the 17th budget of a Government with John Swinney at its heart. There are members here who had just left school when the First Minister began to deliver budgets in Scotland.

Instead of this budget being an opportunity taken to transform public services, it is a correction of some of the worst mistakes that the Government has made, which have been 18 years in the making by the SNP. It is a missed-opportunity budget delivered by a tired Government that has lost its way.

This afternoon, my colleagues have outlined where the problems are in our public services. Michael Marra—[*Interruption.*]

The Government would do well to listen to this point, because it is very serious and very stark.

The First Minister: Is it?

Paul O'Kane: Yes, it is, First Minister. One in six Scots is on an NHS waiting list on the First Minister's watch. There are 100,000 Scots waiting more than a year for treatment, fewer operations and people languishing in pain.—[*Interruption.*]

Members are laughing about the state of the NHS in Scotland. That is, quite frankly, appalling. It is clear that a botched national care service has not delivered—

The First Minister: Will the member take an intervention?

Paul O'Kane: I will not. I am not going to let the First Minister, who sat there and laughed at one in six Scots being on a waiting list, justify his position.

The reality is that people are being—

The First Minister: Will Mr O'Kane allow me to intervene?

Paul O'Kane: I am not taking the intervention.

We have the botched national care service, which had to be ditched because the Government would not listen, and people who have learning disabilities are being dramatically failed by the Government.

There is a permanent crisis in our NHS, and what has the answer from the Government been? We have had five plans for recovery for the NHS in less than four years—five plans in my time in the Parliament. We have had three First Ministers, three health secretaries, five recovery plans and a serious lack of new direction and change for the NHS.

The First Minister tells us that everything is going to be all right because he is here, but I do not think that the Royal College of Nursing, the British Medical Association, Unison and other trade unions—all those who have spoken with serious concern about the lack of ambition that the Government has for the NHS—are convinced by that. There is a lack of direction in the budget.

My colleague Mark Griffin outlined the challenges in housing, where the Government is simply replacing money that was lost through serious cuts to the housing budget and doing half of what it should do. Pam Duncan-Glancy outlined with clarity and in some detail the failure in education under the Government.

Of course, we know that it is not just—[*Interruption.*]

The Deputy Presiding Officer: Please resume your seat, Mr O'Kane.

I have tolerated a reasonable amount of sedentary commentary on the speech that Mr

O'Kane is delivering. I would be grateful if that could now cease.

Mr O'Kane, please continue.

Paul O'Kane: I am very grateful, Presiding Officer, because these are important points and it is important that the people of Scotland hear this debate.

We in the Labour Party are concerned about the short-termism and short-term decisions from the Government. The Institute for Fiscal Studies has criticised the lack of direction on tax policy. The Finance and Public Administration Committee has repeatedly expressed concerns about delays in publishing key financial documents, such as a medium-term financial strategy. The Fraser of Allander Institute has warned of risks stored up and the potential for further emergency measures being needed in the next financial year, although I guess that we should have expected that, as it is an annual occurrence with this Government.

Today is not a new day for the First Minister or the Government. After 18 years, they have lost their way and they have lost ambition for the people of Scotland. It is clear that, after 18 years of such leadership, one budget cannot change course or provide a new direction for our public services. Indeed, it appears that the Government does not recognise that a new direction is required at all, so the only way that we can change direction in Scotland is with a new Government.

16:42

Murdo Fraser (Mid Scotland and Fife) (Con): It will probably be useful if I start by reiterating why we in the Conservative Party are not voting for the budget. We are not voting for it because it puts the tax burden up; it does nothing to help the economy; it sees local services being cut; it sees council taxes going up; it sees universities and colleges getting their budgets squeezed, with some even potentially facing bankruptcy; and it sees rail fares going up. There is no action on cutting waste and no programme for public sector reform, and, of course, the Government is still spending money on the case for independence. That is why we are not backing the budget.

Let me look in more detail at some of the issues that we have heard about during the debate. As usual, we had an interesting speech from Michelle Thomson. I always enjoy her speeches—I do not always agree with them, but she always makes an interesting contribution, and I think that we will be sorry and will miss her when she goes. She talked about the social contract. My colleague Liz Smith said that that is all very well, but the social contract has to be paid for. It has to be properly funded, or it is of little value.

There is little point in having free bus travel if there are no buses in the local area that people can travel on. There is no point in having free NHS dentistry if people cannot get an NHS dentist, because no NHS dentists are available in their area. There is no point in having free university education if people cannot get a place at a Scottish university due to the number of overseas students being brought in to try to balance the books. There is no point in having free car parking at hospitals if people cannot get a parking space when they go to the hospital. And so the list goes on.

Ross Greer: The member is right that free bus travel is of very little use if there are no buses, but does he acknowledge that it is thanks to the provision of free bus travel for young people that many bus services across the country have been saved from being cut completely? The massive increase in passenger numbers because of the delivery of concessionary travel has protected and, in many cases, enhanced local bus services.

Murdo Fraser: I have to say to Mr Greer that the experience of his constituents might be very different from the experience that many of my constituents face, particularly in rural parts of Fife and Perth and Kinross, where we have seen a reduction rather than an increase in the bus services available.

Back in the autumn, we had some drama around the budget, with posturing by the Scottish Government and suggestions that it might not progress. We were always sceptical as to whether that drama would amount to very much. Our scepticism was justified because, of course, despite some early posturing from the Greens suggesting that they might not support the budget after being expelled from Government, they came to the table once again as the nationalists' most reliable allies, and agreed to support the budget in exchange for a few baubles being thrown their way. It was the same for the Liberal Democrats, of whom perhaps we might have expected a little more. As we heard from Craig Hoy earlier, Alex Cole-Hamilton had loudly maintained all the way through the budget discussions that it was a red line for him that there would be no spending to promote independence. Now, the Lib Dems have done the deal and, embarrassingly for Mr Cole-Hamilton, as we have had confirmed through parliamentary written answers, the Government will still be spending money on civil servants working to develop and communicate information on independence, so Mr Cole-Hamilton can apologise to the voters of West Edinburgh and elsewhere for selling them out when it comes to the constitution.

Alex Cole-Hamilton: Oh dear, oh dear, Presiding Officer; it really is pantomime season.

Yes, there is a constitutional affairs issue, but that constitutional affairs department within the Government is there to deal with the United Kingdom Internal Market Act 2020, to deal with dispute resolution and to deal with legislative consent motions.

Because of the Liberal Democrats' involvement in negotiations, we have abruptly ended the continuance of white papers and, indeed, there is no more ministry for independence.

As it is pantomime season, if Mr Fraser is asking, "Where's my career?", the answer is, "It's behind you."

Murdo Fraser: My goodness, Presiding Officer. All I would say, gently, to Mr Cole-Hamilton is that I think that he should read the parliamentary written answers that were obtained by my colleague Craig Hoy, which set out exactly where that spending on the constitution department goes and he will see that they refer to independence.

Craig Hoy: I will send them to Mr Cole-Hamilton.

The First Minister: Stupid questions.

Murdo Fraser: I do not know why Mr Swinney is sitting there heckling from a sedentary position. Perhaps he needs to find himself a pet cat and take it out for a walk so that he feels a bit better.

The First Minister: I have no need for respite. I am very content.

Murdo Fraser: There he goes again, Presiding Officer.

The Deputy Presiding Officer: First Minister, please restrain yourself.

Murdo Fraser: Thank you, Presiding Officer.

It is the stance of Scottish Labour that is perhaps the most confusing. At least the Greens and the Liberal Democrats were able to negotiate some minor concessions in exchange for their support for the budget.

However, last month, Scottish Labour announced that, regardless of the terms of the budget, it would be abstaining on the vote, giving John Swinney and his team a free pass. The party that likes to present itself as the challenger to the SNP at the next Holyrood election has abandoned the field completely, scared off by the First Minister's overly dramatic warnings about the chaos and confusion that would ensue should the budget be voted down.

I feel sorry for Michael Marra. He has been left exposed by his leader, who is not even here today. He has been left as exposed as Bianca Censori was at the Grammys the other night.

Michael Marra: Frankly, it was Scottish Labour that called time on the amateur dramatics, the threats of the far right, the collapse of industry and the doomsday future that the First Minister was predicting because we secured the £5.2 billion that we want to go to the front line. That is why we have taken this position.

Murdo Fraser: I think that Mr Marra has sold himself rather cheaply. Perhaps he could have got some more concessions had he worked a little harder.

Now that, just like the Grammys, the drama is over, let us look at exactly what is on offer from the largest financial settlement in the history of devolution—a budget that was supposed to be about growing the economy. We have dismal growth projections, both for Scotland and for the UK as a whole. We should have seen measures to support business expansion. Yet, according to research by SPICe, three key measures to support economic growth—enterprise agencies, VisitScotland and employability—have all been cut in real terms compared with the financial year of 2023-24.

Shona Robison: Does Murdo Fraser think that the Tory proposals to cut our trade offices across the world would help or hinder economic growth in Scotland?

Murdo Fraser: What we do not want to see are those offices being used by Mr Robertson to promote the cause of independence around the globe, which is what has been happening. We have an excellent network of trade offices run by UK Trade & Investment, and we should be utilising those. *[Interruption.]*

The Deputy Presiding Officer: Let us listen to Mr Fraser.

Murdo Fraser: Then, of course, the SNP took the decision not to pass on the Barnett consequential for the 40 per cent rates relief for retail, hospitality and leisure that is available south of the border, as Pam Gosal reminded us, meaning that hospitality in Scotland has a much less generous package than is available elsewhere in the United Kingdom.

When it comes to personal taxation, there has been no greater divergence from tax rates payable elsewhere in the UK than where the budget bakes in higher taxes that are payable by nearly half the workers in Scotland. The finance secretary says, "Well, some workers are better off", but they are better off only to the tune of £1.21 per month—not even the cost of a first-class stamp.

As the Liberal Democrats and Greens support this budget and Labour sits on its hands, it is left to the Scottish Conservatives to provide the only opposition. We are very clear that we will not

support a budget that, despite a record uplift in the Westminster block grant, will do nothing to help grow the economy, will deliver cuts to local services and higher council tax bills, and will continue spending to promote the cause of independence.

We might be the only party here voting against the SNP's budget but, in so doing, we will be representing the interests of the Scottish people.

16:50

The Minister for Public Finance (Ivan McKee): This is not just another budget; it is a clear statement of this Government's priorities and of our values as a Government and as a Parliament. It is a budget by Scotland and for Scotland. At its heart, this budget is a plan for Scotland's future. It addresses the immediate needs of our society while investing in the long-term priorities that will shape the future of our nation.

This is a budget that includes measures to support businesses with the challenging trading environment. There is a real-terms increase in local government funding to better support local services and record investment to reform and improve the national health service. There is a significant boost to housing investment and capital projects that will stimulate growth, further steps to eradicate child poverty and create the best foundations for our next generation, and investment in the clean, green opportunities of a just transition.

This budget also protects the social contract that is at the heart of this Government's approach: continuing free prescriptions, ensuring that no Scottish student pays tuition fees, and providing access to free bus travel for almost 2.3 million people.

Throughout this budget process, we have engaged closely with members from all parties to ensure that the budget reflects the diverse needs of our communities. This collaborative approach has allowed us to build a budget that delivers real value for the people of Scotland.

I want to touch on some of the contributions that have been made this afternoon. There have been a wide range of speeches, from the thoughtful to the comical and everything in between. I will start off with Alex Cole-Hamilton and Ross Greer, who, in their opening speeches and, indeed in Ross Greer's closing comments, gave long lists of the gains that they made by taking part in the budget process. That stands in stark contrast to other parties in the chamber—I will talk about them more later.

I was taken by Ross Greer's comments on the "consensus" that is a hugely important part of the Parliament and the fact that different parties worked together to deliver it. I was interested to hear him misquote Marx and Engels talking about the "spectre" that is or is not haunting Scotland, but that is a discussion for another day.

I thought that Emma Roddick made a very thoughtful contribution. Her analysis of why Scottish Labour is abstaining—something that has been perplexing us for a number of weeks—puts it down to the party's complex relationship with and inability to break free from the behaviour and policies of the UK Labour Government. She identified Scottish Labour as being both "aimless" and "pointless".

In that context, it was interesting to hear Michael Marra's contribution and his calls for "change", "a new approach" and "a new direction". Indeed, members on the SNP benches were happily filling in and ticking off our bingo cards as the various buzzwords came from the Labour members. I think that every single speech had the phrase "a new direction" and I think that the vast majority also mentioned "change" and "new approach".

What kind of change? Is it the short change that we have seen from the UK Labour Government regarding its behaviour on the winter fuel payment, the two-child cap and the women against state pension inequality—the WASPI women? Is that the change that we are talking about, or is it the loose change of Scottish Labour rattling about, not quite sure of its direction or its purpose?

Members on the Labour front bench talked about the need for—

Michael Marra: Will the minister give way?

Ivan McKee: Indeed.

Michael Marra: I appreciate the minister giving way. Surely the kind of change that we need is a plan to get one in six Scots off a waiting list, re-operationalise our NHS and get it back to being fit for purpose to help the people of Scotland, as opposed to the continued decline that we see under this Government.

Ivan McKee: To be frank, I hear more soundbites, but no substance at all. It is just change, change, change. Michael Marra talks about the need for reform, but unfortunately, other Labour members did not get the memo. Pam Duncan-Glancy railed against calls for restructuring of services or recruitment freezes. She was really talking against the call from members on the Labour front bench for a public service reform agenda.

On the other hand, Mark Griffin came up with a list of things that he would like to have seen in the budget. All I can say is that it is a real shame that

he was not the lead negotiator for the Labour Party. The party might have come away with something as a consequence, rather than the nothing that was delivered from its discussion with the Government. Labour is too focused on what it calls the non-dom community and on looking for good ideas from Nigel Farage's agenda to be able to take the negotiations seriously and deliver what this Government is taking forward.

At first, I was slightly perplexed by Kevin Stewart's contribution. I wondered who the four bears were, why there were four of them and why they were all waving different coloured flags, until I realised that he was saying "forebears" rather than "four bears". He was talking about the Labour Party moving from a red flag to a white flag—on reflection, it was a very apt contribution.

In his contribution on behalf of the Finance and Public Administration Committee, Kenny Gibson talked at length about the need for the public service reform agenda. He can rest assured that the Government takes that agenda very seriously. We are moving forward with a summit of public body leaders in the middle of February. Following that, we will publish a strategy that will be agreed with that body of public service leaders as we work on the issues that need to be delivered for there to be a real reform agenda. We will make sure that we get real value from the Government's spend on public services, focusing on prevention upstream and ensuring that there is real collaboration and integration across those services. I very much look forward to that work and to the committee and others contributing to that agenda.

I turn to the contributions from the Conservative members. Back bencher after back bencher stood up and asked for more funding, while there were resolute calls from front benchers for tax reductions.

Kenneth Gibson: Same old same old.

Ivan McKee: It is the same old, same old—absolutely right.

Alexander Stewart asked for more funding for local government, despite the fact that there has been a £1 billion increase in local government funding. During the debate, the cabinet secretary reminded me that we did not hear Craig Hoy ask once for more local government funding during the negotiation process. There is a strange disconnect between Tory front benchers and back benchers. Maybe that is the dividing line that Craig Hoy was talking about.

Ross Greer spoke about a dividing line between those who are focused on delivery and those who see the process as a performative stage show or pantomime, perhaps, grabbing cheap headlines without focusing on delivering for the people whom they are supposed to represent.

Perhaps there is a dividing line between those who can add up, such as a Government that has balanced its budget for every one of its 18 years, and those who cannot, such as a Tory party that talks about tax cuts at the same time as asking for more spending and which thinks that using the magic word "growth" gets it out of any trouble in that regard.

Craig Hoy: Will the member take an intervention?

Ivan McKee: I will give way to Craig Hoy. I hope that he is not just going to say "growth" and then sit down again.

Craig Hoy: I thank the minister for giving way. In December, the Scottish benefits bill was running at £5.3 billion a year. By the end of this decade, it will be £8.8 billion a year. How is he going to make those sums add up?

Ivan McKee: Let us be clear. This Government has balanced its budget every year. We work through the detail of what is in front of us in any given year.

Craig Hoy: How are you going to balance it?

The Presiding Officer (Alison Johnstone): Let us hear the minister.

Ivan McKee: We figure out how we are going to balance the revenue with the expenditure that we have to make. We make a commitment as a Government to govern and to choose to prioritise. We do that every year. We are committed to that spend. We balanced our budget last year, we will balance it this year, we will balance it next year and we will continue to do so. That is the reality. Craig Hoy can point at pieces of paper all he likes, but the reality is that the Government is focused on balancing our budget while delivering the priorities for the people of Scotland, and we will continue to do that.

We will continue to take forward more detailed work on that agenda in the current session. In the next few weeks and months, we will bring forward our fiscal sustainability delivery plan and our medium-term financial strategy, which will give more detail on how we are working to take the agenda forward.

I reiterate that the budget is about making Scotland a better place for all its people. It is about eradicating child poverty, building a strong, sustainable economy, tackling the climate emergency and protecting high-quality public services. The budget delivers on the Government's promises and looks forward with hope, demonstrating the strength of our collective will as a Parliament to build a better future for Scotland.

I am proud of what the budget represents and I am confident that, with the support of the Parliament, we will make a real and lasting difference for the people of Scotland.

The Presiding Officer: That concludes the debate on the Budget (Scotland) (No 4) Bill at stage 1.

Decision Time

17:00

The Presiding Officer (Alison Johnstone): There is one question to be put as a result of today's business. The question is, that motion S6M-16299, in the name of Shona Robison, on the Budget (Scotland) (No 4) Bill at stage 1, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

There will be a short suspension to allow members to access the digital voting system.

17:01

Meeting suspended.

17:04

On resuming—

The Presiding Officer: We move to the vote on motion S6M-16299, in the name of Shona Robison, on the Budget (Scotland) (No 4) Bill at stage 1. Members should cast their votes now.

For

Adam, George (Paisley) (SNP)
 Adam, Karen (Banffshire and Buchan Coast) (SNP)
 Adamson, Clare (Motherwell and Wishaw) (SNP)
 Allan, Alasdair (Na h-Eileanan an Iar) (SNP)
 Arthur, Tom (Renfrewshire South) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Brown, Siobhian (Ayr) (SNP)
 Burgess, Ariane (Highlands and Islands) (Green)
 Chapman, Maggie (North East Scotland) (Green)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Cole-Hamilton, Alex (Edinburgh Western) (LD)
 Constance, Angela (Almond Valley) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don-Innes, Natalie (Renfrewshire North and West) (SNP)
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dunbar, Jackie (Aberdeen Donside) (SNP)
 Ewing, Annabelle (Cowdenbeath) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fairlie, Jim (Perthshire South and Kinross-shire) (SNP)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
 Gougeon, Mairi (Angus North and Mearns) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Gray, Neil (Airdrie and Shotts) (SNP)
 Greer, Ross (West Scotland) (Green)
 Harper, Emma (South Scotland) (SNP)
 Harvie, Patrick (Glasgow) (Green) [Proxy vote cast by Gillian Mackay]
 Haughey, Clare (Rutherglen) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)

Lochhead, Richard (Moray) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)
 Mackay, Gillian (Central Scotland) (Green)
 Mackay, Rona (Strathkelvin and Bearsden) (SNP)
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
 Maguire, Ruth (Cunninghame South) (SNP) [Proxy vote cast by Rona Mackay]
 Martin, Gillian (Aberdeenshire East) (SNP)
 Mason, John (Glasgow Shettleston) (Ind)
 Matheson, Michael (Falkirk West) (SNP)
 McAllan, Màiri (Clydesdale) (SNP) [Proxy vote cast by Jamie Hepburn]
 McArthur, Liam (Orkney Islands) (LD)
 McKee, Ivan (Glasgow Provan) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP) [Proxy vote cast by Jamie Hepburn]
 McLennan, Paul (East Lothian) (SNP)
 McMillan, Stuart (Greenock and Inverclyde) (SNP)
 McNair, Marie (Clydebank and Milngavie) (SNP)
 Minto, Jenni (Argyll and Bute) (SNP)
 Nicoll, Audrey (Aberdeen South and North Kincardine) (SNP)
 Regan, Ash (Edinburgh Eastern) (Alba)
 Rennie, Willie (North East Fife) (LD)
 Robertson, Angus (Edinburgh Central) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Roddick, Emma (Highlands and Islands) (SNP)
 Ruskell, Mark (Mid Scotland and Fife) (Green)
 Slater, Lorna (Lothian) (Green)
 Somerville, Shirley-Anne (Dunfermline) (SNP)
 Stevenson, Collette (East Kilbride) (SNP)
 Stewart, Kaukab (Glasgow Kelvin) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thomson, Michelle (Falkirk East) (SNP)
 Todd, Maree (Caithness, Sutherland and Ross) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Tweed, Evelyn (Stirling) (SNP)
 Whitham, Elena (Carrick, Cumnock and Doon Valley) (SNP)
 Wishart, Beatrice (Shetland Islands) (LD)
 Yousaf, Humza (Glasgow Pollok) (SNP)

Against

Balfour, Jeremy (Lothian) (Con)
 Briggs, Miles (Lothian) (Con)
 Burnett, Alexander (Aberdeenshire West) (Con)
 Carlaw, Jackson (Eastwood) (Con)
 Carson, Finlay (Galloway and West Dumfries) (Con)
 Dowey, Sharon (South Scotland) (Con)
 Eagle, Tim (Highlands and Islands) (Con)
 Findlay, Russell (West Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallacher, Meghan (Central Scotland) (Con)
 Golden, Maurice (North East Scotland) (Con)
 Gosal, Pam (West Scotland) (Con)
 Greene, Jamie (West Scotland) (Con)
 Gulhane, Sandesh (Glasgow) (Con)
 Halcro Johnston, Jamie (Highlands and Islands) (Con)
 Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)
 Hoy, Craig (South Scotland) (Con)
 Kerr, Liam (North East Scotland) (Con)
 Kerr, Stephen (Central Scotland) (Con)
 Lumsden, Douglas (North East Scotland) (Con)
 McCall, Roz (Mid Scotland and Fife) (Con)
 Mountain, Edward (Highlands and Islands) (Con)
 Mundell, Oliver (Dumfriesshire) (Con)
 Ross, Douglas (Highlands and Islands) (Con)
 Simpson, Graham (Central Scotland) (Con)

Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, Alexander (Mid Scotland and Fife) (Con)
 Webber, Sue (Lothian) (Con)
 White, Tess (North East Scotland) (Con)
 Whittle, Brian (South Scotland) (Con)

Abstentions

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Choudhury, Foysol (Lothian) (Lab)
 Clark, Katy (West Scotland) (Lab)
 Duncan-Glancy, Pam (Glasgow) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Johnson, Daniel (Edinburgh Southern) (Lab)
 Lennon, Monica (Central Scotland) (Lab)
 Leonard, Richard (Central Scotland) (Lab)
 Marra, Michael (North East Scotland) (Lab)
 McNeill, Pauline (Glasgow) (Lab)
 Mochan, Carol (South Scotland) (Lab)
 O'Kane, Paul (West Scotland) (Lab)
 Sarwar, Anas (Glasgow) (Lab)
 Smyth, Colin (South Scotland) (Lab)
 Sweeney, Paul (Glasgow) (Lab)
 Villalba, Mercedes (North East Scotland) (Lab)
 Whitfield, Martin (South Scotland) (Lab)

The Presiding Officer: The result of the division on motion S6M-16299, in the name of Shona Robison, on the Budget (Scotland) (No 4) Bill at stage 1, is: For 74, Against 30, Abstentions 21.

Motion agreed to,

That the Parliament agrees to the general principles of the Budget (Scotland) (No 4) Bill.

The Presiding Officer: That concludes decision time.

Lockerbie Bombing

The Deputy Presiding Officer (Annabelle Ewing): The final item of business is a members' business debate on motion S6M-16005, in the name of Christine Grahame, on "The Lockerbie Bombing—A Father's Search for Justice". The debate will be concluded without any question being put. I invite those members who wish to speak in the debate to press their request-to-speak buttons.

Motion debated,

That the Parliament notes the publication of Dr Jim Swire's book, *The Lockerbie Bombing, A Father's Search for Justice*, which has been serialised on television; recognises what it sees as Dr Swire's painful but steady commitment to uncovering the facts behind the bombing of Pan Am Flight 103, which, shortly after 7.00 pm on 21 December 1988, was destroyed by a bomb over the town of Lockerbie, killing all 243 passengers, 16 crew and 11 Lockerbie residents, a total of 270 fatalities, including his much loved daughter, Flora; understands that Dr Swire, with many others, considers that the conviction of Abdelbaset al-Megrahi, under Scots law at Camp Zeist, is insecure; believes that the failure of subsequent Scottish courts to allow any appeal, despite two referrals by the Scottish Criminal Cases Review Commission, on the grounds that there may have been a miscarriage of justice, gives concern; notes the view that, until there is a full and independent inquiry and full disclosure at a UK level into all aspects of this, the worst terrorist attack in the UK, the integrity of the conviction, and indeed Scots law, will remain in question, and commends Dr Jim Swire for never giving up on his search for the truth and for those responsible for the murder of his daughter and the other 269 people whose lives were so cruelly ended.

17:07

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): I thank those members who signed the motion to allow the debate to take place, as it is quite controversial.

I have been campaigning on the Lockerbie bombing, and on whether the conviction of Abdelbaset al-Megrahi was safe, for decades, but not for as long as Dr Jim Swire has done. His daughter, Flora, on her way to meet her American boyfriend, was murdered on 21 December 1988 when Pan Am flight 103 blew up over Lockerbie, killing all 243 passengers, 16 crew and 11 Lockerbie residents—270 folk in all. Of those, 190 were American citizens and 43 were British—all individuals with their lives ahead of them. Nineteen other nationalities were represented, and those killed included a group of US intelligence specialists.

Because of time pressure, this is a potted history. The suspicion initially fell on Iran. Five months before Lockerbie, an American warship, the USS Vincennes, shot down an Iranian passenger airliner over the Persian Gulf after

mistaking it for a fighter jet. A total of 290 men, women and children on board were killed. Iran swore revenge. In October that year, West German police raided flats in Frankfurt where members of the Popular Front for the Liberation of Palestine—General Command were preparing bombs in radio-cassette players. They had timetables for airlines, including Pan Am. Less than two months later, Pan Am 103 was brought down.

Three years later, in 1999, after a joint investigation by Dumfries and Galloway Constabulary and the Federal Bureau of Investigation—for some of us, this came out of the blue—arrest warrants were issued for two Libyans. That was after negotiations and the lifting of United Nations sanctions against Libya. When Gaddafi handed over two men for trial at a special court at Camp Zeist in the Netherlands, held under Scots law and before three judges, the case against one of the accused, Fhima, was found not proven; Megrahi was found guilty.

I turn to the significant role of the Scottish Criminal Cases Review Commission. Megrahi lost his first appeal against his conviction in 2002, but won a second right to appeal after a four-year investigation and referral by the independent SCCRC. The commission found that there was no proper basis in allegations that investigators had manipulated, altered or fabricated evidence to make a case against Megrahi. However, it concluded that the court had "no reasonable basis" for finding that Megrahi bought the clothes in Malta, undermining a cornerstone of the prosecution case. It said that the verdict had been "unreasonable" and that Megrahi might have suffered a miscarriage of justice.

Terminally ill, Megrahi was freed on compassionate grounds by the Scottish Government in 2009, abandoning his second appeal. He died three years later in Tripoli.

In 2020, after a request from Megrahi's family, the SCCRC referred the case back to the appeal court. The commission said that the trial court should not have accepted that Megrahi bought the clothes that were beside the bomb. It also said that he was denied a fair trial because of non-disclosure, as the prosecution did not give the defence certain information that could have helped him. However, five of Scotland's most senior judges upheld the conviction, saying that the identification of Megrahi was just one part of the overall picture and the information that was not disclosed to the defence would not have changed the verdict.

There are many aspects of the evidence that led to the conviction that give me cause for concern. However, given the time that is allocated to me, I recommend that members read for themselves

writings on both sides of the arguments for and against the conviction, and make up their own minds.

To give some context, the wreckage of the crash was scattered over 770 square miles, and 4 million pieces of wreckage in total were collected and registered on computer files. That gives an idea of the size of the crime scene.

A key piece of evidence comprised recovered fragments of a Samsonite suitcase that was believed to have contained the bomb, together with parts of a circuit board that were identified as components of a Toshiba BomBeat RT-SF16 radio-cassette player, which was similar to that used to conceal a Semtex bomb that West German police had seized from the Palestinian militant group PFLP-GC two months earlier. There were also items of clothing, subsequently proven to have been made in Malta, that were thought to have come from the same suitcase.

Those clothes were traced to a Maltese merchant, Tony Gauci, who became a key prosecution witness, testifying that he had sold them to a man of Libyan appearance. Gauci was interviewed 23 times, giving contradictory evidence about who had bought the clothes, that person's age and appearance and the date of purchase, but he later identified Abdelbaset al-Megrahi.

I will restrict my comments to the evidence of the Maltese shopkeeper, Tony Gauci, whose identification of Megrahi as the man who bought the suitcase containing the clothes that hid the bomb timer was key to Megrahi's conviction. Incidentally, Gauci was reportedly also in receipt of \$2 million. He described Megrahi as 50 years old, over 6 feet tall, dark skinned and heavily built. At the time, however, Megrahi was aged 36, 5 feet 8, light skinned and slightly built. Indeed, five years after the trial, the former Lord Advocate, Lord Fraser of Carmyllie, publicly described Gauci as being

"an apple short of a picnic"

and

"not quite the full shilling".

So much more can be said, but—at the very least—doubts over that identification should be enough for a public inquiry into all the circumstances surrounding the events, from the day on which the Iranian passenger plane was shot out of the sky by an American warship while that plane was flying over Iranian airspace to date. Subsequent United Kingdom Governments have prevented the publication of documents that are said to have indicated that Palestinian militants were involved in bombing Pan Am 103. Indeed, in 2020, the then Foreign Secretary, Dominic Raab,

imposed public interest immunity certificates on the documents, so no one has access to them. At the very least, those documents should be released.

Finally, although decades have passed, my condolences go to all those who have been affected by this cruel terrorist act. My thanks go to the people of Lockerbie who, at the time, provided what comfort they could to distraught friends and relatives, even washing the clothes of the deceased once they were no longer needed for forensic evidence. They commemorate those losses to this day.

I take no pleasure in reminding us all of that horrific day, but until there is full disclosure, these serious, unsettling questions about who committed this heinous crime and why it was committed will continue to be raised, certainly by me.

17:14

Emma Harper (South Scotland) (SNP): I congratulate Christine Grahame on securing the debate. I know that she has been an advocate on matters relating to the Lockerbie air disaster for many years, and she laid out the history very well in the short time that she had. I thank her for her work, and for her support for Jim Swire and the other families in their search for truth and justice in relation to the Lockerbie bombing, and for Jim Swire's search for truth and justice in relation to the murder of his daughter, Flora.

It was the worst terrorist bombing in the UK. Lockerbie is part of my South Scotland region and I spent my teenage years growing up 8 miles from the town. I know the strong emotions that are still felt locally and the huge impact that the bombing had on Lockerbie and the wider area. There are many parts of the motion with which I agree, and I pay tribute to the families of the justice for Lockerbie campaign.

On the night of the bombing, I was working in the operating theatre at Dumfries and Galloway royal infirmary. When I first heard the news, the report said that a military plane had crashed over the border here in Scotland. My dad called my sister—we were flatmates at the time—and said that he had been out checking the dairy cows in the maternity paddock as they were about to calve. He was just going about his routine dairyman duties. He said that he had heard a

"boom in the night sky overhead just after 7pm ... mebbes an explosion".

After he phoned us, we turned on the news; there would be news for many months.

These are some of my memories. My sister and I were summoned to the hospital where we both worked. Under professional, calm, efficient and

effective instruction from the senior charge nurse, the theatre team were initially told to anticipate mass casualties, and we prepared for that. We prepped theatres 1 and 2 for major trauma, theatre 3 for orthopaedic trauma and theatre 4 for minor injuries, and we primed intravenous fluids and set up trolleys for general anaesthesia and intubation for arterial lines and for central venous access line placement.

At 10 pm, the theatre staff were crowded in the coffee room, glued to the news as the facts were beginning to unfold. There would be no casualties coming to theatre. This was not a military plane crash—it was Pan Am flight 103, which, with 259 humans on board, had exploded at 7.02 pm, four days before Christmas. Later, we found out that 11 people on the ground in Lockerbie were also killed.

That night will always stick with me. I pay tribute to the people of Lockerbie and of Syracuse, including Lockerbie academy and Syracuse University, for everything that they do to keep the memory of the victims of the Lockerbie bombing alive. I attended the 35th anniversary of the Lockerbie bombing at Lockerbie academy, with the launch of a photographic exhibition of the people of Lockerbie going about their normal lives, rebuilding.

For many families, the search for justice continues. The upcoming US court case, involving the trial of a Libyan man, is scheduled for May this year in Washington DC. A section of the fuselage from Pan Am flight 103 was transported to the US as evidence. I understand that US prosecutors will use evidence from the first trial and new information that has been obtained since then. Given that the man who has been charged has denied building the bomb, it is important that, under the Lockerbie Victims Access Act, the court is directed to make “reasonable efforts” to provide video and telephone access to the case for people affected by the bombing.

I agree with the First Minister’s response to Christine Grahame at First Minister’s question time last month. I think that it is right to allow the US trial to progress and therefore not to make any comment that could prejudice proceedings.

In closing, I acknowledge the work of the emergency services at the scene during that time, which I am sure was traumatic. I reiterate my respect for the resilience of the families of the justice for Lockerbie campaign, and for the people of the town for keeping the memory of the victims alive.

17:19

Colin Smyth (South Scotland) (Lab): On 21 December 2024, I attended the service of

remembrance and gratitude at Tundergarth church, which was organised by Tundergarth Kirks Trust and the Pan Am 103 Lockerbie Legacy Foundation. Members of families who lost loved ones, students from Lockerbie academy and members of the community quietly and poignantly read out the names of each of the 270 souls lost, accompanied by pictures of each victim in happy times.

Wives, husbands, mums, dads, and 14 children and babies—some as young as two months old—were murdered in the atrocity that was the bombing of Pan Am flight 103. Two hundred and fifty-nine of those victims, from 21 nations, were on the flight, including 16 crew members and 35 students from Syracuse University in New York. Eleven victims—some as young as 10 years old—were in Lockerbie as the wreckage showered down on their town. When we discuss in the Parliament what remains the worst terrorist atrocity that our nation has ever seen, we should always remember, first and foremost, the 270 innocent people who needlessly lost their lives.

The service at Tundergarth also recognised the truly humbling response of the community and the emergency services to the tragedy, both at the time and ever since. Those involved represent the decent, ordinary people whom we do not hear much about any more: the couple who found the body of a young man in their field and did not want to leave him, so they stood vigil there overnight; the man who scooped up the body of a toddler and took them into the town to avoid them being left in the dark and the wet; and the women of Lockerbie who, in the aftermath of the explosion, washed, ironed and carefully packed the clothes and belongings of victims back into the suitcases that had been strewn across the fields, so that they could be returned to the victims’ loved ones.

I could say so much more about the remarkable people at the sharp end of the response to the Lockerbie bombing, from the community and from the emergency services, many of whom worked tirelessly for days on end, trying to cope—and help others to cope—with the magnitude of the destruction. Many continue to do so to this day, as families of the victims continue to visit the last resting places of their loved ones. They take comfort from the memorial garden and lodge in Dryfesdale cemetery, the remembrance room at Tundergarth church, the peaceful memorials in Sherwood Crescent and Rosebank Crescent, and the glass window in the town hall that depicts the flags of the 21 countries that lost citizens in the bombing.

Most importantly, families take comfort from the warmth of a community that has supported them since then, over the past 36 years. That is not just about visiting the physical memorials. Lasting

friendships have been formed between the families of those lost and the local community, and bonds have been formed between Lockerbie academy and Syracuse University.

Each time that the spotlight has been shone on Lockerbie—whether it be through news coverage of trials, discussion of conspiracy theories or the showing of television dramas—the dignified humanity of the people of Lockerbie has shone back. When I speak to families from around the world who come to the town, what always strikes me most is not only their gratitude for the way in which those in the community opened their hearts and homes to them but those families' realisation that Lockerbie is not just where the horrific events of 21 December 1988 cruelly happened.

I make that point because, although it is so important to reflect on and remember the tragic loss of the Maid of the Seas over Lockerbie, which will, of course, always be part of the town's stories, we should also reflect that there is much more to the town of Lockerbie—a vibrant, proud and forward-looking community.

17:23

The Minister for Victims and Community Safety (Siobhian Brown): I thank Christine Grahame for bringing the debate to the chamber. I know that, over many years, she has spoken with passion and dedication on issues relating to the Lockerbie disaster. I know that she will continue to pursue them, but this might be one of the final occasions on which she brings discussion of Lockerbie to the Parliament, because she intends to stand down next year. The Parliament will be poorer as a result. I also thank Emma Harper and Colin Smyth for their powerful personal contributions.

I begin by offering my continuing sympathy to everyone who lost loved ones on that awful night all those years ago, on Pan Am flight 103 and in the town of Lockerbie. We should also remember the emergency workers from around the town, and further afield, who responded in the immediate aftermath of that atrocity. Their rapid response, along with that of the people of Lockerbie, in extraordinary circumstances, demonstrated remarkable professionalism, kindness and humanity in the face of one of the worst terrorist attacks on Scottish soil.

Although the events of 21 December 1988 have had a lasting impact on the town, I know that, following the disaster, links were forged between Lockerbie and other affected communities. They include the establishment of a scholarship programme involving Syracuse University and Lockerbie academy.

Ms Grahame's motion highlights the work of Dr Jim Swire, who lost his daughter Flora in the disaster. Dr Swire's steadfast commitment to his cause, in memory of his daughter, is a testament to the endurance of the human spirit.

I am sure that members will understand that it would be inappropriate for me, as a Scottish minister, to make any comment on the criminal cases that followed the disaster. However, the motion refers to concerns that Dr Swire and others have expressed about the criminal justice process. It is therefore important that I confirm to the Parliament the checks and balances that exist in the Scottish justice system.

The processes for investigating and determining alleged miscarriages of justice operate independently of the Scottish ministers. The Scottish Criminal Cases Review Commission is an independent public body, which, as the motion notes, has responsibility for investigating cases when it is alleged that a miscarriage of justice might have occurred in relation to a conviction or a sentence. The commission has extensive powers to obtain documents from any person or organisation and to request that evidence be given under oath.

Under the statutory test set by the Parliament, the commission can refer a person's conviction to the appeal court for a fresh appeal if, after considering the application, it thinks that

"a miscarriage of justice may have occurred"

and that

"it is in the interests of justice"

for the case to be referred back to the appeal court.

Christine Grahame: Will the minister take an intervention?

Siobhian Brown: I will, if the member could give me just a moment, please.

When a case is referred to the appeal court for a fresh appeal, it will be for the appeal court to determine whether to quash or to uphold the person's conviction or sentence.

Three appeals have been made on behalf of the late Mr Megrahi. In 2002, the Scottish appeal court, sitting at Camp Zeist in the Netherlands, heard his first appeal and refused it. Thereafter, the commission referred the relevant conviction of Mr Megrahi to the appeal court twice, and each time appeal proceedings were heard.

It might be helpful to put on the record that Mr Megrahi abandoned his second appeal in 2009, shortly before he was released on compassionate grounds. As Christine Grahame said, Mr Megrahi died in Libya in 2012.

A second, and posthumous, application to the commission was made by Mr Megrahi's family in 2017, which resulted in his conviction being referred back to the appeal court in March 2020. The appeal court fully considered the case and published in January 2021 its judgment on that appeal, which upheld Mr Megrahi's conviction. An application for leave to appeal to the Supreme Court was refused by that court in July 2022.

Although the appeal court has already heard and rejected two full appeals against Mr Megrahi's conviction, it remains open to his family to submit a further application to the commission. That would probably be on the basis that there had been new evidence that the appeal court had not heard when it considered a previous appeal against conviction, to support a claim that there had been a miscarriage of justice. That is an essential element of how the Scottish justice system operates, and it is available to anyone who has unsuccessfully appealed against their conviction to the High Court. I hope that that information has reassured members that processes are in place to allow any alleged miscarriage of justice to be fully investigated and that those processes have been used in this case.

I finish by commending the people of Lockerbie, all of whom were affected by the tragedy. The town will, unfortunately, always be known for what happened more than 36 years ago. However, in their own individual ways, the people there have shown a determination to look to the future while acknowledging and reflecting on the past. That has been achieved through the connections made with families in America who were affected by the loss of life and through the work of community groups in the Lockerbie area.

Sherwood Crescent in Lockerbie was devastated by the disaster. At the time, one of the residents there said:

"They were here one minute. Then they were gone."

The victims in the town of Lockerbie are not forgotten; they are remembered through the actions of the people in the town who lived through that horrendous act of terrorism and by those in succeeding generations. We also remember Flora, and all the other victims on board Pan Am flight 103, through the enduring human spirit of people such as Dr Swire and many others who ensure that we do not forget the horrific events of that fateful night.

Meeting closed at 17:30.

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.

Published in Edinburgh by the Scottish Parliamentary Corporate Body, the Scottish Parliament, Edinburgh, EH99 1SP

All documents are available on
the Scottish Parliament website at:

www.parliament.scot

Information on non-endorsed print suppliers
is available here:

www.parliament.scot/documents

For information on the Scottish Parliament contact
Public Information on:

Telephone: 0131 348 5000

Textphone: 0800 092 7100

Email: sp.info@parliament.scot



The Scottish Parliament
Pàrlamaid na h-Alba