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Scottish Parliament

Thursday 18 June 2026

[The Presiding Officer opened the meeting at 13:30]

General Question Time

The Presiding Officer (Kenneth Gibson): The first item of business is general question time. Question 1 has not been lodged.

Violence Against Women and Girls (Prevention and Eradication)

2. **Laura Moodie (South Scotland) (Green):** To ask the Scottish Government what action it is taking, through the education system, to support the local delivery of measures to prevent and eradicate violence against women and girls, in light of the Convention of Scottish Local Authorities' recent white paper, "Strengthening Local Delivery to Prevent and Eradicate Violence Against Women and Girls". (S7O-00089)

The Cabinet Secretary for Education, Culture and Gaelic (Màiri McAllan): Eradicating violence against women and girls fundamentally requires men to change their behaviour. However, our education system can play an important part in that. Our equally safe delivery plan sets out a number of actions that we are taking in education, including supporting the equally safe at school programme, which is a whole-school approach developed by Rape Crisis Scotland and Zero Tolerance; publishing schools guidance with the gender-based violence in schools working group; and funding the digital discourse initiative.

Beyond equally safe, I believe that actions such as the Government's confirmation that we will introduce legislation to end the use of mobile phones in the learning environment can make a difference by separating young people from what is often misogynistic content online.

Laura Moodie: In February, the Scottish Government introduced new relationships, sexual health and parenthood guidance, which for the first time includes the importance of teaching consent. What will the cabinet secretary do to ensure that every school is rolling out the guidance to reflect the issues that young people, particularly young girls, are sharing about their experiences in school?

Màiri McAllan: I thank Ms Moodie for raising the issue of relationships, sexual health and parenthood education, which is an integral part of the health and wellbeing area of the school curriculum in Scotland. The RSHP education focuses on equipping children and young people with the knowledge, skills and values to make informed and positive choices about forming relationships. One vitally important part of that is consent, which Ms Moodie is absolutely right to mention. As education secretary, I will continue to work with school leaders and local authorities across Scotland to ensure that it is being fulsomely taught.

The Presiding Officer: Question 3 has not been lodged.

A9 Dualling Programme

4. **Daniel Johnson (Edinburgh Southern) (Lab):** To ask the Scottish Government what its current estimates are of the cost and timescale required to complete the remaining sections of the A9 dualling programme that are still to be upgraded. (S7O-00091)

The Minister for Business and Fair Work (Tom Arthur): The Scottish Government remains committed to dualling the A9 between Perth and Inverness by 2035. The programme is estimated to cost £3.97 billion at April 2025 prices. When adjusted for inflation, that is broadly similar to the £3.7 billion at April 2023 prices that was reported in December 2023 and below the original estimate of £3 billion at 2008 prices. The 2026 delivery plan will see the proportion of dual carriageway between Perth and Inverness increase to 50 per cent by the end of 2030, 67 per cent by the end of 2032, 91 per cent by the end of 2034, and 100 per cent by the end of 2035.

Daniel Johnson: The latest tenders are clearly welcome, as they give some clarity about the completion of the A9, albeit some 28 years after it was originally promised. However, the costs require some examination. On a per kilometre basis, the latest sections will come in at around £20 million per kilometre, compared with £6.4 million per kilometre, adjusted for inflation, for the Kincraig to Dalraddy section. Looking internationally, I note that the Faroese Government has built tunnels—new roads under the sea—for £10 million per kilometre. Does the minister agree that it is vitally important that we have cost-effective delivery of infrastructure for economic growth? What lessons is the Scottish Government seeking to learn from international best practice, such as the Faroese example?

Tom Arthur: The Scottish Government is always open to learning from best practice internationally. Daniel Johnson is absolutely right to highlight the importance of cost effectiveness, but that has to be balanced with ensuring that the project can be delivered in a way that is cognisant of market capacity and ensures a minimum amount of disruption for road users. That balance is reflected in the process that the Scottish Government has undertaken.

Willie Rennie (Fife North East) (LD): There is some concern that the contracts will not deliver significant community and supply chain benefits. Can the minister set out what work has been done in that regard and say what lessons have been learned from the likes of the lower Thames crossing, which provides good examples of the delivery of such benefits?

Tom Arthur: As I hope that Willie Rennie recognises, the framework under which procurement is governed in this country was very much ahead of its time when it was brought in and has stood the test of time with regard to issues beyond the delivery of the infrastructure—which is of course the central focus and concern—such as ensuring that significant investment of public money delivers community benefit and other lasting benefits.

The procurement framework for the work on the A9 was launched by the Cabinet Secretary for Economy, Tourism and Transport earlier this month, and it sets out the broad provisions as we move towards the completion of the A9 over the next nine years.

Rosyth Ferry Service

5. **David Barratt (Cowdenbeath) (SNP):** To ask the Scottish Government whether it will provide an update on what the next steps are towards delivering a direct ferry service between Rosyth and mainland Europe. (S7O-00092)

The Minister for Business and Fair Work (Tom Arthur): Although the Scottish Government is supportive of direct ferry services to Europe, decisions on the introduction of an international ferry service and the timing of that introduction are considerations for the commercial ferry operator and relevant port authorities. The Scottish Government has received an application for funding through the waterborne freight grant scheme, which is currently being assessed.

The Scottish Government also amended the minimum requirements for the location of a border control post through the Official Controls (Location of Border Control Posts) (Scotland) Regulations 2026. That amendment provides flexibility for border control post requirements within green freeport zones.

David Barratt: In order for Forth Ports and DFDS to progress that route, they require clarity on the waterborne freight grant scheme and the Government's £3 million manifesto commitment towards the reopening of the ferry link. Funding from the United Kingdom Government has been strictly ring fenced. Will the minister confirm timescales for each funding stream, and will the Scottish Government constructively work with Forth Ports to ensure that funding is not unduly restricted?

Tom Arthur: I want to assure the member that we greatly value the interest shown from business in the Government's commitment to support the funding of ferry services from Scotland to Europe. That is particularly timely as we approach the 10th anniversary of the Brexit referendum, which has led to significant economic harm for Scotland and the wider UK. It is my hope that, by strengthening our connectivity with European neighbours, we will be able to renew our relationships again.

As for the question posed, I confirm to the member that work is continuing to assess the various options that are available to deliver that funding. We will work constructively with all interested parties regarding the introduction of an international ferry service.

The Presiding Officer: Question 6 has not been lodged.

A83 Rest and Be Thankful

7. **Jenni Minto (Argyll and Bute) (SNP):** To ask the Scottish Government whether it will provide an update on the timeline for the delivery of a medium-term solution to the A83 Rest and Be Thankful. (S7O-00094)

The Minister for Business and Fair Work (Tom Arthur): The Scottish Government is delivering a range of measures in the short, medium and long term to reduce the risk of impact of landslides on the A83 at the Rest and Be Thankful.

Following the publication of draft orders, Transport Scotland continues to progress the proposed medium-term solution through the statutory authorisation process. Construction of the medium-term solution can only commence if approved under the relevant statutory authorisation process. Thereafter, a timetable for construction can be determined.

Jenni Minto: As the minister might be aware, I organised a series of round-table meetings in September with local businesses, the community and national businesses, and concerns were raised about the use of the old military road for the duration of the construction period of the long-term solution. I believe that that would be hugely detrimental to the economy and communities of Argyll and Bute. Given his portfolio, the minister will appreciate those concerns, so I hope that he will support me in asking the cabinet secretary to meet the Rest and Be Thankful campaign group to discuss its proposals and understand the reasoning behind its preference for the medium-term option.

Tom Arthur: I recognise the amount of work that Jenni Minto has undertaken to represent the interests of her constituents on the issue of the Rest and Be Thankful, and I thank her for raising awareness of those specific concerns.

I am aware that the cabinet secretary has received correspondence from the campaign group that outlines its views on a permanent solution to the landslip challenges at the Rest and Be Thankful. I reassure the member and Parliament that the Government will carefully consider that correspondence and is committed to building on the positive engagement that has been undertaken to date with the campaign group through the A83 task force.

Jackie Baillie (Dumbarton) (Lab): I listened carefully to the minister's response. Although I join in welcoming the temporary lifting of traffic lights, they are due to return in September, causing more disruption for businesses and residents. As the minister has acknowledged, the Rest and Be Thankful campaign group has suggested an alternative solution that would be quicker and cheaper. Will the Scottish Government prioritise that alternative route for investment, and can the minister outline what funding is in place for the Rest and Be Thankful over the lifetime of this Parliament?

Tom Arthur: I assure Ms Baillie of the Government's commitment to that work, but, as she fully appreciates, budgets are ultimately determined through a parliamentary process. However, as with our commitments on the A9 dualling, we recognise the significant disruption that is caused when there are landslips on the A83, and I hope that Parliament will back us through the budgetary process to ensure that that capital investment can be delivered. We are committed to continued engagement.

On the specific points regarding alternative approaches, I will ask the cabinet secretary to update the member in writing.

Rural Connectivity and Transport (Scottish Borders)

8. **Calum Kerr (Midlothian South, Tweeddale and Lauderdale) (SNP):** To ask the Scottish Government what plans it has to enhance rural connectivity and transport in the Scottish Borders. (S7O-00095)

The Minister for Business and Fair Work (Tom Arthur): The Scottish Government recognises the importance of connectivity to the Scottish Borders. We continue to invest both in digital connectivity and in local and regional transport, in partnership with councils and transport authorities. That includes support through relevant grants for bus services and active travel. Rail connectivity was transformed with the opening of the Borders railway, and we continue to support Scottish Borders Council in its work to consider the benefits and challenges of extending the Borders railway, which is funded by up to £5 million each from the Scottish and United Kingdom Governments through the Borderlands deal.

Calum Kerr: I thank the minister for that answer—today's question time is turning into the Tom Arthur show. I whole-heartedly embrace his comments on the transformative power of the Borders railway and I am pleased to hear the Scottish Government's ongoing commitment to that.

Alongside that, bus services remain critical for many, but, with the cheapest online single fare costing £6.80 to go just from Peebles to Edinburgh, for example, does the minister recognise the pressing need for a price cap in rural areas such as the Borders, as those costs are currently unaffordable for many?

Tom Arthur: I thank Mr Kerr for his further question and I recognise the points that he raises about the importance of connectivity, particularly around bus travel, and the need for affordable rural bus fares across the country. That is important, which is why it is reflected in our commitment to extend across the whole of Scotland the £2 fare cap pilot that is currently in operation in the Highlands and Islands Transport Partnership and Shetland Transport Partnership areas.

Katie Hagmann (Carrick, Cumnock and Doon Valley) (SNP): I thank Mr Kerr for his initial question and the minister for his response. I am particularly pleased to hear about the transformation of rail in the Scottish Borders.

Will the Scottish Government consider the wider implications of rural connectivity across the south of Scotland, giving particular attention to rail, including in my constituency? Although trains to Ayr and Kilmarnock are good and frequent, the services south of Ayr—through Maybole and Girvan, and south of Kilmarnock, through Auchinleck and New Cumnock—are particularly limited.

Tom Arthur: The Government is committed to ensuring that all parts of Scotland are fully supported with regard to their connectivity, recognising the vital importance of effective, sustainable connectivity to economic growth and development. I am deeply committed to that through my ongoing engagement with South of Scotland Enterprise.

With regard to the specific points that have been raised in the question, ScotRail reviews its services regularly to ensure that they meet passenger demand and, wherever possible,

adjusts its services accordingly. We are committed to improving services for passengers in Scotland, which is reflected in our sustained investment. I recognise the specific points that Ms Hagmann raises and I will ask officials to pass them on to the cabinet secretary.

Islamic Cemeteries and Burial Grounds

9. **David Linden (Glasgow Baillieston and Shettleston) (SNP):** To ask the Scottish Government what assessment it has made of the adequacy of provision for Islamic cemeteries and burial grounds in Scotland, including the support or guidance that it provides to local authorities in meeting the needs of Muslim communities. (S7O-00096)

The Minister for Mental Wellbeing, Public Health, Sport, Alcohol and Drugs (Maree Todd): The Scottish Government recognises the importance of ensuring that burial provision reflects the diverse religious and cultural needs of all communities. Under the Burial and Cremation (Scotland) Act 2016, local authorities are responsible for ensuring burial provision, including through joint arrangements with other local authorities, where appropriate.

The Burial (Management) (Scotland) Regulations 2025 enable burial authorities to designate parts of burial grounds for particular faith or belief groups. Decisions on the provision and designation of burial grounds rest with individual burial authorities, reflecting local needs, and burial authorities are encouraged to engage with all faith communities to understand demand.

Local authorities, which manage the majority of burial grounds in Scotland, must also comply with the Equality Act 2010, including the public sector equality duty, which requires them to have regard to religious needs when delivering services, including bereavement services.

David Linden: With a welcome and growing Islamic population in Glasgow and in neighbouring authorities, two concerns have been put to me. First, we are running out of spaces—that has certainly been the case in Hallhill Road in my constituency for many years. Secondly, the legislation that the minister refers to makes provision for a two-tiered system of charging. Many people in Islamic communities who settled in Glasgow in the 1960s and 1970s but then moved out into a neighbouring authority are being charged exorbitant amounts. Is the minister willing to consider a cross-Government approach with local authorities, because the piece-by-piece approach of the 32 local authorities currently is not working?

Maree Todd: The requirement of the 2016 act is that every local authority must provide burial space, but the 2016 act does not address burial space for any specific faith. Each local authority has to consider its obligations under the 2016 act, alongside equality legislation, and has to consider the potential indirect discrimination in relation to the provision of burial space for its residents. The burial fees are set by each burial authority—the Scottish Government has no role in setting or regulating those prices.

The issue that Mr Linden describes has arisen because people in his area are being charged extra to bury folk in Glasgow. Many local authorities charge a lower fee for residents, partly to recognise their indirect contributions to the provision and upkeep of burial grounds through the council tax system. Mr Linden has identified a challenging area for his constituents. I have asked officials to engage with the Society of Local Authority Chief Executives and Senior Managers on the issue to get a better understanding of the provision of burial space by local authorities for different faiths.

Kate Nevens (Edinburgh and Lothians East) (Green): I thank David Linden for his questions. In Edinburgh and Lothians East, there are only 80 spaces left at the Ratho dedicated burial sites for members of the Islamic faith, which is a real and urgent concern. Members of the Muslim community have also raised the issue of funeral support payment rises.

Another issue that has been raised is that there has been a change to how long people can be buried for. In the Islamic faith, people need to be buried in perpetuity, not for a set length of time. What assessment has the Government made of whether Muslim communities, mosques, funeral committees, councillors and MSPs were adequately informed before the commencement of sections 14 to 16—[*Interruption*.] This is the bit that I cannot remember, and I do not know how to get back to it in my notes. I am sorry, everyone.

The Presiding Officer: Minister, perhaps you could take that on.

Maree Todd: I suspect that Kate Nevens was going to ask me about a specific section of the 2016 act, and I will refer her query to officials. We can pick that up offline to ensure that she gets a good answer to her question, which she is right to raise.

I, too, have heard concerns from constituents about the length of burial and the changes that have come in, so I am more than happy to pick up those issues and work offline on them.

Irshad Ahmed (Edinburgh and Lothians East) (Lab): Muslim communities have raised concerns with me about the lack of burial plots across the Lothians. The number of available plots

is low, and there is an urgent need for more permanent provision in the area. Does the cabinet secretary have plans to meet the Muslim community to discuss the provision for Islamic cemeteries and burial grounds in Scotland, and to review the support or guidance that the Government provides to local authorities on meeting the needs of Muslim communities?

Maree Todd: As I said in my earlier answer, I have asked officials to engage with SOLACE on that issue to get a better understanding of local authorities' provision of burial space for different faiths. The onus is on local authorities to work with their communities and it is perfectly possible under the legislation for part of a burial ground to be designated for a specific faith. Local authorities whose areas include communities that have specific burial requirements should absolutely work with those communities to ensure that their needs are met.

The Scottish Government is absolutely committed to, and recognises the importance of, ensuring that burial provision reflects the diverse religious and cultural needs of all communities. We would be more than happy to update members on the ongoing work on that and any outcome from the engagement between my officials and SOLACE.

Children with Autism (After-school Care and Holiday Clubs)

10. **Adam Harley (Strathkelvin and Bearsden) (LD):** To ask the Scottish Government what action it is taking to improve access to after-school care and holiday clubs for children with autism. (S7O-00097)

The Cabinet Secretary for Education, Culture and Gaelic (Màiri McAllan): Children with additional support needs, including autism, must not face barriers in accessing childcare and holiday clubs. Inclusion is at the heart of our approach. That is why we are testing inclusive and specialist models with partners such as the Yard in Dundee, which is a support centre and adventure play space for children with disabilities and additional needs. Learning from those projects is informing our work to expand childcare to ensure that future provision is more accessible, inclusive and responsive to the needs of children and their families.

Adam Harley: My constituent Nathan is five years old and has autism. Although he is able to attend school, there is no after-school care, and limited holiday care, to accommodate his needs. That means that Nathan misses out on activities and his parents struggle to balance work with childcare.

Many families in Strathkelvin and Bearsden and throughout Scotland find themselves in exactly the same position. Will the minister work with local authorities to ensure that children such as Nathan do not continue to be excluded?

Màiri McAllan: I say to Adam Harley, and to Nathan and his family, that Nathan ought not to be missing out on those important learning opportunities and childcare.

In my original answer, I referred to the early-adopter communities that we have been working with. That work is entirely about testing how childcare and early learning can be rolled out for children with specific needs, whether that relates to neurodiversity or a range of other needs that children might present with. We are doing that work now and taking the learning from it. I will work with Mr Harley and others as we embed it in the expansion of childcare that the Government is undertaking.

Steven Bonnar (Uddingston and Bellshill) (SNP): I thank Mr Harley for raising this important matter. Parents in Uddingston and Bellshill have told me that, although support might be available during the school day, suitable after-school and holiday provision for autistic children remains extremely limited. What action is the Scottish Government taking to ensure that families across Lanarkshire can access affordable specialist support through the year, including during school holidays?

Màiri McAllan: There are two parts to my answer. We are already funding some of that specialist provision throughout Scotland. I mentioned the Yard in Dundee in my initial answer. I also mention Support, Help and Integration in Perthshire, which is a fantastic service that provides play and support for children with varying needs. I have visited Hailesland early years centre, where I saw a beautiful sensory room to which children could go to have their needs met.

The second part of my answer is that provision has to improve. That is exactly why the work that we are funding now will inform the expansion of childcare in the coming years.

Katy Clark (West Scotland) (Lab): As the cabinet secretary says, there are clearly some excellent examples of after-school and holiday clubs for children with autism, but it is also clear that the provision of the support is patchy and depends on where people live. Indeed, all MSPs are contacted by constituents who require additional support for children with autism.

Councils clearly have a key role to play, and the cabinet secretary has referred to that. There needs to be a specialised service that caters for the support that children with autism require for

sensory needs and social development. Realistically, given the budgets and the funding that is available to the cabinet secretary—and, indeed, to councils, which we all know are under significant budgetary pressure—to what extent will it be possible to roll out such services to all schools and all children across Scotland?

Màiri McAllan: To pick up on the last part of Katy Clark's question, which was about to what extent this is possible, it has to be possible, because we have to get it right for every child. That is what the Government, working with MSPs, will seek to do.

Katy Clark is right to mention that local authorities have obligations. Every child in Scotland should receive good-quality care that meets their needs and respects their rights. The Government expects local authorities and childcare providers to take steps to ensure that the services that they offer are accessible to all, and that all children, whether or not they have disabilities or additional support needs, have access to school-age childcare. There are also provisions under equality law that provide for that.

As my earlier answers have indicated, we understand that there is work to be done. We are funding pilots in our early-adopter communities just now, and those will inform the work that we take forward.

Katie Hagmann (Carrick, Cumnock and Doon Valley) (SNP): I thank the member for raising this question and I thank the cabinet secretary. I am heartened to hear of the pilots that have been referenced, including at the Yard and its adventure play centre. Will the Scottish Government, when it is considering improved access for children with autism to after-school care and holiday clubs, give weight at every step to the opportunities that outdoor and nature-based learning bring?

Màiri McAllan: Personally, I am a massive advocate for children and young people—and, indeed, all of us—spending time in the outdoors and in nature. It is very renewing for us all.

I have said a bit about our early-adopter communities. I would also point to the £4.5 million access to childcare fund that we have been providing since 2020. That supports families on low incomes with the cost of childcare specifically, and that allows us to better understand how to expand childcare. The projects that are funded through the fund are about flexible delivery, specialist services for children and whole-family support, but within that there is also a focus on increasing access to outdoor provision for families who are most likely to be living in poverty.

I give Katie Hagmann an assurance that, as education secretary, I will be a proponent of outdoor education.

Willie Rennie (Fife North East) (LD): The cabinet secretary knows that this is going to be difficult because, given that four in 10 pupils have an additional support need, schools are already struggling to cope with the massive demand that teachers face. There is a lack of back-up support from educational psychologists, speech and language therapists and the entire range of specialists that are needed to provide support. Are we drawing on lessons from schools to ensure that the rollout of after-school care and early years provision is taking that situation into account? So far, I do not have an awful lot of confidence that it is going to work, because we are not getting the approach right in schools.

Màiri McAllan: Mr Rennie should take confidence from the rollout of the 1,140 hours of funded early learning and childcare that the Government has already overseen successful delivery of.

In his point about the propensity for additional support needs in our classrooms, Mr Rennie mentioned the statistic of four in 10. It is important to remember that a variety of needs are covered in those statistics, from lifelong medical conditions to transient but difficult things that a child might go through in their life, through to, for example, having English language needs. There is a broad range of children's needs in that.

This morning, I had a fantastic visit to St Sophia's primary school in Galston. One thing that I explored with the teachers there was the question of managing the variety of needs in the classroom and in early learning settings. I assure Mr Rennie that that issue will be at the forefront of my mind as we take forward this work.

The Presiding Officer: We are finishing general questions slightly early today, and one reason for that is that three of the 10 members who had questions did not actually lodge them. I hope that members will pay more attention to timescales so that they lodge their general questions, not only so that they can ask questions but so that other colleagues can come in with supplementaries.

Before we move to First Minister's question time, I invite members to join me in welcoming to the gallery His Excellency Hamish Cooper, High Commissioner of New Zealand. [*Applause*.]

We will wait for around 20 seconds and then I will allow Mr Offord to ask his first question of the day.

First Minister's Question Time

Party Leaders

14:00

Social Housing

1. **Malcolm Offord (West Scotland) (Reform):** I begin by congratulating Steve Clarke and the Scotland men's team on our great victory against Haiti and I wish them all the best against Morocco.

Last week, I asked the First Minister about a major problem with social housing in Scotland—a loophole, whereby thousands of new arrivals from outside Scotland are able to present as homeless and must be found temporary accommodation by councils, which are then forced to place them ahead of local Scots who are already on the waiting list for permanent accommodation. In his answer last week, the First Minister did not seem to recognise that there is any loophole at all.

However, the fact remains that there has been a surge in demand for temporary accommodation in Scotland and, in Glasgow alone, 64 per cent of those in temporary accommodation came to the United Kingdom as asylum seekers. Surely the First Minister must agree that it is unfair for local Scots on the long waiting list for permanent accommodation to be shunted to the back of the queue in order to instead give temporary accommodation to new arrivals. Does the First Minister not recognise that that is fundamentally a matter of fairness and that Scottish hospitality is being abused by queue jumping?

The First Minister (John Swinney): In that question, Malcolm Offord has used language that spreads division in our society. It has to be called out for what it is, and that is exactly what I said last week in relation to the language that Mr Offord used then.

Our approach to allocation of housing is based on equality for all individuals. Nobody is put "to the back of the queue", to use the language that Mr Offord has used. We apply the principle that people who are eligible for housing in Scotland should be treated as eligible for housing in Scotland, and we allocate houses accordingly.

Malcolm Offord: Once again, the First Minister has not answered the question. My question was entirely measured and factual, and I have not had a response—perhaps the First Minister might write to me with one.

Moving from Glasgow to Dundee, the First Minister will be aware of the distressing incident last year involving a 12-year-old local girl who was arrested and widely vilified for wielding an axe and a knife to fend off a Bulgarian migrant and his sister. The legal process that that distressing incident triggered has now concluded and the sheriff has exonerated the 12-year-old girl. The Bulgarian migrant has been found guilty of assaulting the child and of behaving in a threatening and abusive manner, including making sexual remarks to her and three other local girls.

At the time, Police Scotland hit out at misinformation online but that information turned out to be true. When Elon Musk asked what kind of Government arrests little girls who try to defend themselves, the First Minister piled in, too, and accused him of spreading misinformation. The mother of the child has quite rightly demanded an apology from the police and the First Minister for the branding of her daughter as a liar, right-wing and racist. Now that the case has concluded, will the First Minister take this opportunity to issue such an apology?

The First Minister: The approach that I take on all those matters is to carefully follow the advice that is offered and the quality of information that is available to me. At the time of the incident, the information that was available to me, which was provided through Police Scotland, led me to the conclusion that I set out. I will certainly make no apology for taking on Elon Musk, who I do not think is a good-faith actor on these questions.

Mr Offord is absolutely right that the legal process in the case has concluded. The legal process indicates exactly what Mr Offord has indicated, so there is no reason for me to sustain the points that were put to me at the time in Police Scotland's statements. I of course apologise to the young woman concerned and to her family, because we should all be dealing with the situation as the information presents it.

I caution Mr Offord on the tack that he is taking. I have seen too many cases in which malevolent right-wing actors have piled in on particular issues to sow division in our society, only to be proved to be completely incorrect. There was a case in Stirling in which Police Scotland had to intervene directly to counter the type of rhetoric that Elon Musk was circulating in this case—on that occasion it was being circulated by Tommy Robinson.

The lesson that we should draw is that we should all be very careful about what we say because if we are not, we will fall into the trap of the right-wing malevolent individuals who are determined to sow division in our society—and I want to have none of that in Scotland.

Malcolm Offord: There is another lesson to be learned. That unfortunate case in Dundee brings into sharp focus the reality that white working-class girls across the UK have not been believed by the authorities when they have reported sexual abuse.

That is illustrated by the remarks made at the time by Humza Yousaf, a former First Minister and sitting MSP, who watched the video and immediately passed judgment that

"That young person has had a significant amount of trauma in her life. I can guarantee that without knowing fully her circumstances."

That judgment was made without even meeting her, just by looking at her.

In light of that sorry saga, I press the First Minister on the state of the grooming gangs inquiry in Scotland, which the Scottish National Party promised shortly before the election. When exactly will it begin and when will its terms of reference be released?

The First Minister: The first point that Mr Offord makes is in relation to the reporting of sexual crimes and the actions taken to address sexual crimes against women and girls in our society. I will address that question in general. The statistics that are reported regularly, and the discussion that we had yesterday about the record of Dorothy Bain as the Lord Advocate, show that Scotland has a formidable record of taking seriously the complaints of women and girls about sexual abuse and sexual violence. I make it clear to the Parliament that that will remain the case throughout the term of this Government.

It is vital that, when women and girls have experiences of sexual violence and sexual assault, they have the confidence to report them. It is clear from the conduct and the leadership of the former Lord Advocate—as it will be, I am certain, of the Lord Advocate designate, who will be sworn in at the Court of Session tomorrow—that the same approach is taken in relation to the prosecution of such crimes. Indeed, one issue that we are wrestling with in relation to our prison population is due to the fact that substantial numbers of individuals are serving long prison sentences because they have perpetrated sexual crimes of that nature.

In relation to the grooming gangs inquiry, the Government has established its leadership and work is under way to ensure that the terms of reference are finalised and that the inquiry can start its work at the first available opportunity.

Maternity Services (Safe Delivery of Care)

2. **Anas Sarwar (Glasgow) (Lab):** Seven months after a national review into maternity services was committed to, Professor Christine McCourt has finally been appointed as its chair. Although that is welcome, more urgency is needed.

Earlier this month, Healthcare Improvement Scotland published its report into the Queen Elizabeth university hospital. It found that expectant mothers had faced delays of up to 190 hours before being induced and that the consequences were serious. Delays increased the risk of sepsis, led to more complicated births and, in some cases, resulted in women giving birth in areas not equipped to deal with complications or provide appropriate pain relief. Between 2019 and 2025, NHS Greater Glasgow and Clyde alone recorded 736 serious adverse events in maternity and neonatal services. Tragically, 406 of those involved a death. What immediate steps is John Swinney's Government taking to keep women and babies safe?

The First Minister (John Swinney): I acknowledge the importance of the point that Mr Sarwar raises. Although he is correct about the timescale for the establishment of the independent review into maternity services, the inspection of the Queen Elizabeth university hospital is part of the wider Healthcare Improvement Scotland review of maternity services in multiple locations around Scotland, which was commissioned by the former Cabinet Secretary for Health and Social Care and which is now being taken forward.

In relation to the report on NHS Greater Glasgow and Clyde's maternity services, I am concerned—as are ministers—about the issues that it raises. Although the report highlights a number of positive aspects of the delivery of care, it also highlights significant areas for improvement.

The Cabinet Secretary for Health and Care has already met Healthcare Improvement Scotland and NHS Greater Glasgow and Clyde to relay the Government's concern and to ensure that all 26 of the report's requirements are taken forward urgently by the health board, and we have had reassurance on those issues. The cabinet secretary will meet the chief executive of NHS Greater Glasgow and Clyde again before the parliamentary recess to review progress and to receive further reassurance that steps have been taken to implement the report's requirements.

Anas Sarwar: The pattern that was revealed in the report on the Queen Elizabeth university hospital was not new. Staff repeatedly raised concerns, warnings were made about unsafe pressures and concerns were raised about staffing levels and capacity, yet women continued to wait and to experience delays in treatment. The situation was the same in Lothian and Tayside. It is clear that there are systemic nationwide problems. That is why we called for a national review in November, and it is why we welcomed the Government's announcement that such a review would take place. However, seven months on, the review only now has a chair.

Julie Keegan, who lost her baby boy, and Lori Quate, who lost both his wife and his unborn child,

were promised that they would be involved in the work of the task force and the review. Seven months on, despite those promises, the families affected have heard nothing. Will John Swinney now make a commitment that the already delayed review will meaningfully involve the women and the families who have first-hand experience of the failures of Scotland's maternity services?

The First Minister: I give Mr Sarwar such an assurance.

In response to the recommendations that were made in connection with NHS Greater Glasgow and Clyde, an approach has been taken that has resulted in most, if not all, of the recommendations in the report being implemented. In addition, midwife employment has been increased to ensure that some of the other capacity issues are properly addressed.

The Government committed to the establishment of a maternity and neonatal task force, and steps were taken at the start of this year to take forward that agenda. Ministers are very happy for there to be family engagement with the review—indeed, they would think that essential—and I give an assurance that that will be the case.

With regard to the specific families that Mr Sarwar mentioned, the Cabinet Secretary for Health and Care has committed to meeting those families, and I know that she will undertake that engagement.

Anas Sarwar: I welcome that commitment, but families are worried not only about what happened but about the fact that it could happen again. That is their fear.

John Swinney often tells us that the pressures on the national health service are unprecedented, but the women in question were not failed by a virus or by bad luck—they were failed by a system that knew that there was a problem and did not act quickly enough to fix it.

Time and again, we see the same cycle. Warnings are raised, whistleblowers speak out, patients suffer, ministers promise that lessons will be learned, a review is commissioned and then the next scandal arrives. That it has taken seven months to appoint a chair is not good enough, when every day that passes without action risks another adverse incident and another broken family.

The review needs to be more than just a process—it needs to improve services. When will John Swinney be able to guarantee that all women and babies will be safe in maternity services across the country?

The First Minister: The point that Mr Sarwar puts to me is a fair one, but I reassure him that, in the period in which we have been preparing the national review, a series of inspections have been undertaken at the Government's behest. The Government has required a number of such reviews to be undertaken. As Mr Sarwar correctly identified, reviews have taken place in Tayside and Lothian. We now have the report on NHS Greater Glasgow and Clyde, and reports are being done on other health boards around the country.

Crucially, when those reviews identify recommendations, the Government discusses those recommendations with the relevant health boards to ensure that they are implemented. That is the case with NHS Greater Glasgow and Clyde. Also, the patterns of evidence that come out of those reports are drawn out and are then the subject of a focus on improvement with all health boards in Scotland. I say that to Parliament to provide reassurance to families that, when those reports are undertaken by Healthcare Improvement Scotland, they result in learning and in the application of processes by health boards around the country, to ensure that we constantly focus on improving services.

That is what the Government is trying to do in the delivery of maternity services and, crucially, the work of Healthcare Improvement Scotland helps us to scrutinise and identify weaknesses so that they can be addressed and recommendations implemented. That will be the approach that the Government continues to take.

Hyperscale Data Centres

3. **Ross Greer (West Scotland) (Green):** Scotland faces a wave of applications for hyperscale data centres. If all the applications that are currently in the pipeline were approved, they would consume up to 6,000MW of power, which is more than one and a half times our entire national power use at peak time and is obviously completely impossible. There is currently no clear Government strategy or guidance for councils on how to deal with those applications, which are for something completely different from the kind of data centres that already exist in Scotland. We are not talking about socially and economically useful projects such as the University of Edinburgh supercomputer. The Government's policy is to support what it refers to as "green" data centres, but that position was decided before ChatGPT existed, before Elon Musk launched Grok and before any of those hyperscale proposals came forward. So, what is the Scottish Government's definition of a "green" data centre?

The First Minister (John Swinney): The Government's definition of a green data centre is one that has been approved with due account taken of the environmental implications of all required developments. That will, of course, cover

a range of the issues that Mr Greer highlighted in his question.

In defining green data centres, it is for planning authorities to interpret and apply national planning policy to the circumstances of each case. They should consider factors such as renewable energy use, energy-efficient technologies, reduced water consumption and the opportunities to reuse excess heat. The Government's planning hub has been working with planning authorities to ensure that there is a wide and consistent understanding of those factors when coming to those conclusions.

Ross Greer: The First Minister's response indicates that the Government expects each data centre to be approached individually, but we need a coherent national strategy. This is not an abstract issue: huge energy demands from these data centres will mean higher energy bills for everyone else and real problems for the communities that surround them. There are multiple reports of London boroughs putting a freeze on the building of new houses because of the impact of data centres on the grid. Those centres use so much power that, if additional homes were to be built in those areas, there would not be the grid capacity to supply them with electricity.

This is urgent because some applications are set to be decided perhaps before Parliament returns from summer recess. Data centres can play an important role in our economy, but not if we allow a free-for-all of unworkable applications to continue. Will the First Minister agree today to a moratorium on new data centres of above 50MW until we can agree on a clear national strategy and give councils the specific guidance that they need before they make decisions on individual applications?

The First Minister: I understand the concerns that Mr Greer puts to me, but the detail of the planning policy addresses the issues that he is concerned about, particularly in relation to renewable energy use, to energy-efficient technologies and to water consumption and the generation of heat.

The planning policy is there to enable local authorities to make the determinations that they consider appropriate and necessary. There must, obviously, be extensive interaction and dialogue with individual communities before those applications are determined, but the criteria for the consideration and assessment of such developments are very clearly set out in planning policy.

Ross Greer: I cannot reconcile what the First Minister is saying about planning policy with how that operates in practice. He says that a green data centre is one where environmental considerations have been taken into account, but there is no requirement to do an environmental impact assessment on a data centre application.

In fact, six of the proposed hyperscale data centres that are in the pipeline have not undergone any environmental impact assessment, so they cannot possibly meet the definition that the First Minister has just set out. They have not undergone such an assessment because councils are dealing with the applications in the dark and have not been given the guidance that the First Minister is implying that they have been given.

One of the proposals that have not undergone an EIA is the one at Auchtertool in Fife. The data centre there would be the size of 100 football pitches, and its 600MW of energy need would be monumental. That is the same need, for just one private business, as that of 1.3 million households.

I am not asking the First Minister to comment on individual applications—he cannot do that—but I bring him back to the point that the 24 applications that have been announced so far would require, in total, 6,000MW, which is more than one and a half times our country's entire peak energy demand right now. The First Minister must recognise that that is not possible, so will he come back to the Parliament next week, before we suspend for the summer, to announce a pause on approvals for new hyperscale data centres until some kind of national plan is in place?

The First Minister: Mr Greer raises an important issue that gets to the nub of how prescriptive planning policy should be in Scotland. It is a reasonable point, but members often argue in the Parliament for local decision making within a policy framework that is set by the Government. Mr Greer is asking me to do something much more specific, instructive and determinative than that. It is a perfectly reasonable point, but it is different from the prevailing mood in the Parliament in relation to how members have argued planning policy should be undertaken. Indeed, much of the content of national planning framework 4 is predicated on the basis of what I have just set out to the Parliament. Mr Greer will be familiar with the formulation of that document.

The Government will, of course, consider all emerging planning issues, and we must monitor the implications of local planning decisions. However, if the Parliament wishes there to be a fundamental change to the way in which we determine such issues, it will have to have an open discussion about whether such powers should be exercised nationally by the Government, not locally by individual local authorities, which has been the prevailing view in the Parliament until

now. The Parliament is welcome to consider that issue.

Oil and Gas Industry

4. **Russell Findlay (West Scotland) (Con):** A new report has revealed massive oil and gas reserves off Shetland—an estimated 4.7 billion barrels' worth of oil—which is great news. However, our imports are at their highest levels since the 1970s and much of the gas that we use is fracked in the United States, generating four times as much carbon dioxide. The new fields could provide cleaner domestic energy for decades and support thousands of jobs. The University of Aberdeen researchers warn that their paper might serve as an obituary for the industry unless we get drilling. Does John Swinney agree that we should get drilling, or will he oversee the death of Scotland's oil and gas industry?

The First Minister (John Swinney): What has undermined the North Sea oil and gas sector has been the energy profits levy, which was first applied by the Conservative Government. That is precisely the difficulty just now. Companies tell me that they are finding it difficult to invest because of the energy profits levy, which was started by the Conservatives and has been carried on by the Labour Government at Westminster.

There is a legitimate argument to be advanced relating to an assessment of the emissions from the activity that takes place in our domestic energy sector and the emissions from activity that arises from the extraction of fossil fuels that are then imported into this country because of our ongoing requirement to use oil and gas resources in our energy mix. As part of any assessment of the appropriateness of any new licences in the oil and gas sector, the question of the total emissions of any individual project must be considered when the United Kingdom Government makes any decision. That is exactly what Scottish Government policy says on that issue.

Russell Findlay: The First Minister did not answer the question but talked about the EPL, which his party was the first to call for.

My colleague Douglas Lumsden is Aberdeen's oil and gas champion, and he has persistently demanded to know when the Scottish National Party Government will publish its delayed energy strategy. We have now discovered that SNP ministers have done precisely nothing about it during the first five months of this year—absolutely nothing.

For years, the sleekit SNP has behaved in the most dishonest and despicable way. John Swinney pretends to support oil and gas while still backing the anti-drilling policy of Nicola Sturgeon and the Green Party. One thousand jobs are being lost every single month. When will John Swinney start telling workers the truth?

The First Minister: Russell Findlay makes ever more desperate attempts to avoid the responsibility that the Conservative Government carried for the difficulties in the oil and gas sector, because Mr Findlay and his party, when it was in government, introduced the energy profits levy. His party applied it with impetus, increased it and extended it, and what is the levy doing? It is culling jobs in the north-east of Scotland. The levy is the responsibility of the Conservatives.

If Douglas Lumsden was at his work on any occasion, he could be held to account for his activities, but, for weeks and weeks, Douglas Lumsden has been skiving somewhere else. What on earth has the Conservative Party become? They are a bunch of skivers.

Cladding

5. **Alex Cole-Hamilton (Edinburgh North Western) (LD):** This week marks the ninth anniversary of the Grenfell fire. Our thoughts are of those who lost their lives in that tragedy and with those who survived it.

The Humanity for Grenfell group is still campaigning for people who live in cladded flats, and it is right to do so. Nearly a decade on from Grenfell, too many people are lying awake at night, wondering whether their home might be at risk.

Across Scotland, almost 1,000 buildings are suspected of having dangerous cladding, yet new figures that came out this week revealed that the First Minister's Government has got round to investigating only 149 of them. Why is that the case, and why is cladding removal under way in—staggeringly—only three buildings in this country?

The First Minister (John Swinney): One of the issues that we have had to wrestle with has been not having an effective legislative framework in place to enable us to deal with a number of issues, not least of which is multiple ownership in individual buildings. That legislation has now been put in place by the Government and, as a result of having it in place, we are able to proceed with the important work that is necessary to investigate properties and to identify the remedial action that is required and the steps that have to be taken as a consequence.

I understand the importance of our doing so with urgency, but the Government must have a legal framework within which to act. We secured that during the previous parliamentary session, and we are now taking steps to ensure that actions can be taken to provide that reassurance to members of the public.

Alex Cole-Hamilton: We are nearly 10 years on from Grenfell, and the response that we have heard from the First Minister will come as no comfort whatsoever to the people who cannot insure or sell their homes or to the people who fear for their lives and want to know that their homes are safe.

The United Kingdom Government gave Scottish ministers £100 million to conduct the cladding assessments. Therefore, money is not the problem; the lack of urgency is. It appears that not a single building has been checked during the past six months.

More than two years ago, the Parliament passed the Housing (Cladding Remediation) (Scotland) Act 2024. Ironically, ministers said that that would speed up the process. Will the First Minister get a grip on this? Will he guarantee that, by the time we reach the 10th anniversary of Grenfell, next year, every single one of those vital checks will have taken place?

The First Minister: Let me reassure Mr Cole-Hamilton that a variety of interventions are taking place, some of which involve building assessments and some of which require mitigation measures in buildings. That work is under way, but it will not show up in the statistics that Mr Cole-Hamilton has put to me today.

What I am saying, essentially, is that Mr Cole-Hamilton does not present a complete picture of the activity that is under way. However, I assure him that our legislative framework, the steps that have been taken in the Government's programme and the availability of the resources in our budget—which the Liberal Democrats supported, for which I am very grateful—will ensure that we can take the necessary action to address the issue and reassure members of the public who are affected by it. I am very happy for ministers to provide update reports to Parliament in the next 12 months, to make sure that the public's concerns, as expressed by Mr Cole-Hamilton, can be properly and fully addressed.

The Presiding Officer (Kenneth Gibson): That concludes First Minister's question time. I advise members that, next week, I plan to reverse the order of leaders' questions. We will start with two questions from Alex Cole-Hamilton, followed by two from the Conservatives, three from the Greens, three from Labour and three from Reform.

Craig Hoy (Dumfriesshire) (Con): On a point of order, Presiding Officer. Pursuant to rule 13.1 of standing orders, and in the light of the Scottish Parliamentary Corporate Body's media access policy and rules, I ask whether any member has sought to make a personal statement to Parliament to address the questioning by media within the parliamentary estate. I ask that because—

The Presiding Officer: That is not a point of order; it is a matter for the corporate body.

Craig Hoy: Perhaps, Presiding Officer, you could hear the point of order in full to determine whether it is a point of order.

The Presiding Officer: I think that I have heard what you want to say, and it is a matter not for the chair but for the corporate body.

Craig Hoy: Further to that point of order, Presiding Officer. Given the urgency of the issue, may I ask how we would raise it in Parliament—

The Presiding Officer: Thank you, Mr Hoy.

European Union Referendum (10th Anniversary)

The Presiding Officer (Kenneth Gibson): The next item of business is a statement by Stephen Gethins on the 10th anniversary of the United Kingdom referendum on EU membership. The minister will take questions at the end of his statement, and there should be no interventions or interruptions. There will be one minute to enable a changeover of ministers.

The Deputy Presiding Officer (Clare Adamson): I ask members who are leaving the chamber, and those leaving the public gallery, to do so quietly.

14:32

The Minister for Europe, External Affairs and Energy (Stephen Gethins): Next week, astonishingly, marks the 10th anniversary of the referendum on the United Kingdom's membership of the European Union, which, I am sure we would all agree, was one of the most consequential moments in the history of this Parliament, the peoples of our shared islands and, of course, the rest of Europe.

Ten years on, this Parliament must reflect with honesty, clarity and, above all, a sense of responsibility to those whose lives have been shaped by that decision. The vote and its aftermath have meant economic vandalism, social damage, cultural loss and a weakening of our international relationships at a time when co-operation across Europe has never been more important. No department or issue has been unaffected, from our national health service, with, for example, the exit from the European Medicines Agency; to agriculture, with the removal of access to the single market; to education and the tragic loss of opportunities for our young people.

Members of the Scottish Parliament got that 10 years ago, and Parliament responded—across the chamber, to be fair—in a cohesive and responsible manner to an event that was neither of its making nor of its choosing. I know from first-hand experience that that was lacking at Westminster.

Scotland did not vote to leave the EU, having overwhelmingly backed EU membership in a referendum—for the second time. Despite that, the Scottish Government consistently offered compromise to the UK. In 2016, a motion by my predecessor, Michael Russell, that called for Scotland to remain in the single market was overwhelmingly backed with support from Scottish National Party, Scottish Labour and the Greens. To be fair, the Liberal Democrats did not back it but called for a second referendum. Instead, we got the United Kingdom Internal Market Act 2020, with Westminster taking back control not just from Brussels but from Cardiff, Belfast and, of course, Edinburgh.

EU membership had empowered devolved Administrations, but leaving the EU has left the UK more centralised than ever. We were told that leaving the European Union would bring new opportunities, greater prosperity, more control and a stronger voice. I will be generous and say that those comments were, at best, incorrect. Every sector was damaged. For businesses, leaving the EU introduced friction where there was once fluidity, barriers where there was access and uncertainty where there was stability.

In November 2023, nearly 40 per cent of businesses in Scotland cited leaving the EU as the main cause of difficulties in trading overseas. UK-EU trade is estimated to be around a quarter lower in the long run than if the UK had remained in the EU, with non-tariff barriers with the EU being the main driver behind that shortfall. The agrifood sector, in particular, has struggled to export to the EU, which has led to a substantial and sustained loss in one of our most important sectors for exporting and, of course, employment.

Public revenues in Scotland and the public services that depend on them were estimated to have lost around £3.3 billion in 2025 alone, based on research by the National Institute of Economic and Social Research. In other words, more than £9 million was lost every day to public revenues in Scotland in 2025. The question must be this: can we really afford that any longer?

The consequences for households have been profoundly damaging. Cost of living pressures have been exacerbated at a time when families can least afford it; there has been a £250 increase in food and drink bills due to leaving the EU, and UK households have collectively paid an extra £7 billion due to covering the extra cost of doing business outside the single market.

There is a particular tragedy for our young people. Every political generation should leave more opportunity than they enjoyed—that should be a basic for us all in this chamber—but with the removal of the freedoms to live, learn and work across the European Union, we cannot say that. A British passport is now the most restrictive in western Europe.

Although the personal and financial losses have been great, we must not lose sight of security considerations. We meet at a time of profound geopolitical instability. Russia's illegal war in Ukraine, shifting global alliances and threats to energy and food security all underline the importance of strong co-operation in Europe—the rest of Europe gets that. The EU is not simply an

economic bloc; it is a community grounded in shared values such as democracy, human rights, the rule of law, equality and freedom.

Leaving the EU was a bad idea 10 years ago, and it is a dangerous idea today. It has left the UK and, by extension, Scotland more isolated when the challenges that we face demand deeper partnership, not detachment. Although there has been a change in ideology from the most recent UK Government, I am afraid to say that it is still tinkering. Current efforts by the UK Government to rebuild relationships are welcome but are not enough.

The UK Government's own figures suggest that the deal that is being negotiated—it is far from certain to be delivered—will add only £9 billion to the economy by 2040, which is the equivalent of around 0.2 per cent of gross domestic product. By contrast, the Office for Budget Responsibility estimates that leaving the EU will have reduced GDP by at least 4 per cent, so the loss is 20 times greater. I ask the UK Government: where is the ambition, and where is the responsibility to individuals and businesses to reverse that damaging decision?

The Scottish Government has published a series of policy papers that clearly set out our objectives for Scotland's relationship with the EU in key areas that affect all our lives—trade, education and energy. The UK Government could change that, but it chooses not to, and we all pay the price for that inaction.

There is, of course, a human dimension to all this. Leaving the EU has affected the families who have made their lives across borders and those European citizens who pay us the privilege of making Scotland home. I say to my fellow European citizens that I will continue to make the case for them every single day that I am in this job.

Every country that joined the EU got wealthier; its sovereignty was strengthened; and its citizens' rights were enhanced. The reverse happened for the one state that left. Leaving the EU is a backward step as Europe moves closer together. It is almost inevitable that we will rejoin—it is simply a question of how much damage we sustain until that moment.

So, where do we go from here? First, we will continue to press for the closest possible relationship between the UK and the EU. I am glad to have already discussed that with my counterpart in the UK Government, Nick Thomas-Symonds, and I am grateful to him for his collaboration and conversation. I have made it clear to him that both the EU and UK have much to gain from having a better relationship with the EU. Energy is one example: Scotland is a massive exporter of energy, and it is very much part of the solution when it comes to pan-European energy security, a key concern in other European capitals. The UK Government must make the most of the forthcoming UK-EU summit and ensure that the negotiations deliver the fullest possible outcomes. We have made it clear to the UK Government that we seek further improvements, although I have to say that I am still unsure as to why it is sticking to its damaging red lines on the single market and customs union. It is an absolute mystery to me.

Secondly, we must ensure that Scotland's voice is heard. Too often, Scotland's distinct interest and democratic choices are being sidelined. That cannot continue any more—we know how damaging it has been.

Thirdly, and most important, we must recognise that there is a limit to what can be achieved under the current constitutional framework. The UK's 18th century model of union brought us to this place, and it is no longer fit for purpose—Brexit exposed its flaws. An alternative partnership model is being pursued by our neighbours—a 21st century model of union that is based on true respect and partnership between nations. The EU and the rest of Europe get and understand that.

Ten years on from the Brexit referendum, we owe it to the people of Scotland, particularly younger generations, to speak honestly about what has happened. The conclusion is unavoidable: leaving the EU did not deliver what was promised; it left Scotland and the rest of the UK poorer, more isolated and less secure. The question for us all is what we are prepared to do about it. I believe that Scotland's future lies in restoring our place at the heart of Europe. That is the challenge of the next decade that the Parliament must meet with hope, clarity, and determination.

The Deputy Presiding Officer (Clare Adamson): The minister will now take questions on the issues raised in his statement. I intend to allow 20 minutes for questions, after which we will move on to the next item of business. Members who wish to ask a question should press their request-to-speak button.

Senga Beresford (South Scotland) (Reform): I start by commemorating the hard work of many, and in particular Nigel Farage, on pushing for the necessary referendum on the UK's leaving the European Union 10 years ago. I take this opportunity to make known my long-held frustration with the idea that Scotland did not vote for Brexit when, in fact, far more Scots voted for it than voted for the Scottish National Party in the recent election: 1,018,322 people in Scotland voted for Brexit and 877,000 Scots voted for this rotten Scottish Government. The voices of more

than 1 million Scots are not counted when the Parliament flies the EU flag at its door.

We constantly hear the Scottish Government blaming Brexit for the country's failings. Can the minister name one major economic challenge that people in South Scotland currently face that would not still exist had Scotland remained in the European Union? Does he accept that it is only another political excuse for continued SNP failure?

Stephen Gethins: I thank the member for reminding us that Reform has a poor track record of dragging us out of the EU at a cost of billions to the Exchequer, which cost is now having to be made up. It has a track record of pushing up our energy prices and our food and drink prices during a cost of living crisis. As the member rails against flags, I remind her that a Council of Europe flag also sits outside the chamber; it flies proudly and should remain there. It underlines the rights that we have as European citizens, which her party wants to take away.

I am afraid to say that I do not have all day to go through the member's party's failures; I have been through some of them. I remind her to go back to South Scotland and talk to her constituents about the dip in agrifood exports that her region relies on so much; the increase in energy prices that is costing households in her area; and the removal of rights that previous generations took for granted.

Daniel Johnson (Edinburgh Southern) (Lab): I thank the minister for advance sight of his statement. It contained much that Scottish Labour agrees with, although we might disagree on some of the constitutional conclusions. Indeed, I might go further than the minister and say that I estimate the damage to GDP from Brexit to be between 6 per cent and 8 per cent, based on many measures.

I agree with the minister that our future has to be about a closer alignment and relationship with the European Union. I note his reservations about the forthcoming treaty, but does he acknowledge that the sanitary and phytosanitary agreement will make a substantial difference to farmers and to the food business, not least by eliminating the bill of £200 per consignment for certificates and easing trade across the Irish Sea—to touch on one of the deep ironies of the hard Brexit deal? Would he also acknowledge the benefit with regard to carbon trading? Moreover, would he welcome this summit becoming an annual event, so that we have further such treaties in the future?

Stephen Gethins: I thank Mr Johnson not just for his questions but for the spirit in which they were asked. In the spirit of agreement, I note that, when I spoke about a 4 per cent reduction in GDP, I was using quite conservative figures. However, he and I agree that those figures are deeply worrying. The finance secretary is sitting on the front bench with me, and we can just imagine what she could have done for our public services with the money that is being thrown away right now.

On Mr Johnson's other point, I would welcome any progress—I said that to Nick Thomas-Symonds the other day. It still means that the Conservatives have spent hundreds of millions of pounds on border checks that are no longer needed, so hundreds of millions of pounds have been thrown away by the Conservatives—backed by Reform, incidentally.

However, Mr Johnson's question raises another point. He is now asking about annual talks on the issue. This process does not end, because Brexit will not end until we rejoin. Therefore, why on earth is the UK Government still backing staying out of the single market and the customs union—membership of which, incidentally, was backed by Labour 10 years ago? I have no idea what successes Mr Johnson sees that the Conservative Party has achieved in that period that have made him change his mind, but I certainly have not changed mine. I urge his party and the UK Government to review those lines as a matter of urgency.

The Deputy Presiding Officer (Clare Adamson): A large number of members still wish to ask questions. If we are to get through them all, we will need more concise questions and answers.

Pauline Stafford (Bathgate) (SNP): I thank the minister for that statement on what is one of the saddest anniversaries for our country.

Ten years on from the Brexit vote, Scotland's artists, musicians and creative professionals continue to face significant barriers to working and touring in Europe. Those challenges have contributed to fewer touring opportunities and reduced international career development, particularly for young and emerging artists. Although many of the key levers remain reserved to the UK Government, can the minister outline what further action the Scottish Government is taking to support Scotland's artists and creative sectors, including through advocating for the UK's participation in programmes such as Creative Europe and its successor, AgoraEU?

Stephen Gethins: I thank the member for raising that important point. The Scottish Government would welcome a return to Erasmus+. We are pressing for continued participation, which is good for students, apprentices and teachers. We are calling for the UK to associate itself with AgoraEU in order to restore the vital cultural collaboration that Pauline Stafford rightly brings up. We have also repeatedly pressed the UK Government for easements and targeted support for touring artists to help them to overcome the barriers created by Brexit, and have

advocated for an EU mobility agreement to reduce obstacles.

Pauline Stafford is right. Those challenges stem directly from the UK's having left the EU against Scotland's will. The consequences are that 82 per cent of musicians report reduced EU earnings, 65 per cent report fewer invitations and 57 per cent report being unable to take up work due to the increased costs. It is just not worth it.

Gillian Mackay (Central Scotland and Lothians West) (Green): We all know how damaging Brexit has been to our economy and our democracy. I am pleased to hear the minister highlight the human costs, because I think those are tangible things that everybody can realise we have lost.

At a time when global relations are so unstable, we need to work more closely with our European allies. That involves having a strong programme of international engagement. Can the minister confirm that he will prioritise maintaining the network of international offices, and particularly those in Europe, to assist with that alignment?

Stephen Gethins: I thank Gillian Mackay for her question and for the coherence of her party, unlike others, on this particular issue. What she says makes a lot of sense, and she is also right about the human costs. Facts and figures are important and help us to understand the issue, but the finance secretary will forgive me for a moment for highlighting the human costs, because I know that she already gets the impact on people.

Gillian Mackay is right. Our offices across Europe and elsewhere have done a fantastic job. It was great to see the First Minister in Boston—that is good not just for the support of our football team but for jobs and investment at home. Jobs rely on such international engagement. I give my thanks to our office in Brussels for the fantastic job that it has done over the past decade, not only in ensuring that Scotland's interests are heard but in sticking up for jobs and investment back home, which is vital. I assure Ms Mackay that I continue to be committed to that work.

Craig Hoy (Dumfriesshire) (Con): Was this statement not an entire waste of valuable parliamentary time? Is it not symptomatic of this Government's obsession with matters beyond the control of this Parliament?

I will indulge the minister by asking him this simple question. By what economic logic would we want to leave a union in which we are a net beneficiary, to become, at the flick of a switch, a member of a union in which we would be expected to be a net financial contributor?

Stephen Gethins: It says something about where the Conservatives have gone with their disregard for the economy and for jobs when Mr Hoy does not think that the statement was important. Every single day, every minister in this Government has to deal with the consequences of a decision foisted on them by Boris Johnson and his Government. Mr Hoy's point also speaks to the sense of British exceptionalism for which the Conservative Party is renowned. Every country in Europe gets that a 21st century model of union is one of equality and partnership. That is why every country that has joined the EU has got wealthier and every country that has left the EU has got poorer. That is on his party.

Duncan Dunlop (South Scotland) (LD): For the past 10 years, the Liberal Democrats have been clear—we believe that we should never have left the EU. We remain the strongest defenders of the European Union and the union of the United Kingdom, because being a member of both has preserved Scotland's peace and prosperity. Both are needed now more than ever, as our world is in a much more volatile place.

However, to be pragmatic, I ask the minister whether he will join calls for the UK Government to immediately begin talks with the EU on a new growth and defence partnership that would include a new UK-EU customs union; on rejoining the single market; and on a new defence pact with our EU allies.

Stephen Gethins: First, I will be generous with Mr Dunlop. When I was at Westminster, I voted for membership of the customs union and the single market. I also ask why the UK would not join the SAFE—security action for Europe—defence procurement project, when even Canada has joined it. I take Mr Dunlop's point on that.

However, what I do not understand about the Liberal Democrats—who profess to be strong advocates for the EU—is that we know that even joining the customs union and the single market is the second-best option. The Treasury tells us so. Why should we go for the second-best option when we can go for the best one?

Alyn Smith (Stirling) (SNP): It is right that we take good stock of the reality that Brexit supporters' lies have not been delivered, but I am more interested in the future, when we could have a solution. We know that Brexit was missold—it has made everything worse and made everybody poorer—but, to our mind, the solution is independence in Europe. The minister will have taken good note of the fact that, just this Monday, the EU commenced cluster 1 accession talks with Moldova, whose resources are nothing like our own, and with Ukraine, which is under illegal occupation and daily bombardment. Does that not nail for ever the idea that Scotland could not very easily become an EU member?

Stephen Gethins: Alyn Smith and I have many things in common, one of which is that we have served in a Parliament in which we did not see a future. I now serve in a Parliament in which I do see a future, and Alyn Smith is now in his second Parliament in which Scotland has a future. He is right that the rest of Europe sees a future in that as well. Not doing so speaks to exceptionalism and isolationism. I remember the Brexiteers telling us that there would be a big queue of countries that would leave in the aftermath of the UK's profound success. Where are they? Instead, countries have been queueing up to join the European Union. The isolation and exceptionalism espoused by Reform and its Conservative allies have got us to this disastrous place, and the rest of Europe has learned a lesson from that.

Max Bannerman (Highlands and Islands) (Reform): I thank the minister for his statement and I welcome him to his place.

In my region, Moray voted by just 122 votes to remain in the EU so, as Senga Beresford said, it is a bit wide of the mark for the minister to claim overwhelming support for the EU project.

It is unfortunate that the minister made no mention of fishing in his statement. Scotland accounts for almost half of all UK fishing industry jobs and more than 60 per cent of the value of all UK landings. However, half of our commercially fished species are overfished or at very low population sizes, and catch limits are being set above scientific advice.

Under the Labour Lancaster house agreement, European access to overfished Scottish waters has been set in stone for the next 12 years. Scotland benefited from only £28 million out of the £360 million fishing and coastal growth fund. Does the minister not agree that the best way to safeguard this vital industry would be to utilise Brexit benefits so that any recovery from our territorial waters gives priority to Scottish boats, particularly smaller vessels?

Stephen Gethins: On Brexit benefits, I keep hearing that we have just not had the proper kind of Brexit. That is like the arguments that I heard about communism in the 1990s—that we had just not had the right kind of communism. It is very much the same argument. We have seen a drop in our agrifood exports. We have also seen the impact of leaving the single market not only on exports but on staffing.

That is the second time that a Reform member has stood up and struggled with basic maths. The people of Moray voted to remain in the European Union, not for the first time but for the second time. It is basic maths, and I would encourage those members to catch up.

Jenni Minto (Argyll and Bute) (SNP): I thank the minister for his statement and I agree that Scotland should most definitely be at the heart of Europe. Ending the free movement of labour has severely restricted the pool of workers in key sectors in Argyll and Bute. Tourism, hospitality and the care sector have all struggled with staff shortages and recruitment difficulties, and I have lost count of the number of organisations that have spoken to me directly about that.

Given that the UK Government has neglected to act to resolve the issue, does the minister agree that it should step aside and devolve the powers to the Scottish Parliament so that we can introduce a Scottish visa system that supports all those sectors and more?

Stephen Gethins: Jenni Minto rightly highlights that Brexit has created a real and growing workforce challenge across Scotland in sectors such as tourism, hospitality, social care and other areas that have traditionally relied on access to EU labour. Jenni Minto knows the impact that that has had on areas such as Argyll and Bute.

The Scottish Government has highlighted and discussed those challenges with the UK Government and has proposed practical solutions, such as a tailored Scottish visa and a rural visa pilot. When I was a member of the House of Commons, I tried to take through a private member's bill on that very matter.

We continue to encourage the UK Government to address the issue and to work with the Scottish Government. I note that Scottish Labour previously talked about the issue but, as with everybody else, UK Labour does not seem to be listening to it.

Mark Griffin (Central Scotland and Lothians West) (Lab): The minister set out the damage that is taking place in this country as a result of leaving a political and economic union, and there is nothing in his statement that I can disagree with. In his conclusion, he asked what we are prepared to do about it. Can the Government set out a bit more detail on how we in the Parliament can pull together and work together, as we did in relation to the vote that he mentioned in his statement, to achieve that outcome?

Stephen Gethins: Mr Griffin is right—10 years ago, there was an important vote in the Scottish Parliament that offered a compromise. I think that only one member of the Scottish Parliament out of 129 backed leaving the EU, which speaks to the greater collective wisdom in this place than in the Westminster Parliament.

As I have said to others, I have engaged with and will happily continue to engage with Nick Thomas-Symonds, but if we consider that the

potential benefits are 20 times less than the loss that we are sustaining, we see the impact. I welcome Nick Thomas-Symonds's engagement, but where are we on the energy sector or the freedoms that young people enjoyed? On the whole range of areas, we will continue to press the UK Government to go much further.

I am exceptionally disappointed in the Labour Party, which has veered off to what is, by any measure, a hard Brexit introduced by the Tories and endorsed by Reform. I encourage Mr Griffin's Government—I say this in good faith—to be much more ambitious, and I urge the Scottish Labour members to join us in making that case.

The Deputy Presiding Officer (Clare Adamson): I encourage shorter questions and shorter answers to allow every member who wants to do so to come in if possible.

Alex Kerr (Hamilton, Larkhall and Stonehouse) (SNP): Despite every council area in Scotland voting to remain in Europe, we were dragged out against our will. Companies such as DFDS—which operates a logistics hub in Larkhall in my constituency and provides one of the major routes to the continent for seafood that is caught on the west coast—and their clients are paying the cost of remaining shackled to Brexit Britain.

Previous figures have shown that £4 billion has been lost. Will the minister provide the most up-to-date figures for the cost to the Scottish economy of leaving the European Union and single market as well as for the economic growth that could be achieved by rejoining our European neighbours?

Stephen Gethins: Scotland was one of the hardest-hit parts of the UK when it came to Brexit. The figures that I used earlier indicated a £3.3 billion reduction in revenues. The House of Commons research that was commissioned by the Liberal Democrats showed a loss of £90 billion, or £250 million every day. The Deputy First Minister knows exactly the cost that that is having. We need to reverse it.

I thank Alex Kerr for his sensible question. I will continue to work with him and others on how we can minimise the damage.

Patrick Harvie (Glasgow) (Green): The proposed UK-EU partnership bill that was announced in the King's speech will undoubtedly do a lot less good than rejoining the EU would but, if it has any potential to begin undoing some of the damage of Brexit, we should strive to work constructively with it. Has the UK Government been working collaboratively with the Scottish Government to agree the terms of that bill? Is the minister confident that there will be no breach of the devolution settlement or the Sewel convention?

Stephen Gethins: Patrick Harvie will be well aware of the impact that the United Kingdom Internal Market Act 2020 had on the Parliament, the fact that it took away powers—it centralised the UK—and the breaches that happened subsequently.

I am relatively new in the job and will give the Labour Government the benefit of the doubt. I would like to see an awful lot more, but we will welcome anything that brings us closer to the rest of Europe and minimises the damage of Brexit. I will always look to work constructively with colleagues, but let us be clear that we are minimising the damage that has been done. Damage is still being done. It is not being forced upon us. It is a political choice.

Jackie Dunbar (Aberdeen Donside) (SNP): Living, working or studying abroad is a hugely enriching experience in which we encounter new cultures and skills. What estimation does the minister make of the social and educational impact on Scots young people, who are being denied the opportunity to expand their horizons in a way that was previously facilitated through freedom of movement within the EU and programmes such as Erasmus+?

Stephen Gethins: Jackie Dunbar will get this point, given the impact on educational institutions and on young people in her constituency in Aberdeen. I do not want to make this too personal, but I will reflect for a moment. I was an Erasmus student, and it was transformative for me. I could never have done it, financially or otherwise, if it had not been for those connections. I find it heartbreaking—there is no other word for it—that I am now in a political generation that is not bequeathing many of the opportunities that we enjoyed. We all need to reflect on that.

The movements on Erasmus+ are welcome. There is progress, but it is not back to where we were. Even more than other generations, young people will bear the consequences of the removal of the right to live, learn and work across the whole of Europe and the reduction in what it means to have a British passport.

Provisional Outturn 2025-26

The Deputy Presiding Officer (Katy Clark): The next item of business is a statement by Hannah Mary Goodlad on the provisional outturn 2025-26. The minister will take questions at the end of the statement, so there should be no interventions or interruptions. I will give the minister and front-bench members the opportunity to take their seats.

15:05

The Minister for Public Finance (Hannah Mary Goodlad): I welcome the opportunity to make my first statement to Parliament as the Minister for Public Finance. I give a commitment to stay on time and—to Willie Rennie, who, unfortunately, is not here—to be boring. Importantly, I also commit to update Parliament on the provisional outturn against the Scottish budget for the financial year 2025-26.

We have, once again, remained within the restricted expenditure limits set by His Majesty's Treasury and have managed Scotland's finances responsibly while continuing to protect public services and the delivery of our bold ambitions for Scotland—ambitions that are grounded in equality, hope and fairness.

The provisional fiscal outturn for 2025-26 is £55.9 billion against a total fiscal budget of £56.3 billion. That represents an underspend of £358 million, or just 0.6 per cent of our total budget. It is important to remind Parliament that we absolutely cannot overspend by a penny and that, therefore, we must always generate an underspend in order to guard against any late movements in devolved tax, social security spend and demand-led programmes, as well as to provide contingency against post-year-end adjustments—up to £200 million is set aside for such contingency. The underspend incorporates £312 million of resource, £42 million of capital and £4 million of financial transactions.

In addition, outwith our headline outturn underspend, our provisional non-cash position is an underspend of £249 million against a £4 billion budget. A large proportion of that relates to non-cash funding for student loan impairments, which, of course, are not required at the same level in Scotland because of free university tuition.

It is the headline outturn underspend of £358 million that will be carried forward through the Scotland reserve into future financial years. There is no loss of spending power to the Scottish Government—that is crucial and critical for me to stress—as the underspend supporting the 2026-27 budget is subject to confirmation at final outturn. As the previous Parliament was advised, £150 million of that underspend is already reflected in our funding assumptions for 2026-27. The remainder provides the necessary flexibility at the end of the year.

I must stress that the provisional outturn differs from the annual accounts position that will be published in the autumn following audit. The accounts are based on different reporting boundaries and include ring-fenced, non-cash budget positions such as depreciation, which, of course, cannot be spent on a day-to-day basis. In addition, the outturn incorporates final funding decisions, including on borrowing, that are taken towards the end of the financial year.

Delivering a balanced position has required careful management in the context of ongoing inflationary pressures and global uncertainty. Our budget operates within incredibly tight margins, and we are not permitted to overspend in any year. Any underspend must remain within the Scottish reserve limit of £734 million. Our budget is determined largely by United Kingdom Government spending decisions. We cannot borrow for day-to-day costs, we must operate within fixed annual limits and we face significant uncertainty because our final budget is confirmed only late in the financial year. In many ways, we play a game with two hands behind our back.

Despite those challenges, we have continued to deliver for Scotland, focusing on the key priorities of growing the economy, tackling child poverty and the cost of living, improving the national health service and other public services, and tackling climate change.

Scotland's economy grew faster than forecast in 2025, at 1.4 per cent, and unemployment remained lower than in the rest of the UK, averaging less than 4 per cent across the year.

Scottish interventions to tackle child poverty are working. Around 320,000 children benefit from the Scottish child payment, with modelling suggesting that that will keep 50,000 children out of relative poverty, which is something to be proud of. Expansion of free school meals reached more than 360,000 pupils in 2025-26, reducing household costs by £450 per child.

Free bus travel for under-22s generated more than 85 million free bus journeys, lowering transport costs, improving access and increasing employment. Again, that is money well spent and there is much to be proud of.

The relative child poverty rate in Scotland remains 6 per cent lower than that in the UK, reflecting the impact of devolved policy interventions.

None of that is accidental. Those are political choices, by design, made by a Government led by the Scottish National Party.

We have continued to deliver the most comprehensive cost of living support package in the UK, with free prescriptions; the abolition of peak rail fares and, in the northern isles, peak ferry fares; no tuition fees for Scottish students; free bus travel for more than 2.4 million people; an NHS that is free at the point of use; baby boxes; and a social security system that is based on dignity and respect.

In the face of UK Government decisions that have increased the pressure on household finances, we have consistently chosen a different path. For example, we have invested almost £150 million to mitigate the impacts of UK Government policies such as the bedroom tax and the benefit cap. That includes activities such as our discretionary housing payments and the Scottish welfare fund. That money could have been spent on services such as health, education or transport, or on further ambitious anti-poverty measures. It would have paid for around 2,000 teachers or almost 3,000 band 5 nurses.

We are committed to delivering a just transition on energy and realising its benefits for this nation, with the opportunity to lower household costs and transport costs, improve energy security and enhance public health. Economic benefits are emerging, with the number of green jobs continuing to grow faster than in other UK regions. Between 1990 and 2024, Scotland's emissions reduced by more than half while the economy grew by almost 70 per cent, proving that it is absolutely possible to grow an economy and reduce CO_2 emissions at the same time.

In June last year, we published our public service reform strategy, setting out a vision for Scotland in which everyone can access public services that are efficient, high quality and effective. The strategy commits us to a preventative, joined-up and efficient system that improves outcomes while remaining financially sustainable. As the Cabinet Secretary for Public Service Reform affirmed last week, transforming public services is essential to keep them effective and focused on people's needs.

None of this is accidental. There is a reason why Scotland is outperforming the UK at every turn. We are putting business, hope and ambition into every decision that this Government takes, and that is against the backdrop of our very challenging financial fiscal framework, which is dictated to us by the UK Government.

The figures reported today are provisional and subject to change pending completion of the year-end audits. Final figures will be published later this year, once all bodies have completed their audits.

We have an enormous task ahead, but I have been heartened to hear the support for collaboration across the chamber. It is a vital task. In a challenging financial context, we have to redesign the state while ensuring that Scotland becomes a country that completely and wholly eradicates child poverty, a country that remains open for business and growth, a country that celebrates our islands and rural communities, and a country that says that birthplace is a chance but home is a choice.

We, in this chamber, also have the choice to work together on these issues and to resolve them together. One thing is resoundingly clear from the election: Scotland wants and needs us to work together. Willie Rennie said that in the first weeks of the parliamentary session, and I am glad that he has joined us in the chamber now.

My message is this: engage with us and work with us. My door is open, as are those of my colleagues. I commend today's figures to the Parliament, and I will take questions.

The Deputy Presiding Officer (Katy Clark): The minister will take questions on the issues raised in her statement. I intend to allow around 20 minutes for questions, after which we will move on to the next item of business. Members who wish to ask a question should press their request-to-speak button.

Kim Schmulian (Glasgow) (Reform): I thank the minister for her statement. Given the importance of major infrastructure projects to growing the economy in this seventh parliamentary session, can the minister advise which projects from the current infrastructure plan are taking place, and which have passed the business test and are in the active planning stage?

Hannah Mary Goodlad: After the summer recess, we will publish an update on capital spending. Members will get more information post-summer.

Joe Fagan (South Scotland) (Lab): I welcome the minister—a fellow newbie—to her position and thank her for her statement.

The Auditor General said of last year's consolidated accounts that short-term measures do not address the £4.7 billion fiscal gap and that

"The Scottish Government cannot clearly demonstrate that public spending is delivering the intended outcomes".

What assurances can the Government give to the Parliament and the Auditor General at this provisional outturn stage that things will be different in the next set of consolidated accounts?

Last year was not year zero for public service reform. Today, I received figures from the Scottish Parliament information centre that indicated that, accounting for inflation, the Scottish Government's operating costs have risen by almost 40 per cent in real terms in the five years up to 2024-25. Does the Government recognise those figures and can it tell us how variance in operating costs contributes to the outturn position? Does it agree that, to make the public finances more sustainable, progressive intent must lead to progressive outcomes, reactive spending must come down and preventative spending must be scaled up? The Scottish Government must work harder to make public money better serve the public interest across Scotland.

Hannah Mary Goodlad: I reflect that, only yesterday, we heard from those on the Labour benches that devolution has worked. I would like to see the Parliament go further. We are playing the game of managing our public finances with both hands tied behind our back. That is no normal way to manage a country, a budget and a financial year.

The first principle of any business is that it must make sure that it remains in the green, not in the red. That is exactly what we have managed to do. When it comes to public sector reform, the Government is absolutely committed to doing that. We must make sure that there are efficient, joined-up and more preventative services.

The Scottish Government's operating cost last year was just under £900 million. That is coming down year on year. Jobs are being frozen and we are making sure that there is a reduction in recruitment towards 2030. Our eye is on the ball when it comes to that. I look forward to working with Mr Fagan on more ideas for how we can further tighten our operating costs in the years to 2030.

The Deputy Presiding Officer (Katy Clark): I remind members that guidance was recently issued that indicated that questions should take up to about 45 seconds and answers should take up to about a minute. Members should try to keep questions and answers brief.

Dawn Black (Angus North and Mearns) (SNP): The high rates of inflation in recent years, which are thanks to Westminster economic mismanagement, have had a huge knock-on effect on the Scottish budget. Does the minister agree that that makes a clear case for the block grant in Scotland to be inflation proofed, to prevent the erosion of Scotland's funding?

Hannah Mary Goodlad: We recognise the significant pressures that inflation has put on public finances in recent years, and we understand the importance of ensuring that Scotland's funding keeps pace with rising costs.

However, that situation also highlights the wider limitations of our current fiscal framework, which, as I said, does not provide the Scottish Government with the necessary flexibility to respond effectively to economic shocks, especially towards the end of the year. The fact that the block grant remains linked to the UK Government's spending decisions means that Scotland's funding can increase or decrease regardless of Scotland's needs and priorities. I repeat that we are playing the game with both hands tied behind our back.

Laura Moodie (South Scotland) (Green): The minister's statement highlights the fact that there has been a cash underspend of £358 million, which is substantial compared with previous years. That includes underspends of £83 million on education, £98 million on housing, £35 million on climate and £59 million on transport. In the context of the climate, nature and housing emergencies, and the high barriers and costs that Scots currently face in relation to childcare and bus fares, which have been highlighted in the Parliament, why is the Scottish Government not spending to match the budget allocation in those critical areas?

Hannah Mary Goodlad: It is important to understand that what we are discussing today is a half-year outturn statement. That does not mean that funding allocations stop in March. We are not talking about a one-year cliff edge; money will be reallocated when we come to the budget in 2027.

When it comes to climate and energy in particular, the underspend that is evident in those budget lines has been caused by delays and reduced delivery across resource—£14 million—and capital programmes. That is primarily due to delays and underspends in projects relating to Grangemouth, the just transition fund, the offshore wind supply chain project that we put in place and project willow.

Craig Hoy (Dumfriesshire) (Con): I thank the minister for her invitation for us all to work together. I will meet the Deputy First Minister next week to that end. If the new, fiscally prudent, small-state Scottish Government can commit to reducing tax and cutting the benefits bill, we will have a fruitful relationship.

However, today's statement comes at a time when Scotland's economy grew by just 0.1 per cent in the first quarter of this year, compared with a figure of 0.6 per cent across the UK. Employment has fallen by 0.8 of a percentage point over the past year, while economic inactivity has risen by 0.7 per cent to 22.7 per cent. What does that tell us about the Scottish National Party Government's record on financial and economic management?

Hannah Mary Goodlad: I thank Craig Hoy for his response to the invitation to work together. Let us hope that that sentiment remains as we progress through the months.

We need to look more broadly at where Scotland has been and where it is going. Scotland is a country that has made reducing child poverty an absolute priority—that is one of its moonshots. With our 6 per cent lower figure, we are leading the UK. That is an absolutely worthy ambition.

Let us dig into the economics a little more. In the past decade, Scotland's gross domestic product has grown by 10 per cent, whereas the rest of the UK's GDP has grown by 8 per cent. The Scottish Government has been relentless about ensuring that we prioritise business. We have set up the Scottish National Investment Bank, put £0.5 billion of infrastructure investment into offshore wind and put money behind the Techscaler initiative. *[Hannah Mary Goodlad has corrected this contribution. See end of report.]*

We have put growth and ambition at the heart of everything that we are doing. The member would be well advised to consider that the most attractive part of the UK, outside of London, to invest and do business in is the part of it north of Hadrian's wall, here in Scotland.

Liam McArthur (Orkney Islands) (LD): I thank the minister for providing early sight of her statement.

Although I accept that underspend is an inevitable part of ensuring a balanced budget and that the money is protected for future spend, at a time when critical infrastructure is desperately needed across Scotland, £358 million is an alarming sum. That is particularly the case in the area of transport, where there is an underspend of £63 million, which includes a large amount of capital. That follows a similarly large underspend the year before. Why are we seeing such an underspend in areas where key upgrades are desperately needed?

Hannah Mary Goodlad: I thank my fellow northern isles member for that question.

Underspend is normal only in the bizarre context of the UK. Every part of the UK is underspending and we are actually the best in class. We have a 0.6 per cent underspend, while Wales is at 1.8 per cent and England is at 1.3 per cent. That is not an easy thing to manage. It is like landing a Boeing 737 on the stamp on a postcard, or trying to land a Singapore Airlines jet on the coastguard helipad at Sumburgh airport: it is absolutely no mean feat.

On transport, lower-than-expected rail costs and improved income have reduced resource spend and there have been delays in capital projects. We have our eye on that and those projects are on our agenda for the rephasing of rail and ferry infrastructure. We have spent a lot of time talking about that in Parliament and will do so in the months to come.

David Linden (Glasgow Baillieston and Shettleston) (SNP): I commend ministers for their incredibly tight fiscal management.

I am particularly interested in the social security and social justice aspects of the figures. Scotland now has 17 devolved benefits. Which of those showed the largest variance between forecast and outturn and what are the minister's reflections on that, given that, as she acknowledged in her statement, it is difficult to predict those things?

Hannah Mary Goodlad: We know that social security expenditure is demand led and that spending is determined by the number of people who are eligible for support and apply for it. Everyone who qualifies must receive the payment that they are entitled to under the relevant policy.

That approach inevitably creates a degree of volatility and forecasting risk within the budget. However, that is a deliberate choice by this Government and reflects our commitment to ensuring that eligible people receive the support that they are entitled to. Once again, that goes back to dignity and respect.

Despite those challenges, financial performance remains strong. The final outturn was within 0.3 per cent of the £6.5 billion budget, demonstrating the overall accuracy of forecasting and the effective management of a large and complex, demand-led, programme.

Malcolm Offord (West Scotland) (Reform): Will the minister review the complicated and burdensome six-band income tax regime in Scotland, in light of the fact that the Scottish Fiscal Commission says that the system is collecting less money than was forecast and collected £850 million less last year? Forecasting for next year is running at a lower rate and we are raising less money per capita than the UK.

I draw the minister's attention to a recent report by the Institute of Chartered Accountants of Scotland, which said that a perhaps unintended consequence of the regime is that it is hurting productivity. If the idea is to collect more tax revenue, that should be the most important thing, so, if the regime is actually collecting less tax revenue, can we please review it?

Hannah Mary Goodlad: We have a commitment to review the income tax bands within this session of Parliament and I know that we are committed to looking at simplifying the six bands that we have. Regarding tax revenue, Scotland raises an extra £1.8 billion because of the progressive approach that we have taken.

There is a wider point, and I say again that we are playing the game with two hands tied behind our back. I would like more tax-raising powers to be devolved to Scotland. North-west of the islands that I come from, the tiny Faroe Islands has a population of 50,000. Its economy is based only on fish and aquaculture—it does not have energy, oil, whisky or tourism as we do—but the people there are thriving because they take decisions where they matter and they live with those decisions. So, I say, "Yes please," to having more tax powers in Scotland.

Martyn Day (Falkirk East and Linlithgow) (SNP): Next week marks 10 years since Scotland was dragged out of the European Union against our will, and the damage to our economy and public finances has been immense. Will the minister provide an update on what assessment has been made of the impact that Brexit is having on Scotland's finances and on what steps are being taken to mitigate those impacts?

Hannah Mary Goodlad: Martyn Day will have been listening with eagle ears to my colleague Mr Gethins, who did a sterling job in outlining in his statement the damage that Brexit has done and will continue to do unless we reverse our course. In its modelling, the National Institute of Economic and Social Research estimates that Brexit resulted in a 3.2 per cent hit to UK GDP in 2025, and it is estimated that that figure will increase to 5.7 per cent by 2035. Indeed, Labour members have had less input than the Conservatives have had in the debate today. In Scotland, the figure that I gave equates to a cut in public revenues of about £3 billion in 2025.

Similarly, the UK's fiscal watchdog, the Office for Budget Responsibility, estimates that the trade and co-operation agreement will reduce long-term productivity by 4 per cent, relative to the position if we had remained in the EU, because of all non-tariff barriers to UK-EU trade.

We will continue to take a responsible approach to managing the public finances. We will prioritise investment in front-line services and focus on delivering the things that matter most to the people of Scotland.

Daniel Johnson (Edinburgh Southern) (Lab): Further to Laura Moodie's question, although we are in the middle of a housing emergency, there was a housing underspend of £98 million, which was 13 per cent of what was budgeted for housing in the 2024-25 budget. That figure equates to more than 1,000 homes, given the number of homes that the Government hopes to build using that funding. Given the context of the housing emergency and the fact that the number of housing completions has dipped below 20,000, what is the minister's explanation for that shortfall?

Hannah Mary Goodlad: When it comes to housing, £75 million relates to capital, with the changes being driven mainly by programme timing changes and demand-led constraints in capital programmes, particularly those on energy efficiency and cladding, as we have heard.

The Government has prioritised tackling the housing emergency and will continue to do so. Daniel Johnson should look at the progress that his UK Labour Government has made on housing, in Scotland and in the rest of the UK, before he points the finger.

Jackie Dunbar (Aberdeen Donside) (SNP): Labour's national insurance hike continues to place huge pressures on the budgets of our public services, as it costs them an estimated £400 million per year. I find it unacceptable that our public services are paying the price for that Westminster stealth tax. Will the minister join me in once again calling on the UK Labour Government to fully compensate our public services for that tax hike, so that they can continue to deliver the high-quality services that folk in Scotland deserve?

Hannah Mary Goodlad: The UK Government has failed to provide full funding for the additional costs of its increase in employer national insurance contributions. We estimate that the policy will cost public services in Scotland more than £700 million, not £400 million. We have repeatedly called on the UK Government to fund those costs in full, but it has failed to do so. I would really appreciate it if my Labour colleagues were able to help me in calling for that.

The additional £339 million of funding that the Treasury provided last year fell far short of that and left public services in Scotland, including general practices, dental practices, social care services and universities, facing a shortfall. Unless the UK Government changes course, there will be an ongoing additional cost to public services in Scotland that we absolutely do not need.

Lorna Slater (Edinburgh Central) (Green): I am grateful to the minister for highlighting the impact of Green policies such as free bus travel and free school meals. The Scottish Greens have always maintained that progressive public services should be underpinned by sustainable and fair sources of revenue, which is why we have consistently supported changes to Scotland's income tax regime. Given the increase in the net income tax position, does the minister agree that Scotland's progressive approach to taxation has been an important factor in strengthening the public finances that help to fund those investments?

Hannah Mary Goodlad: I thank Ms Slater for the opportunity to reinforce my agreement with

what she asked about in her question. A majority of members have been elected to the Parliament on a mandate for progressive tax policy; the benches are full of us.

It is also worth stating that the ask in this country is great, but the offer is even greater, with free tuition, free prescriptions, the baby box and the child payment, which the UK Government has followed suit on. There is also free bus travel and free interisland ferry travel for under-22s. Therefore, the ask is great, but the offer is greater.

I agree with Ms Slater's statement.

Jenni Minto (Argyll and Bute) (SNP): I thank the minister for her statement, which had business, hope and ambition for all of Scotland—especially rural and island areas such as Argyll and Bute—at its heart.

I note the minister's comments on the Faroe Islands. I am sure that she will agree that, given the challenging Scottish budget settlement and the economic circumstances, there is a clear case for Scotland to have additional fiscal flexibilities to better manage our budget. Does she agree that Scotland would be far better placed to manage the public finances if it had the full powers of independence?

Hannah Mary Goodlad: I am a member of the Scottish National Party, so of course I think that Scotland should be able to free both hands from behind its back and manage its finances and affairs in the way that any normal country does.

With experience of living in the Nordics for many years and working in the Baltic states, I see what small, independent, sovereign nations are able to do when both hands are freed. As I said, the Faroe Islands has a population of 50,000 and has more autonomy than Scotland.

We have had more than a decade of chaos: the financial crash, followed by austerity, Brexit and the pandemic—all of which the UK Government under the representatives in Westminster of parties on both sides of this chamber have failed to manage.

In Scotland, we have stability, reliability and a focus to take decisions on hope, ambition and business growth. Do I think that we should be doing more of that, as my good friend Paul Sweeney said yesterday, and should we have more devolution? I think so.

Child Poverty

The Deputy Presiding Officer (Katy Clark): The next item of business is a statement by Shirley-Anne Somerville on the tackling child poverty delivery plan's annual progress report 2025-26.

As the cabinet secretary will take questions at the end of the statement, there should be no interventions or interruptions.

15:38

The Cabinet Secretary for Social Justice and Housing (Shirley-Anne Somerville): The Scottish Government has published the latest annual progress report on child poverty, which provides an update on progress towards Scotland's ambitious child poverty targets and on implementing our second tackling child poverty delivery plan, "Best Start, Bright Futures". This final report against that delivery plan not only sets out the wide-ranging action that has been taken in the past year, but offers a moment of reflection on all that has been achieved in the past four years and since the Scottish Parliament set in statute a shared ambition to tackle the scourge of child poverty in our country in 2017.

First, on progress against the targets, the latest child poverty data, which was published in March, reflected recent action by the Department for Work and Pensions to improve poverty statistics from 2020 onwards. That includes making a link to benefits data so that the statistics more accurately account for income from social security.

That latest data shows that 21 per cent of Scottish children were living in relative poverty in 2024-25, with rates having been revised to 16 per cent in 2023-24—the year of Scotland's interim target—and standing substantially below the UK average. It is important to note that the Department for Work and Pensions will continue to make changes to poverty statistics in the coming years. Although that creates uncertainty in the short term, once the DWP's work is complete, it will help all of us get a clearer picture of poverty and the impact of our action in Scotland.

I want to look next at delivery in 2025-26. Against a cost of living crisis, continued Westminster austerity and a volatile international situation, the Scottish Government invested more than £3.1 billion in support targeted at low-income households last year, with spend benefiting children rising to almost £1.5 billion. In other words, spend targeted towards children is almost three times higher than it was in 2018-19, having risen by more than £960 million each year over that time. That has enabled ongoing investment in key measures such as our Scottish child payment,

which it is estimated will keep 50,000 children out of relative poverty this year. It has allowed us to make free school meals available to more than 360,000 pupils, saving £450 a year for families who take them every day, and to mitigate the United Kingdom Government's benefit cap, which has the potential to support more than 9,000 children.

It has also allowed us to go even further. For example, we have launched our £3 million bright start breakfast fund, which has created almost 9,000 breakfast club places and provides firm foundations for our new national breakfast club offer. We doubled housing acquisition funding to £80 million, in a move estimated to take between 600 and 800 children out of temporary accommodation. We further empowered our partners by expanding our fairer funding approach, giving 51 third sector organisations multiyear funding to deliver essential services and action on child poverty. As a result of the UK Government's long overdue decision to scrap the two-child limit, we reinvested money previously committed to mitigation to provide immediate support to families struggling with the cost of living over the winter months.

On our continued focus on delivery and prioritisation of action on child poverty, the report published today details nearly 100 actions that, since 2022, have been completed or are delivering at scale, including more than doubling the value of the Scottish child payment and expanding the payment to all eligible children under the age of 16. The actions also include further expansion of the provision of free school meals and investment in our extra time partnership with the Scottish Football Association, which provides free breakfast and after-school and holiday club places to around 5,000 children. That particular action is making a real difference to families, day in, day out, and is improving children's lives and outcomes.

I cannot talk about the past year without acknowledging the publication of the UK Government's delayed child poverty strategy. Although it included the long-overdue decision to end the two-child limit, which has lifted a weight from the shoulders of families across Scotland, the strategy overall represents a missed opportunity to deliver action at the scale that is needed. With the conscious decisions to keep the benefit cap and continue the freeze on local housing allowance rates, the UK Government is knowingly continuing to push thousands into poverty. We will continue to mitigate those cuts for families by investing more than £159 million this year, but we should not have to paper over the cracks left by UK Government policies. That is why we will continue to push for UK ministers to scrap their proposed cuts to the universal credit health element, scrap the benefit cap, end austerity and work in close partnership with us to match our investment and, most important, our ambition.

We are ambitious. In March, I updated members in the chamber on our plans to drive further progress on child poverty in Scotland through our new delivery plan, "Bringing Hope, Building Futures". Since then, we have wasted no time in taking forward the actions that we committed ourselves to. In just a few months, we have allocated £19 million to local employability partnerships and regional transport partnerships to help improve the availability and affordability of transport for parents and tackle the barriers to work, enabling a wide range of ambitious action that responds to local need.

We have launched our whole family support third sector delivery fund, which seeks to deliver new and enhanced support for families. The fund has received more than 80 ambitious bids from third sector organisations and partnerships; those bids are being assessed, and we will give an update on the awards in the coming weeks.

We have also made a further £8.7 million in discretionary housing payments available to local authorities to help mitigate the impact of the UK Government's local housing allowance freeze. That action is forecast to benefit up to 31,000 children this year, with families already seeing the benefit of that support.

Our delivery plan commits to substantive action over this parliamentary session, from our multiyear funding commitment to devolved employability services and delivering a new national breakfast club offer to investing a record £4.1 billion over the next four years as part of a wider investment of up to £4.9 billion in affordable homes. Together with the steps that we have taken to date, it is estimated that policies in our delivery plan will keep 100,000 children out of relative poverty this year.

However, we are not stopping there. We have heard loud and clear the call that further action is needed, and that is exactly what we are committed to. The Government has come back refreshed and even more determined to deliver for families; to ensure that essential food in our supermarkets is affordable; to introduce a £2 nationwide cap on bus fares to lower the cost of people's commute; to deliver on more apprenticeships; and to commence a review of employability services in the first 100 days of this session of Parliament. Critically, we have also committed to delivering a transformational national expansion of childcare support to every child in our country from nine months old to the end of primary school by the end of this session of Parliament.

Over the past eight years, the Government has delivered life-changing policies, which is why child poverty in Scotland is lower than the UK average. In that time, our evidence base has grown, thanks in large part to the families and partners whom we have worked with. We have heard and responded to calls from families, child poverty stakeholders, the Poverty and Inequality Commission, Opposition parties and many others, including calls to expand and improve access to childcare, deliver holistic family support, secure funding for the third sector and tackle public debt. We have taken action that is making and will continue to make a real difference to families.

However, many of the policies that we are investing in are not captured in our income-based targets. That can lead to the debate and calls for action being skewed towards increasing social security, even when other policies lead to direct savings for families or drive systemic change across our public services. That is why I confirm today our intention to undertake a review of the types of targets that we use to measure our impact on child poverty. We need to review the targets to ensure that our approach is grounded in the best available evidence, continues to drive the right actions and supports sustained long-term progress for children and families. We need to know what makes the most difference for families.

The review will enable us to use the considerable evidence that we have generated and work with partners to explore how we can use targets to drive focus and action where it is most needed and, as a result, take a balanced approach that focuses on prevention, immediate support and longer-term outcomes that are right for families. I look forward to working constructively with members from across the chamber to inform the review.

This Government remains unequivocally committed to eradicating child poverty and driving meaningful change for families. Our action to date, our new delivery plan published in March and the ambitious commitments on which this Government was elected are testament to that. We have already made great progress in Scotland, and we will continue to go further to ensure that no child's life is limited by poverty. Supporting families with the cost of living and eradicating child poverty will be the defining mission of this Government, and we are committed to working across the chamber and across Scotland to deliver on our shared mission.

The Deputy Presiding Officer (Katy Clark): The cabinet secretary will now take questions on the issues raised in the statement. I intend to allow 20 minutes for questions. Members who wish to ask a question should press their request-to-speak button now. Questions and answers should be brief.

Thomas Kerr (Glasgow) (Reform): I thank the cabinet secretary for advance sight of her statement and for the published report, which I am sure will make for very interesting summer reading.

I welcome the announcement of the review of how we measure child poverty. Although I await the detail, I will work constructively with her on that. However, I am afraid that the consensus ends there, because I believe that the best route out of poverty is not a handout but a hand-up with work. That is why the statement will not cut it.

I have an idea that the cabinet secretary could sign up to immediately that would support plenty of hard-working parents, many of whom are in work but remain in poverty, which is to cut tax. Will the SNP finally put its money where its mouth is and make work pay and cut tax to ensure that we tackle child poverty and in-work poverty, which have ripped across Scotland's forgotten working-class communities for far too long?

Shirley-Anne Somerville: Unsurprisingly, I do not agree with Mr Kerr's assessment of the problem or his suggested solution. We have a progressive tax system in Scotland, which we have just heard about in the previous statement from my colleague Hannah Mary Goodlad. That system allows us to deliver public services in Scotland that are not available in the rest of the UK. We ask those who are on higher incomes—not those who are on lower incomes—to pay more tax; they also benefit from some of the public services that are universally available.

It is important that we look at what is available to those who are on lower incomes and recognise that other people are struggling. We do that with things such as free tuition and free prescriptions that are available to all. We will continue to target our response to those who are in child poverty, while never forgetting that others are also finding the cost of living difficult.

Mark Griffin (Central Scotland and Lothians West) (Lab): Driving down child poverty is a key priority of the Government and of the Parliament as a whole, but reviewing the targets that the Government is failing to hit does not seem to align with the rhetoric. The Scottish Government's impact assessment of the child poverty delivery plan is that it will not meet the targets. Key campaigners in the child poverty sector, including the Joseph Rowntree Foundation and Save the Children, say that the plan may not even be lawful. Can the cabinet secretary say when a revised child poverty delivery plan that meets the Government's statutory responsibilities will be published?

Shirley-Anne Somerville: The Government does not intend to publish another child poverty delivery plan. I know that our current targets for 2030 are challenging and we are determined to meet them. We are content that there is a credible path to do so, despite everything that is happening in the rest of the UK and internationally.

I go back to what I have announced, which is a review of the type of targets. We are in a situation in which funded early learning and childcare and school-age childcare does not have a direct impact on targets and, therefore, the impact of that on families is not counted. Our whole family wellbeing funding programme, which is about disrupting and breaking the cycle of poverty so that we are changing systemic and intergenerational poverty, is not measured as part of an income-based target. The Government has invested nearly £2.9 million into school meal debt which, again, does not impact on our income-based targets.

Our targets have driven our focus and delivery, but it is important to reflect on the investment that the Government is making in areas that do not impact directly on those targets. It is sensible for us to take a step back to look at what we are measuring, ensure that we are doing it correctly and that we are measuring the impact on people. I assure the chamber that, as we continue with the review that will start in the summer, it will not distract the Government from the delivery of the expansion of childcare, the £2 bus fare cap and the other measures that I mentioned in my statement.

Heather Anderson (Dundee City West) (SNP): I refer members to my entry in the register of interests and declare that I am a serving councillor on Dundee City Council.

During the previous parliamentary session, families in Dundee benefited from the Scottish Government-funded pathfinder initiative. The whole family support approach ensured that families who were struggling with poverty-related issues were at the heart of decision making and were given the opportunity to contribute towards finding a solution that worked for them. More than 1,200 people engaged with the programme, more than 180 families increased their employability opportunities, and the programme directly benefited 250 children. The pilot has been so successful that it is leading to systemic change in the way that we provide services in Dundee, with a whole family-based approach now being embedded in the way that we will work with families going forward.

I was excited to hear the cabinet secretary's announcement on whole family support.

The Deputy Presiding Officer (Katy Clark): Please ask a question.

Heather Anderson: How is the Government is going to develop whole family support as an approach to eradicating child poverty?

Shirley-Anne Somerville: I had the pleasure of visiting the whole family support project in Dundee during the previous parliamentary session. It is making a real difference to families, which is exactly why we continue to invest in our fairer futures partnership and the whole family wellbeing funded programmes, working with local authorities. It is also why we have the new whole family support third sector delivery fund, which I mentioned in my statement.

That type of work, which delivers systemic change and lifts families out of intergenerational poverty, is key to tackling poverty in the longer term. That is an example of why we need to have a review of the type of targets that we set, because the £154.5 million that is invested from 2025-26 is not directly part of the work that is considered when we are measure against targets. That points to one of the failings in the system, which we can improve on.

Holly Bruce (Glasgow Southside) (Green): I refer members to my entry in the register of members' interests, which states that I am a member of Glasgow City Council.

The cabinet secretary has told us that the current targets mean that action can be skewed towards social security, but social security increases are one of the few approaches that work, with the child payment bringing 50,000 children out of poverty, as the cabinet secretary has said. Child poverty charities are united in arguing that a £55 Scottish child payment is absolutely essential if we are to come anywhere close to meeting our targets. Can the cabinet secretary assure us that changes to the targets will not compromise work to boost family incomes, and that the £55 Scottish child payment proposal should be given urgent consideration?

Shirley-Anne Somerville: I am proud of the work that we have done on social security, and I recognise that it has had a direct impact on lifting 50,000 children out of poverty, as Holly Bruce mentioned. That is exceptionally important. I firmly believe that we should take an approach to social security that is based on dignity, fairness and respect as well as human rights. However, we cannot talk only about social security; we must also talk about the childcare that families require, the assistance that they need to get into employment and the barriers to getting into employment that they face, such as transport or childcare issues.

We need to have a rounded conversation. Social security will continue to be an important part of that, but it cannot be the only aspect that we talk

about. Of course campaigners will continue to press the Government to increase the Scottish child payment still further, but I encourage them to assist with the review that we are undertaking of the types of targets and the wider approaches to tackling poverty, which are also important.

Meghan Gallacher (Central Scotland and Lothians West) (Con): As the cabinet secretary mentioned in her statement, the Scottish Government has spent billions of pounds on tackling child poverty, but it remains stubbornly high, with one in five children still living in relative poverty. With 22 per cent of working-age adults economically inactive, more needs to be done to get families out of poverty through long-term employment and job opportunities. We need to get Scotland working again. Will the cabinet secretary look at investing in employability services? Will she also look at the ballooning benefits bill, which is unsustainable? If we are really serious about getting Scotland working again, we need to cut that bill.

Shirley-Anne Somerville: One example of when cutting people's benefits does not help involves the suggestion that we take away support from disabled people, which disabled people tell us helps them into employment. We need to bear that in mind.

I point the member to what is in the plan that we announced before the election and the other work that I outlined in my statement, such as the ready for industry, success and excellence—RISE—initiative that Colleges Scotland worked on with the Government, which increases people's skills and addresses some of the barriers to employment that they face. I also point to the £90 million investment in employability schemes that is now provided on a multiyear basis to ensure that it has the maximum effect, and the work that is going on to help parents into jobs. On that latter point, I went to Fife Gingerbread this morning and spoke to families and their support workers about the work that that organisation and others do to ensure that women are supported into employment in a way that encourages their confidence, builds their skills and is sustainable and successful in the long term.

Morven-May MacCallum (Highlands and Islands) (LD): I declare that I am a councillor on Highland Council.

In the Highlands and Islands, poverty goes far beyond the material. When a child grows up watching future opportunities being curtailed and seeing their siblings and friends move away for a more prosperous life in the city, the quiet lesson that they learn is that success means moving away from the area that they love. That evokes a poverty of opportunity, which is one of the many reasons why one in five children in my region are in poverty. Depopulation hollows out communities and narrows the horizons of young people. Can the cabinet secretary expand on what the Scottish Government is doing to improve opportunities for ambitious young people in rural communities?

Shirley-Anne Somerville: Morven-May MacCallum raises an important point about ensuring that when the Government, councils and other bodies look at the challenge of poverty, our solutions meet needs in all parts of Scotland. The needs in a central belt city centre will be very different to those in the Highlands and Islands. That is exceptionally important.

The member will be aware of the work that the Government has undertaken and continues to undertake on tackling depopulation, by supporting population into the Highlands and Islands and encouraging those in the Highlands and Islands to stay. I would be delighted to continue that discussion with her after today—as will, I am sure, other ministers—because she raises an important point about ensuring, as we move forward with our review, that we apply a rural and island lens to those challenges. I thank her for raising that point today.

Bob Doris (Glasgow Kelvin and Maryhill) (SNP): I acknowledge the Scottish Government's ambitious targets to reduce child poverty and the progress that has been made. I have heard that there will be a review of those targets, so it would be helpful to know whether the cabinet secretary believes that the targets have driven delivery in tackling child poverty. Targets can be blown off course by the actions of others, including the UK Government. Perhaps the cabinet secretary can say a little more about that.

Despite what I have said, how can the Scottish Government seek to work constructively with the UK Government to make tackling child poverty in Scotland a common cause?

Shirley-Anne Somerville: The targets have been an exceptionally important part of the Government's work since the Child Poverty (Scotland) Act 2017 was passed. They have driven focus and delivery, and have been an exceptionally important part of our armoury as we move forward with tackling child poverty in Scotland. We are seeing that difference being made.

Mr Doris is right to point to the fact that we are not the only actor in this situation, and the impact of the UK Government can be extremely detrimental. For example, I mentioned the local housing allowance freeze and the continuation of the benefit cap.

I was disappointed by the lack of genuine work as the UK Government delivered its child poverty

strategy on a four-nations basis. I hope that we can do better in this parliamentary session and that we can meet soon to discuss that on a four-nations basis. I also note the interesting policy proposals in the area that are coming from the new Welsh Government, and I look forward to working with my Plaid Cymru colleagues on the child poverty agenda.

Jenni Minto (Argyll and Bute) (SNP): I listened carefully to the cabinet secretary's response to Morven-May MacCallum, because my question is in a similar area.

InspirAlba works with those who are most vulnerable across Argyll and Bute's rural and island communities. Some of those communities, such as the communities in Gigha, Tiree and Glenbarr, have been groundbreaking in creating different conditions for community wellbeing. There are examples of community energy that have reinvigorated rural communities and invested in local solutions that reduce inequalities and ensure better outcomes for children and young people. However, less than 1 per cent of Scotland's energy is in community or local authority ownership. How do we join the dots between economic policies, just transition and child poverty to ensure a robust and sustainable future for all our children and young people, for now and for future generations?

Shirley-Anne Somerville: Aspects of Jenni Minto's questions highlight the real need and requirement for all of us to ensure that our child poverty mission fits exceptionally well with our work on climate action and that we deliver good, green economic growth. Those things are entirely linked. There are powerful examples of that making a difference, and power being put in the hands of communities, which are designing solutions that are right for the people and families who live there.

Ms Minto raises the example of InspirAlba, and members will have seen other opportunities in their constituencies. Some of those opportunities have been taken up, particularly because of the Scottish Government's community and renewable energy scheme. However, we need to go further on community ownership of renewable energy projects. Ministers will be keen to work with Ms Minto and other members as we take forward that work.

Joe Fagan (South Scotland) (Lab): My entry in the register of members' interests shows that I am a councillor in South Lanarkshire.

According to the Convention of Scottish Local Authorities, for every pound spent on local authority welfare rights and money advice services, there is a financial gain of £13 to the people who those services support. Given the importance of partnership with local government and the great unrealised potential of a shift to preventative spending, does the cabinet secretary agree that a return to the core funding cuts to councils, as implied by the medium-term financial strategy, should be ruled out?

Shirley-Anne Somerville: I do not recognise Mr Fagan's description of the financial situation of local government at the moment. I recognise that we are all doing our best with the budgets that we have. Indeed, I met COSLA representatives yesterday to talk about housing and how we can work collectively on child poverty.

Mr Fagan mentioned preventative spend, which is an important area in which the Scottish Government and local authorities can work together with third sector partners. That is public service reform in action, ensuring that we have public services that deliver better, more efficiently and more effectively, which is better for the client involved. Mr Fagan gave some examples of that work in relation to debt and welfare advice, and there are many more examples.

The issue of preventative spend is why I look forward to working with Ivan McKee on the public service reform agenda, because that will deliver for our constituents.

Patricia Gibson (Cunninghame South) (SNP): I very much welcome the extensive package of measures that the Scottish Government has put in place to tackle child poverty, as well as the allocation of £19 million for local employability partnerships and regional transport partnerships to help to remove barriers to work.

What more can the Scottish Government do to boost the take-up of employability programmes, especially for those who are furthest away from work, who might also require support in building soft skills?

Shirley-Anne Somerville: I saw important examples of that during my visit to Fife Gingerbread this morning, and there are many other examples. We know that fair work offers a sustainable route out of poverty for many families, and it is key to our approach in eradicating child poverty. That is why we are working closely with local employability partnerships to strengthen the employment offer for parents and families, and it is why we are working with third sector partners such as Fife Gingerbread to support confidence and skills.

I heard clearly from the mums and their support workers there about the real difference that it can make for a woman who comes through the door, who has perhaps not been in employment for some time as she has been raising her family, to

then be given confidence by the support workers and other mums to develop skills and gain successful employment. Fife Gingerbread is a fantastic example of that work, and the Government is determined to support more such examples in the third sector and through our local authority colleagues.

Kayleigh Kinross-O'Neill (Edinburgh and Lothians East) (Green): I, too, refer members to my entry in the register of members' interests—I am a City of Edinburgh Council councillor.

Families who are excluded from social security support due to immigration status are especially at risk of poverty. The Child Poverty Action Group identified that local authority powers under section 2 of the Children and Young People (Scotland) Act 2014 can be used to provide cash payments to those families without contravening the rules on no recourse to public funds. The Scottish Greens made the same call during the recent election. Will the cabinet secretary commit to providing guidance to all local authorities to deliver those payments, of an amount at least equivalent to the Scottish child payment, to children whose families are in that position?

Shirley-Anne Somerville: It is very important that we are exceptionally careful about any programme that is put in place for those who have no recourse to public funds. The last thing that the vast majority of us would want to do is to damage anyone's immigration status and their journey through the immigration system.

There are limitations to what can be done. The UK Government sets the rules about what can and cannot be given by way of social security; for example, we cannot give the Scottish child payment to such families. However, we work with third sector partners to investigate what we can do, because the failing parts of the immigration system draw people in Scotland into destitution. We are working with the British Red Cross and others to ensure that support can be provided within the powers and limitations that we have at this time.

Jackie Dunbar (Aberdeen Donside) (SNP): Thanks to the ambition of our Scottish National Party Government and the action that it has taken on child poverty, child poverty rates in Scotland are substantially lower than the UK levels. However, it is appalling that the Scottish Government still has to spend money on mitigating the UK Government's lack of action. Will the cabinet secretary update the Parliament on the impact that long-standing UK Government policies such as the bedroom tax, the benefit cap and the local housing allowance freeze have had on Scotland's progress towards ending child poverty?

Shirley-Anne Somerville: The Scottish Government will spend £159 million to mitigate UK Government policies this year through discretionary housing payments and the Scottish welfare fund. The benefit cap, for example, which the UK Government chose to keep in place, impacts on 9,000 children, and many more families are expected to be hit by it following the scrapping of the two-child limit. Much was made of that by the UK Labour Government, but it hit those families with the benefit cap instead. We will mitigate that and assist those 9,000 children.

More than 19,000 children are impacted by the bedroom tax, while the freeze to local housing allowance rates will impact on an estimated 26,000 children this year. The Scottish Government will continue to step in and support those children and families, but the best way that the issue can be tackled is at source and for the UK Government to change its position on the benefit cap and stop the freeze on the local housing allowance.

Decision Time

16:11

The Presiding Officer (Kenneth Gibson): There are no questions to be put as a result of today's business. That concludes decision time.

We move on to members' business. I ask members who are leaving the chamber to do so quietly.

Universities

The Deputy Presiding Officer (Clare Adamson): The final item of business today is a debate on motion S7M-00266, in the name of Maggie Chapman, on sustaining jobs and securing the future of Scotland's universities. The debate will be concluded without any question being put.

Motion debated,

That the Parliament expresses its deep concern at what it sees as the growing crisis facing Scotland's higher education sector, including the reported threat of significant job losses at the University of Dundee, the University of Aberdeen and other institutions across Scotland; notes reports that hundreds of jobs have already been lost at Dundee, and that up to 111 academic posts are threatened at Aberdeen as part of ongoing restructuring and cost-reduction programmes; recognises the anxiety, uncertainty and distress that these proposals are causing for staff, students and communities; further recognises the evidence of declining staff morale across the sector, with, it understands, many workers reporting exhaustion, insecurity and a loss of confidence in institutional leadership and governance; believes that those who teach, research, support students, maintain campuses and sustain university life should not be made to pay the price for failures of governance, financial mismanagement or short-term decision making; notes reported concerns regarding increasing casualisation, workload pressures, threats to pensions and job insecurity across the sector; further notes the calls on university leadership teams, governing bodies and the Scottish and UK governments to work collaboratively with staff and students with Fair Work principles as their foundation, to develop long-term solutions that protect jobs, safeguard teaching and research, strengthen transparency and accountability, and secure a sustainable future for what it considers is Scotland's vital higher education sector.

16:12

Maggie Chapman (North East Scotland) (Green): I remind members of my entry in the register of members' interests: I am the rector of the University of Dundee and a member of the university court.

A less than five-minutes-long Teams call with no opportunity to respond is how staff at the University of Dundee heard that their jobs, the courses that they teach and their livelihoods might be at risk. I ask members to think about that for a moment. Years of service, decades of expertise, research programmes, student support, careers and families were all reduced to a one-way broadcast. That tells us something important about the crisis that we are facing. We are not really talking about money; this is a crisis of governance, leadership and accountability.

At Dundee, more than 650 staff have already gone. Now, a further 190 job cuts are planned. At the University of Aberdeen, up to 111 academic posts remain at risk through restructuring and cost-cutting proposals. Behind every one of those

numbers is a person—a lecturer, technician, librarian, researcher, cleaner, professional services worker or student wondering whether their course will exist when they are due to graduate.

I hear from staff and students not just concern but exhaustion, anger and a profound sense of betrayal. One member of Dundee staff described what is happening as "wanton vandalism" of the university and the city. Another simply said, "I feel completely betrayed." Can we blame them? Time and again, the staff have raised concerns, proposed alternatives and been told that they are valued. However, when the biggest decisions are made, they are too often excluded from them.

The tragedy is that none of this should come as a surprise. Over recent years, we have had review after review—the Gillies review, the Gordon report and the work done by SUMS Consulting—all of which identified problems around governance, transparency, oversight and engagement. The problem is not that we do not know what is wrong; it is that the recommendations keep gathering dust while the same mistakes are repeated. The lessons from Dundee should have been learned long ago. Executive power without effective challenge is dangerous. Governance without scrutiny is dangerous. Excluding staff voices is dangerous. Yet, here we are again. Staff, students, senates, general councils and trade unions repeatedly raise concerns while decisions at various institutions continue to be driven from the top down. When people try to raise concerns, some of them are threatened with disciplinary action. That is not partnership, it is not transparency and it is certainly not fair work.

I want to speak a bit about what universities are for. Too often, the debate on this issue is reduced to balance sheets and budgets. Of course, universities matter to our economy—they create jobs, attract investment and drive innovation—but they also matter for a much deeper reason. They help us to understand ourselves and the world around us. They teach us how to think critically, how to question, how to challenge and how to imagine something better. That is why I am so concerned by threats to disciplines such as philosophy and languages. Those subjects are not luxuries—they help us to engage with questions of democracy, ethics, culture, identity and human flourishing. A society that cannot think critically about itself is a society that is poorer in every sense.

I will outline a specific issue in relation to that. At the University of Aberdeen, the savings target—or cuts target—that the school of language, literature, music and visual culture has been told to make would require the loss of 36.7 per cent of its current staff, and that is on top of the 40 jobs that were lost during the modern languages debacle two years ago. The target is more than double that for any other school, yet that school made a £4.1 million surplus last year.

Cutting jobs and courses will not lead magically to financial sustainability. Staff have repeatedly raised alternatives, including continuing professional development, knowledge exchange, entrepreneurship, business partnerships and other forms of genuine income generation. However, institutions appear trapped in a cycle in which cutting staff becomes the default response—the ideological response—to every challenge. That is not strategy; it is managed decline. It is like ordering men on the western front to walk out very slowly at the German machine guns, just hoping that the result will be positive.

To put it another way, it is like the medieval doctor bleeding a patient with leeches, then prescribing more leeches when the patient fails to recover. The patients, in this case, are the people who make our universities what they are—the people who make them successful but who are being made to pay the price. The impact on wellbeing cannot be ignored. Staff speak of stress, burnout, anxiety, uncertainty and real physical and psychological harm. Repeated restructuring exercises, repeated severance schemes and repeated threats of redundancy are acts of harm.

We must also ask serious questions about equality impacts. Many of the disciplines that are facing cuts are disproportionately staffed by women. We need transparency about who is being affected and whether institutions are properly assessing those risks before further decisions are made. There is the wider question of accountability, too. Universities must be accountable. Courts must be accountable. Executive leadership teams must be accountable, and so too must the Scottish Funding Council. Consultations on the issue need to be genuine: they need to consider the full range of options, not just a return to cuts. Public confidence depends on robust scrutiny and meaningful oversight. If institutions are receiving substantial support, the public has a right to expect transparency, engagement and adherence to fair work principles.

Finally, I want to say something to the Scottish Government. The warning signs have been visible for years. This crisis is not confined to one university, nor is it confined to the universities of Dundee and Aberdeen—it is sector wide. There are warnings that demand a serious response. We cannot continue to lose expertise, damage morale and undermine institutions that have taken generations—centuries, in some cases—to build. On the crisis at the University of Dundee specifically, the Scottish Government has already provided substantial support to the institution and

we need to see a return on that investment, not just a knee-jerk return to job cuts and course cuts.

I will end by speaking directly to staff and students. You are not responsible for this crisis and this decision making. You should not be made to pay the price for the failures of governance, financial mismanagement or short-term decision making. I hear your concerns, I hear your anger and I stand in solidarity with you. I stand with the staff fighting for their jobs, the students fighting for their education and the trade unions demanding transparency, accountability and fair work. If staff decide that they must take industrial action to defend their institutions, as I think University of Dundee staff have decided today, they will have my support and solidarity, because staff and students are not the problem—they are the future of Scotland's universities and they deserve far better than what they are getting today.

The Deputy Presiding Officer (Clare Adamson): We move to the open debate. A large number of members wish to take part, so it would be very helpful if people could stick to four minutes.

16:21

Jenni Minto (Argyll and Bute) (SNP): I congratulate Maggie Chapman on securing this members' business debate on such an important area of Scottish life: our universities and, more broadly, our higher education sector. Her final words were very powerful—I thank her for them—and I note that, in my constituency, there have been some issues around redundancies at the University of the Highlands and Islands.

I was interested in the way in which Maggie Chapman started her speech, because it was the way in which my thought process has gone, too. If I may, I will take us back to the roots of the word "university". It comes from the medieval Latin word "universitas"—I never did Latin, so apologies for my pronunciation—meaning a number of persons associated into one body. Historically, the term referred not to a physical place of learning but to the people who made it, and that came through powerfully in Maggie Chapman's speech.

The origins of "university" made me wonder whether we have forgotten why we have universities and what their value is to our wider communities. I have two vital higher education establishments in my constituency: the University of the Highlands and Islands and the Scottish Association for Marine Science. SAMS's strategy for 2025 to 2030 sets out a plan for

"World-leading science for a healthy ocean and thriving people"

and, perhaps, blue-sea thinking. For the reader, the words that jump out from the strategy are "together", "discovery", "educate", "innovate", "action" and, importantly, "people".

UHI is in 48 locations, seven of which are in my constituency, and it provides flexible learning opportunities. It is also embedded in our secondary schools. For example, Oban high school students developed their own fish farm sites for their end-of-year projects as part of the into aquaculture course that was designed by Scottish Sea Farms in conjunction with UHI Argyll.

I am pleased to see that there is collaboration between SAMS and UHI in a range of academic opportunities, from a BSc in marine science to PhDs in high-impact marine science fields. Those give opportunities to students who do not wish to move from the area to further their education, and they bring students from around the world to stem the brain drain and depopulation that Argyll and Bute faces.

Industries such as finfish aquaculture, seaweed farming, fishing and offshore renewables increasingly rely on research data to innovate and inform sustainable development and best practice in their respective sectors. Scotland's future growth depends on activity in those areas, and the research and available data must keep pace with industrial and commercial development. As well as ensuring that development is as environmentally sensitive as possible, it allows policy makers to make informed decisions.

SAMS won the collaboration category at the UK Aquaculture Awards, having worked alongside the salmon farming industry and the Scottish Environment Protection Agency. SAMS scientists are examining the life cycle and behaviours of sea lice to help to tackle one of the main issues in finfish aquaculture, using underwater robotic vehicles to identify entanglement risks to marine mammals. There is so much going on, with great examples of further education and research tailoring their offerings to what their community needs, both locally and globally.

I do not know whether anybody noticed the article in *The Guardian* today about the Biodiversity Heritage Library, an online archive of historical texts on species living and lost. The withdrawal of funding from that area of work will impact on our knowledge around biodiversity. As Maggie Chapman noted, this is not just a Scottish crisis; it is a worldwide one. We must ensure that we continue that education.

SAMS hosts a rare algae library—leabharlann feamainn. The 100-year-old Culture Collection of Algae and Protozoa supplies and supports science around the world.

Be it local or global, Scotland's vital higher education sector must remain at the heart of world

learning, and I support Maggie Chapman's calls for connection and collaboration with everybody involved in our universities. We have far too much to lose if we do not do that.

16:25

Iris Duane (Glasgow) (Green): Colleagues, my entry in the register of members' interests shows that I was employed at the University of Glasgow until 18 May this year. In addition, although it is not a registrable interest, it is important to mention that I am still a student at the University of Glasgow. I remain a proud member of Unison.

Given that experience, I can say that I am not sure that we have emphasised enough the crisis that stands at our door. A key service in a service-based economy may be on the brink of collapse. What is, and has been, happening in Dundee cannot once again be treated as the canary in the coal mine when we have known for years that the rafters have been rotting and the cave has been collapsing.

In my region, the sight of a higher education picket line has become all too familiar—often joined by boycotts on marking and by the bitter aftertaste of burnout, while pastoral teams juggle as many students as they can handle and academics are forced to step in to support them. A failure to set a long-term vision, alongside negligence towards the growing issues, has left our sector in crisis. In some cases it is forced to rely on the financial stimulation of oversubscribing international students or, in others, on cutting courses. In each case, more stress is put on the lives of staff. As one of my constituents who works in higher education put it:

"We are so reliant on international students, we are one bad Al Jazeera headline from being unemployed."

That is no environment for anyone to work in.

Today, members of the Educational Institute of Scotland at Glasgow Caledonian University, which is in my region, announced their intention to go on strike, with a 95.9 per cent mandate, to stop the compulsory redundancies. That follows a University and College Union strike that commenced only two weeks ago. We cannot sit by and let that process happen.

Higher education institutions are supposed to be a hotbed of research and innovation that helps to drive us forward and gives many their start in their specified field. Although the Parliament is proud to boast about Scotland's successful university alumni, such as Adam Smith and Lord Kelvin, we find ourselves in a place where we may be active barriers to the success of their contemporary equivalents.

Even though some blame can be placed on Westminster, part of the failure to forward plan and support our institutions still falls to this Parliament. That has left our institutions scared and cautious. Some constituents have told me that they have felt as though austerity has been imposed on them pre-emptively, that they fear for their jobs and that downsizing can only be inevitable.

That in itself is worrying, and we already know what it looks like when jobs are ripped away from our communities. However, we must also remember what it will mean for our future: students with less support, exploration in academia becoming atrophied, a loss of opportunity for many, and a limitation on innovations and breakthroughs that we could have made years earlier. We can do better than that. We need movement and we need it now. We need cross-party consensus that there must be change, advanced financial planning for our universities, a recognition of the massive struggles in the sector, and support for the staff and students who are being failed.

The Government must not be an ouroboros that, on one hand, lauds the amazing policy of providing free tuition—which, although it is fantastic, creates an obligation towards our young people—but, on the other hand, fails to support the institutions that we expect to implement it. In the crudest terms, we cannot return to this chamber God knows how many years down the line and watch this very same disaster unfold elsewhere.

The definition of insanity is said to be doing the same thing over and over again while expecting different results. I hope that the Government will cure itself of that insanity and give the higher education sector the foresight and the support that it deserves.

The Deputy Presiding Officer (Clare Adamson): I call Michael Marra, who joins us online.

16:29

Michael Marra (North East Scotland) (Lab): I apologise for the fact that I am having to take part in the debate online. I thank Maggie Chapman for securing the debate—

The Deputy Presiding Officer (Clare Adamson): Will you switch your camera on, please, Mr Marra?

Michael Marra: Yes—my apologies, Presiding Officer.

I thank Maggie Chapman for securing the debate, which is very timely for my constituents in Dundee. This week has been yet another shocking one for people who are employed at the University

of Dundee, as I was for some 15 years prior to my election to Parliament in 2021. A significant number of people have reached out to me, which reflects the huge anger among the staff population and their bewilderment about a situation that they have been caught up in for far too long.

Significant questions need to be asked about the situation at the University of Dundee and the issues that my constituents are raising. Frankly, I am astounded that the Cabinet Secretary for Education, Culture and Gaelic did not make a visit to Dundee university the first appointment in her diary when she was appointed on 20 May 2026. The Government knew that a raft of cuts was on the way, in one form or another, or was to be proposed. That was written about in the press, and the issue was a matter of continued dialogue with the Scottish Funding Council. Therefore, on one level, I find the Government's reaction somewhat bewildering.

I share some of the previous speaker's concerns about the use in the Dundee situation of too narrow a definition of what a university is. The fact that the current process is cutting the university to the absolute core and removing some of the broader missions of a university represents a very big challenge not only for the community, but for the staff who are directly impacted. We must ask why that is happening.

Maggie Chapman said that we are not really talking about a crisis of money. I fundamentally disagree with her on that—we are talking about a crisis of money at the University of Dundee. That is why people are about to lose their jobs. The university claims that, unless it acts now—immediately—to make the savings that it has set out, the institution will be bankrupt by 2028. I have spoken on many occasions to the trade unions at the university, which are rightly querying the scale of the EBITDA—earnings before interest, taxation, depreciation and amortisation—target, which is an outlier in the sector. The university management must provide clear justification for the position that they are taking on that, because that is one of the key factors in relation to the putting in place of the cuts.

The job losses that we are looking at now are significantly larger than those that had previously been described. Given that the previous target was described by the First Minister as "entirely unacceptable", the Government needs to tell us why it thinks that the job losses that are now proposed are acceptable.

I recognise that the university is an independent institution, which means that it has its own legal status. Although the Scottish Funding Council has looked at the documentation that the university has presented and seems to have approved it, in recent days we have heard some words from the Government that suggest that it thinks that that is open to question. I ask the minister, in his summing up, to reflect on the university's relationship with the Scottish Funding Council in that regard and to set out what can be done to explore those issues further.

We must not lose sight of the broader causes of the current situation. It is true that the university's management were absolutely appalling. In the previous session of Parliament, MSPs saw with their own eyes how dreadful they were when members of the previous senior management team appeared before committees. However, there are questions to ask about the broad financial issues that are at play here. I have been raising the crisis in the university sector in the Parliament for years—I was doing that well before the crisis at the University of Dundee, the institution that is close to my heart.

The issue is one of systemic underfunding of the university sector. The primary driver of the current crisis, which goes beyond Dundee university, is that in Scotland, since 2014-15, funding per student has fallen by 39 per cent in real terms. The Scottish Funding Council research excellence grant has fallen by 43 per cent. That has had consequences. There has been a comparative lack of improvement in relation to the rest of the UK in the research excellence framework. That represented clear evidence of a chilling in the Scottish research sector. It was one of the early signs—

The Deputy Presiding Officer (Clare Adamson): You must come to a conclusion, Mr Marra.

Michael Marra: I will, Presiding Officer.

I appreciate the opportunity to contribute to the debate. It is right that we get some answers from the minister on what steps will be taken next. I look forward to hearing the rest of the contributions.

16:34

Heather Anderson (Dundee City West) (SNP): I thank Maggie Chapman for bringing this debate to the chamber: she and I have communicated a lot this week about issues in Dundee. It has, understandably, been a rough week for staff and students at the University of Dundee in my constituency. I have been in regular contact with the trade unions and my inbox is full of personal letters about the impact.

In the past 18 months, more than 300 staff at the university have taken voluntary severance and a further 300 people have retired without being replaced. Tuesday's announcement that a further 190 jobs are being cut was not the news that the

university's hard-working staff expected or deserved. There is a family and community impact behind that statistic, because the university is right at the heart of Dundee's ecosystem. I have heard from many members of university staff in the past week. There are those who are concerned about their own jobs and others who are concerned about the impact on students and the future of the university as they know it. There are dedicated, hard-working academics, lecturers and researchers, but also librarians, administrators, student support staff, gardeners and artists, all of whom are part of that ecosystem. Those staff have contributed to the university's many successes and have helped to build its global reputation as a place of excellence. Those are the staff who have stepped up to mitigate the 700 job losses so far, only to find that they, too, are now at risk.

The University of Dundee is a living, breathing example of what happens when there are failures of governance and a severe lack of transparency in the decisions taken by senior management. As the Gillies report for the Scottish Funding Council recognised last year, although the lack of transparency about financial matters was not the primary cause of the university's collapse, it certainly contributed to the scale of the problem.

However, the University of Dundee is a victim not only of its own governance approach but of financial shocks that have affected the whole sector. The UK Government's increasingly hostile immigration policies have hamstrung universities at a time when costs were already spiralling, and that Government's decision to increase employer national insurance contributions last year also dealt a mighty blow to university finances by significantly increasing wage bills. As Universities Scotland said, those funding pressures create a "perfect storm".

I am glad that the Scottish Government is taking the University of Dundee's current situation so seriously, and I point out that, this week, the cabinet secretary intervened to try to put a halt to the announcement and is working behind the scenes and talking to the Scottish Funding Council.

Without world-class universities here, Scotland would not be the country that it is. I am glad that the Scottish Government has also identified the significant issues facing the wider sector and is aiming to address those. The Scottish Government and Universities Scotland are working jointly on a future framework for the sustainability and success of Scotland's universities. That work brings together senior management, staff, trade unions and students to recognise and offer solutions to the problems faced by the sector, and a report is due in the autumn. I very much hope that it will echo the sentiments expressed in the debate about what universities are and about their importance to the future of our country and our economic ecosystem.

The immediate priority must be to minimise job losses during the current crisis in Dundee. There is ongoing work to try to do that and to support the staff and students affected by the recent announcements. Although it will be of little consolation to those affected, we all know that things could have been so much worse without the significant and extraordinary support provided by the Scottish Government.

I stress that I am in regular contact with the trade unions and will be meeting them tomorrow and again on Monday. We are trying to get the best possible support for all the people affected at this really difficult time. We must ensure that all future governance models are far more accountable and totally robust.

16:39

Meghan Gallacher (Central Scotland and Lothians West) (Con): I, too, thank Maggie Chapman for bringing the really important issue of our universities to the chamber.

I want to cast members' minds back to March 2025, when Douglas Ross, as the convener of the Education, Children and Young People Committee, challenged the former principal and vice-chancellor of the University of Dundee, Professor Iain Gillespie, on the financial crisis at the university and the public funding that was being used to support the institution at that time, when it faced a £35 million deficit. Serious questions were raised about the management decisions that had contributed to the crisis. If I remember the responses correctly, I do not think that the committee session shone the best light on those who gave evidence.

If we fast forward a year, we see that the University of Dundee has sadly found itself in the headlines for all the wrong reasons again. As Maggie Chapman said, that is not down to the lecturers or the students; it is down to the university's governance and structures, as well as the financial situation that our universities and colleges face.

David Barratt (Cowdenbeath) (SNP): Does Meghan Gallacher agree that, as Heather Anderson noted, the UK's regressive immigration policies are at least partly to blame for the challenges that our university sector now faces? Driving out fee-paying international students has compounded the financial struggles of our universities. I am a proud graduate of the University of Dundee, and that is one of the messages that I have been given by staff who still work there. Are they wrong?

Meghan Gallacher: That was a well-read intervention from Mr Barrett. I thank him very much for that. If I may pick up on the point—[*Interruption*.] Hold on. I accepted the intervention, so please let me respond.

I will set out the reasons why I think that our universities and colleges are in the financial situation that they are in. It is not about immigration issues but about the current funding model, which does not work for universities.

In relation to the proposed further job losses and the additional £20 million-worth of savings, I am interested in finding out a bit more about the correspondence between the Cabinet Secretary for Education, Culture and Gaelic, the Scottish Funding Council and the university on pausing the redundancies, because we do not seem to be moving in the direction that we would expect. I do not know whether the minister has any more information in front of him that he could provide to members today.

When so many of our leading universities face a financial crisis, senior management should lead by example, as has been reiterated by other members. The reality of the situation is that institutions—this applies to universities other than the University of Dundee—cannot continue to spend money that they do not have. Difficult decisions are never welcome, particularly when they affect staff and students, but university leaders have a responsibility to ensure that their institutions remain financially viable. The alternative is a continued cycle of crisis management, which serves nobody.

The University of Dundee is not alone in sounding the alarm. I appreciate that Forth Valley College, which operates in my region, is not a university, but it has announced that its Alloa campus could close in order to secure the future of the wider college. To answer the question that Mr Barratt put to me, I believe that institutions continuing to receive flat cash is one of the reasons why a lot of colleges and universities face funding pressures at present. If we continue in this way, services will be reduced, campuses will come under threat and opportunities for learners will be diminished. Those challenges are not, in all cases, simply the result of individual management failures; they raise questions about the long-term sustainability of Scotland's higher and further education system.

I am well pushing it, aren't I, Deputy Presiding Officer?

The Scottish Conservatives are arguing for a more integrated and economically focused approach from the Scottish Funding Council. Funding decisions should be linked more closely to workforce planning, regional economic needs and the skills shortages that employers have identified. We would like to see that from the Scottish Government, and I would be interested to know whether the minister agrees.

16:44

Kate Nevens (Edinburgh and Lothians East) (Green): I start by expressing my full support for the strike actions that are being taken by University of Edinburgh staff and University and College Union members across the country.

As I raised with the First Minister last week, the University of Edinburgh's academic staff are currently participating in a marking and assessment boycott. Even though marking and assessment are rarely a staff member's entire workload, the university is removing all pay from striking staff. Further, the university is now requiring those not striking to take on the workload of those who are, which is adding to their huge workloads. That is a wildly punitive approach and a totally unacceptable attempt to undermine solidarity between academic staff.

University of Edinburgh management are not alone in their aggressive strike-breaking action. Many universities have ignored academic regulations by awarding degrees without the necessary marks, which hugely undermines legitimate strike action and academic standards. It has led to a massive and likely long-lasting decline in staff good will.

The cuts that are being proposed by the University of Edinburgh, the University of Aberdeen, the University of Dundee, Glasgow Caledonian University, Heriot-Watt University, the University of Strathclyde and others will be disastrous for both staff and students. They are already making people insecure and anxious about their futures.

When staff numbers are cut, workloads rise, courses disappear and students lose out. Management often make a show of fair work, but they continue to replace secure contracts with insecure, short-term, underpaid work. As workloads become unsustainable, more staff are taking sick leave.

The devastating cuts that are proposed by the University of Edinburgh are from one of the richest universities in the United Kingdom, and its finances are far healthier than is being made out. The university has around £2.7 billion in assets, its endowment is the third largest in the UK and its 2025 accounts showed an annual surplus of £96 million. It certainly has enough funds to continue to invest in Israel and the genocide in Gaza.

During close to 18 months of meetings with the unions on the cuts, management have been

unwilling to negotiate even one penny of reduction to the cuts targets, and they have been relying heavily on advice from management consultancies and paying large sums for that advice.

Earlier this year, I joined the Heriot-Watt UCU picket line, where staff of the languages and intercultural studies department and the team at Scholar face the threat of compulsory redundancies. Those redundancies would basically be equivalent to dismantling those incredibly important programmes. Scholar would be a huge loss, given the incredible work that it has done through its online learning platform to help more than a million young people with their school studies, and losing language and cultural courses at a time of world crisis in which the nation needs to be as outward looking as it can be seems incredibly short sighted.

I also pay tribute to the staff at Edinburgh Napier University, who have been striking against compulsory redundancies and for job security at a university that has been notorious for using zero-hours contracts.

Higher education is transformative for the individuals participating and for society more widely. As UCU members tell us, learning and education broadens horizons, improves wellbeing and increases opportunities.

In order to support our higher education sector, our whole approach needs to change. We need to stop treating staff and students like commodities for making profit and actively oppose the marketisation of higher education. We need universities that are democratic, transparent and accountable, with staff and students at their heart, where we are not paying the bosses inappropriately high salaries, where fair work and decent working conditions for staff mean good outcomes for students and where professional autonomy and academic freedom are respected and promoted. We need to work together to find a sustainable model that considers the wider social good that education provides.

16:48

Willie Rennie (Fife North East) (LD): For the past 10 days, I have received regular emails from my constituents who work at the University of Dundee. Those emails are full of pain and frustration about the uncertainty that has lasted for almost two years. The cloud has been hanging over their heads for far too long, and it has been intolerable. I have been working with them to find solutions.

This week's announcement was wholly predictable. I knew well in advance that £20 million-worth of cuts was coming; it was reported by the media. I was therefore surprised by the shock and horror that the Government ranks expressed when the announcement was made.

Although I welcomed the Government stepping in at the beginning to make sure that the institution survived, that funding was only ever short term. I heard no one setting out new sources of income with margin that would allow for cross-subsidy for the areas that required extra support. This situation was therefore wholly predictable.

Instead of complaining, the Government should come up with solutions. So far, though, I have heard a lot of heat but no solutions. None of that helps staff at the University of Dundee who are about to be made redundant and lose their jobs. I will always stand with them to make sure that they have a future. I was at the evidence sessions at the Education, Children and Young People Committee. Just for the record, I do not think that Professor Gillespie has ever paid back any of his severance payment. I do not think that he was due that payment, because his leadership was shocking and led, in large part, to this circumstance.

The situation at Dundee—although it is unique, it is not that unique—is a sign of a wider broken system. I accept that inflation and the war in Ukraine, which has driven up energy prices, have had an impact on universities, just as they have impacted many other businesses. I also accept that employer national insurance contributions have played a part. However, it is also a fact that the funding that the Government provides to pay for the tuition of domestic students at Scottish universities has fallen way behind the cost of providing that education. As Michael Marra said, that funding has been cut in real terms, which has, in effect, incentivised universities to take ever-riskier routes to find a source of income with margin—for example, international students from what are, sometimes, very risky markets.

When the Nigerian currency fell overnight, the Nigerian students stopped coming. Dundee was overexposed to the Nigerian market. We could have seen that coming; I had been warning for a long time about ever-riskier behaviour by universities. It was not helped by the UK Government. I accept David Barratt's point that the UK Government exacerbated the problem, but overexposure to international students from riskier markets is not the future for our universities.

I give the Scottish Government credit. The minister's predecessor acknowledged that the funding system was broken. We now have the framework for the future of our universities, which no one has mentioned today. That is the way ahead for our universities. A cross-party and cross-sector approach is the solution. A lot of work has been done by those involved in the framework.

I hope that that work results in a sustainable future for our universities, because one thing is for sure: we cannot afford to repeat what has happened at Dundee, Aberdeen, Edinburgh and many other institutions throughout the country. Our staff deserve better.

The Deputy Presiding Officer (Clare Adamson): Before I call Mr Adam, I am minded to accept a motion without notice, under rule 8.14.3 of standing orders, to extend the debate by up to 30 minutes. I invite Maggie Chapman to move such a motion.

Motion moved,

That, under Rule 8.14.3, the debate be extended by up to 30 minutes.—[*Maggie Chapman*]

Motion agreed to.

16:53

George Adam (Paisley) (SNP): I will try not to use all 30 minutes, Presiding Officer.

I thank Maggie Chapman for bringing this important debate to the chamber. I have been on the education committee in its various guises for most of the time that I have been a member. It is a bit like Al Pacino in "The Godfather Part III"—I keep trying to get out, but they keep dragging me back in again. I have seen everything.

We all seem to agree that the biggest problem at Dundee university was the lack of leadership and governance. Presiding Officer, I think that you were on the Education and Skills Committee with me when Parliament passed the Higher Education Governance (Scotland) Act 2016. We pushed for transparency and scrutiny but were told by the university that bodies such as the unions could not be involved in the university court. It is ironic that one of the key issues for the university is that what it had just collapsed. On top of that, there was a lack of leadership and trust.

Those who had been involved in that process appeared at the education committee in the previous parliamentary session. We had a rather highly strung convener at the time, who constantly took around half an hour to ask questions, but Mr Rennie and I managed to get some questions in, and we were shocked by the level of incompetence from those people. Nobody seemed to know what went wrong or when and how it went wrong.

Dundee university is not an inevitable sector squeeze story—it was a Dundee university problem that meant that Dundee university ended up in a situation where there was absolutely nowhere for it to go.

David Barratt made a valid point in his intervention earlier. He referred to people no longer having the opportunity to come into the country and go to university. The university kept recruiting people all the time, which became part of its financial downfall.

Willie Rennie: I largely accept what Mr Adam says, but does he accept my point that although the situation at Dundee university is unique, these issues affect many other institutions, which is why we need reform of the funding system as a whole?

George Adam: There are many challenges and problems with universities trying to balance the books while delivering what they have to do. That has been an ongoing issue, but never to this extent. Mr Rennie and I heard about Dundee university's Exscientia windfall. A perfect example is the programme whereby the university created an artificial intelligence drug company that was spun out into the real world to make some money. We all keep talking about how universities need to continue to do such things. The university got £40 million in the pay-off from the sale of its shares, but that was not ring fenced to improve the university in any way. That £40 million is an example of money that could have been used for the university to prosper and move forward.

Meghan Gallacher: We are talking about the University of Dundee, but I also referenced Forth Valley College, where alarm bells are ringing. We need to look at the funding model, otherwise the college will be in a precarious situation, not in a couple of years' time but in as soon as a couple of months' time, by the looks of it.

George Adam: I could talk about the University of the West of Scotland, which I do regularly, but I am running out of time quickly. That university has managed to balance the books and make sure that it can deliver what it wants to deliver for people, particularly in my constituency of Paisley. As previous speakers have said, universities are not only about academic achievement but are a key part of our communities. UWS is a major contributor to the community in Paisley and is extremely important to us, and not only from a jobs point of view. It is also going down the route of trying to spin out small businesses from the university in order to move forward. That is the future.

The situation at Dundee university has shown us that we perhaps need to look at governance, so that such a situation cannot happen in a university again. For too long, there has been a certain arrogance. Our previous convener was a bit highly strung, but he called out some of the arrogance of many of the principals of those institutions. We need to get beyond that and we must work with them because the universities are an important part of our economic life in Scotland, and they are important to the education of our younger people and people going back into education. They can

change lives in many ways, but they need to work with us. We must get to a stage where we make sure that such a situation cannot happen again. One person had too much power and that led to another couple of people coming with him. Such situations cannot be allowed to continue to happen.

16:59

Q Manivannan (Edinburgh and Lothians East) (Green): I thank Maggie Chapman for refusing to let this crisis slip from view.

A few years ago, before I was elected to this Parliament, I was a postgraduate teacher, union organiser and international student at the University of St Andrews. I taught there and I volunteered as an anti-casualisation officer with the University and College Union, and alongside colleagues I campaigned against insecure contracts and for an end to the normalisation of zero-hours employment in our universities. I was also completing my PhD at the time, with support from the Scottish Graduate School of Social Science. Yet, even with that support, there was a year of my doctorate where I, as an international student, paid £18,800 in tuition fees. That was at the lower end of the spectrum, and the domestic fee status amount would have been a fraction of that.

Amid that, I worked in casualised roles. During my second year at the university, I and other staff on short-term contracts were informed that there would be salary cuts which, to many of us, were direct existential threats. We did what people who are in that position do: we organised, approached our department and signed petitions. Until we made it public, there was limited to no response from our institution. Eventually, a provost got in touch and asked to meet us. When we told him that if we were not paid for the one hour a week of preparation time that we were given for lectures and workshops that we delivered to hundreds of students, it would affect teaching quality, he said, "That's okay. Teach worse." Eventually, the university gave way and allowed us to retain our paid prep time, but the next year, that time was reduced across all departments, with the university quoting standardisation.

All that happened while we heard rumours of our neighbour, the University of Dundee, making staff cuts. We heard stories that it allegedly released a list of redundancies in an encrypted document with a password that included the number of staff who would be made redundant. That is the broken model in which Scotland's universities are functioning, which Meghan Gallacher has rightly spoken about. I agree with her that it is not about international students and immigrant students and they should not have to bear the brunt or be exploited to balance the books and then be treated like vermin.

The same broken system has cut 700 posts in Dundee, with more than 100 at risk in Aberdeen, and the university rejects any attempts at public intervention whatsoever. The University of Edinburgh in my region continues to be complicit in investing in genocide, which Kate Nevens mentioned, while 350 staff have already left through voluntary severance schemes that are linked to a programme of £150 million in projected savings. I have heard about such savings all through my time at university and after it—no one knows the details of them.

At Edinburgh Napier University, staff have undertaken industrial action because of proposed redundancies and cuts. At Heriot-Watt University, staff have raised concerns about course closures and job losses. As Willie Rennie and many other members have said, those are not isolated events; they are the sign of a sector that is under profound stress.

During the industrial action at the University of St Andrews, I found some of the most meaningful university spaces that I have ever known and some of the most exceptional teaching that I have ever experienced outside classrooms during staff and student-organised teach-outs. We discussed the purpose of higher education, what casualisation means, what academic freedom means, and what universities owe the communities that sustain them. During the strikes, students were not treated as consumers; they were treated as participants in a shared intellectual exercise. Universities are communities. As many members have mentioned, communities are damaged when the people who sustain them are treated as costs that need to be reduced. Every redundancy means expertise lost.

Right before I was elected, I got through stage 1 of the application for an Economic and Social Research Council postdoctoral job. Later, I was informed that it had been shrunk to a mere nine-month post. That is a signal that early-career researchers might need to leave Scotland to build a better future, which is particularly true in the arts, humanities and social sciences. My research was possible because public institutions such as the universities that I was involved with invested in it. Today, many staff, including casualised doctoral researchers and postdoctoral scholars, face a far more uncertain future. Funding opportunities are narrowing and career pathways are becoming more and more precarious.

So, as Willie Rennie asked, what should we do now? First, when public money is given to universities, a university recovery plan needs to be underwritten. There must be transparent and

independent oversight of any funding that is given. Michael Marra noted that this is a funding story, but the public record shows that the University of Dundee was not starved of money; we know that the Scottish Funding Council gave it £22 million and then it got a further £40 million, taking the total emergency support to more than £60 million. That is not a cut; it is one of the largest bailouts that any Scottish institution has ever been provided with, but failures in financial monitoring that were repeated at multiple levels of leadership caused the crisis.

At the end of the day, I believe that we need specific protection for our universities, not only because of the broken funding model that we keep citing as a spectre in our past but knowing that international students are the backbone of that economy. There is a broken immigration system with a lack of transparent leadership. Universities cannot continue functioning as if they are consumer models—they are communities and we must treat them as such.

17:04

The Minister for Innovation, Technology and Tertiary Education (Ben Macpherson): As this is my first opportunity to speak in the chamber since the election, I put on record how proud and grateful I was to represent Edinburgh Northern and Leith for 10 years and how grateful I am to have been re-elected to represent Edinburgh North Eastern and Leith, which has a strong history of standing up for working people and social justice, which are relevant to the debate.

I also pay tribute to Maggie Chapman, not just for bringing this important issue to the chamber today but for all that she has done over many years to champion the issues in the sector and for being a fair and proactive parliamentarian in this space. I look forward to working with her and colleagues on these really important issues.

There have been some meaningful contributions from across the chamber. I will not be able to reply to all the points that have been made, but I will try to. I say to colleagues that what they have said in today's debate has been heard and that not only is my door open but my mind is open to working with them on the issues that we face now, and on other issues—the challenges that are the subject of today's debate will be some of the most pertinent and difficult that, collectively, we will need to wrestle with in this parliamentary session.

As others have rightly emphasised, this is an anxious and unsettling time for many across the university sector in all 19 of our institutions. I recognise that and I understand those concerns. Since being reappointed as minister with responsibility for tertiary education, I have welcomed the opportunity to meet again our national trade union bodies, Universities Scotland and principals, and to listen to their concerns, particularly the concerns of staff. I look forward to continuing that engagement during my tenure.

There is no question but that universities across the United Kingdom and, indeed, more widely, are experiencing financial challenges for a range of reasons and, as a consequence, are having to consider the costs that are before them. In addition to the universities here in Scotland cited by members, cost reduction measures have also been announced at institutions including Ulster University, the University of South Wales, the University of Sussex and the University of Nottingham, in recent weeks, and, in recent days, the University of Sheffield.

Universities are responding to a range of factors, including Brexit, high energy costs, inflationary pressures, the UK Government's increase in national insurance contributions and the UK Government's hostile environment policies, which are affecting student numbers. Those policies include those set out in the immigration white paper and the major changes to the UK Government's international visa compliance regime that have come into force this month, which are already causing difficulty and will confront us further as we go into the autumn.

Maggie Chapman: I hear what the minister says about the wider financial constraints that the sector is facing. If universities decide that job cuts are the answer—I do not believe that they should be—surely the Government would expect them to do the appropriate assessments on the impacts of those cuts. However, I am hearing from staff at the University of Dundee and the University of Aberdeen that there has been no stress risk assessment or suicide risk assessment, and that staff have been put into discriminatory and non-voluntary redundancy pools. Does the minister agree that that is not how our sector should be operating? Will he outline what he is going to do about it?

Ben Macpherson: I thank Maggie Chapman for those additional points, on top of what she said in her opening remarks. I am aware that she has written directly to the Government on many of the points that she has raised. I advise her that there will be a written response from the Government to her letter—that is the most appropriate way in which to respond in detail to the substance of those important issues.

As I was saying, the pressures are wide and complex. Those factors have been set out in our parliamentary committees, as members such as George Adam and Willie Rennie have referenced, and in the House of Commons Education

Committee's recent report on the financial crisis faced by English higher education providers. In that context, we in the Scottish Government know that we need to take action to support our universities and help to ensure that they are financially sustainable in the medium and long term.

Ministers have listened closely to the sector in the development of this year's budget, which is why we are investing £1.4 billion in the sector. That is a combined increase of more than £55 million in resource and capital funding via the Scottish Funding Council, which is equivalent to a 5 per cent uplift on last year's budget.

Every university has been allocated a combined increase in teaching, research and innovation grant funding of at least 3.2 per cent for this academic year. Of course, we saw an increase of 10 per cent in the budget for our college sector as well.

Meghan Gallacher: I visited Forth Valley College recently and I have seen the spreadsheets and the figures. It does not appear to be an increase—it looks more like flat cash.

Can the minister give me more information on that?

Ben Macpherson: That is not my understanding. Since my appointment in September, I have engaged extensively with Forth Valley College and I have a good working relationship with both the principal and the chair. We are working together proactively to seek solutions around the future of Alloa campus and more widely. Indeed, last week, I attended the college sector conference that Colleges Scotland organised, and we had a great discussion in the room about how we are working together. I appreciate that colleges, which are very important to me, are a pressing issue, but this is a debate on universities, so I will use my time to respond to the points being made on that issue.

The budget settlement demonstrates our strong commitment to free tuition and widening access for those from the most deprived backgrounds. We have seen positive improvement there. Indeed, figures released today show the stark difference between the loans debt accrued by Scottish students and that of students in the rest of the UK. That investment makes a difference for the majority of young people who are studying.

We have also committed strongly, both socially and economically, to the contribution of our universities in teaching and research, not just in technical skills but in the necessity for critical thinking. As a philosophy graduate, I very much appreciate the importance of preserving investment in our humanities as well as skilling for our economic needs in order to meet our full potential. Universities are engines for unlocking collective and individual potential and opportunities, and they should not be underestimated in that regard. This gets to something that is important to consider—

Q Manivannan: [*Made a request to intervene*.]

Ben Macpherson: Do I get the time back in this debate as well?

The Deputy Presiding Officer (Clare Adamson): You can get the time back, minister.

Ben Macpherson: I will take the intervention.

Q Manivannan: A year ago, 632 job losses were not acceptable. If we admit that staff are the bedrock of all the topics that we are talking about, why are 900 job losses at Dundee now okay? Will the minister agree that that must not be treated as a precedent, and that there is now an incredible crisis that one must urgently address?

Ben Macpherson: No Scottish Government minister has been anything but concerned about the situation in Dundee in recent days and years. If colleagues show a little patience, I will get to those issues shortly in my remarks.

I have been determined since September that we do all that we can to get ahead of this challenge. Dundee is a bit of an outlier, but colleagues have been right to emphasise that there are challenges across the sector. Willie Rennie, Iris Duane, Meghan Gallacher, Heather Anderson and other members talked about the need to think ahead and ensure that we sustain our sector, invest in it and future proof it. That is exactly what the framework, which Willie Rennie was right to emphasise, is all about. It is a collective endeavour to ensure that we are considering what bold and strategic decisions and proactive steps we need to take to ensure that our world-class universities are successful and sustainable for coming decades. The review will report at the end of the year.

In 2027, as a Parliament, in the budget process that lies ahead, we will need to think collectively and come to decisions together about how we support this vital sector during a period in which there are complex student needs, rising costs, increasing global competition, shifting demographics, fast-paced changes in technology, and uncertain global markets and conditions. We need to consider all of that and ensure that we are not complacent. I am grateful for the insight and ideas that have been provided so far by student and staff representatives, as well as experts in the steering group. That is all good work that is ongoing in the future framework for the sustainability and success of Scotland's universities. I reach across the chamber for

collaboration in that work, as we had in the previous Parliament, and I look forward to engaging with colleagues on that.

As many members have mentioned, the Government is very clear that universities cannot meet the challenges that are in front of us right now unless decisions are made in consultation with staff and students. Although our 19 universities are, rightly, autonomous and responsible for their own operational decisions, the Scottish Government fully expects meaningful engagement as cost-reduction measures are considered and progressed.

Universities must make every effort to protect jobs and consider compulsory redundancies only as a last resort, after all other cost-reduction measures have been fully explored. In my recent discussions with trade unions, I heard examples in which agreements were reached with university employers to end disputes through positive engagement. We want more of that, and I expect other universities to continue to work with their recognised trade unions in the same spirit.

Although employment law is reserved, we as a Government will continue to do what we can to ensure that workers are treated fairly and that their voices are heard. Fair work principles should be at the forefront of universities' decision making, and the Scottish Funding Council will continue to monitor the implementation of fair work principles as part of its outcome framework and assurance model, taking action to support compliance where necessary. Because of the legislation that we passed in the early part of the year, from April 2027, universities will be expected to adopt all fair work criteria, and the SFC will look to include them as a condition of grant—an announcement that trade unions and I have spoken about in recent weeks. They welcome that, and we will continue to work together on it.

Maggie Chapman: I thank the minister for taking an intervention—he has been generous with his time. Although universities are already obliged to comply with two elements of the fair work agenda, it is clear that that is not happening and that that has no consequences. Either the Scottish Government or the Scottish Funding Council needs to take action. I still have not heard what action the Scottish Government or the Scottish Funding Council plans to take, even though there have been proven failures to abide by the fair work principles, which universities are contractually obliged to do.

Ben Macpherson: Ministers, including me, and the SFC regularly engage on that matter. I also encourage the member to seek their own engagement with the SFC. I give a commitment to the Parliament and to the member in particular, as they have raised the question, to continue dialogue with the SFC about ensuring that we see proper implementation of the conditions, whether under the Higher Education Governance (Scotland) Act 2016 or the Tertiary Education and Training (Funding and Governance) (Scotland) Act 2026.

I am conscious that I need to touch on the situation at Dundee before we conclude, so I ask the member to allow me to continue.

Like many others, I was concerned about the University of Dundee's announcement of further job cuts, which undoubtedly and understandably are deeply upsetting to staff, whose voices, along with those of campus unions, must be central to any decisions about the future of the institution. I reiterated that to the principal in writing and to the SFC in a meeting last week.

The Cabinet Secretary for Education, Culture and Gaelic met the principal of the University of Dundee on 16 June to request that the university's leadership pause the consultation process on staff reductions to give ministers reasonable time to consider the SFC's evidence regarding compliance with conditions of funding. Evidently—and disappointingly—the university did not agree to that and pressed ahead with Tuesday's announcement.

Although the Scottish Government absolutely recognises the autonomy of the university, ministers must also be assured that the university has complied with the SFC's conditions of funding. The education secretary, other ministers and I have engaged with the SFC in recent days, and we will consider the detail of the SFC's evidence. I also refer to what the First Minister said in the chamber on Tuesday at back-bench members' First Minister's question time. The SFC will continue to monitor the university's compliance with its conditions of funding through to July 2027. That includes meaningful engagement with staff and students and adherence to the fair work principles.

The Deputy Presiding Officer (Clare Adamson): Minister, you must come to a conclusion now.

Ben Macpherson: Implementing the Tertiary Education and Training (Funding and Governance) (Scotland) Act 2026 and addressing the other immediate issues before us are important measures, along with the framework, on which I look forward to engaging with colleagues.

I have sought to reassure members on the points that they raised and to understand the real challenges that universities face, many of which are also being experienced across the UK.

As I set out, we will continue to take action to ensure that our world-class universities deliver outstanding teaching, research and innovation and meet the needs of learners, the economy and society. I look forward to engaging with colleagues. I appreciate that I have not been able to address every point, but let us keep up the engagement. It is a collective challenge. I look forward to working across the chamber and with universities, staff and students on our shared ambition to ensure that our world-class university sector continues to thrive.

Meeting closed at 17:20.

Correction

Hannah Mary Goodlad has identified an error in her contribution and provided the following correction.

The Minister for Public Finance (Hannah Mary Goodlad):

At col 43, paragraph 3—

Original text—

Let us dig into the economics a little more. In the past decade, Scotland's gross domestic product has grown by 10 per cent, whereas the rest of the UK's GDP has grown by 8 per cent.

Corrected text—

Let us dig into the economics a little more. Since 2007, Scotland's gross domestic product has grown by 10.2 per cent, whereas the rest of the UK's GDP has grown by 7.8 per cent.

Further corrected text—

Let us dig into the economics a little more. Since 2007, Scotland's gross domestic product per person has grown by 10.2 percent, whereas the rest of the UK's GDP per person has grown by 7.8 per cent.

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