

LOCAL GOVERNMENT COMMITTEE

Wednesday 27 October 1999
(*Morning*)

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CONTENTS

Wednesday 27 October 1999

	Col.
EVIDENCE.....	167
VISITS.....	184
RESEARCH.....	189
RATING REVALUATION	189
WORK PROGRAMME	191
ETHICAL STANDARDS BILL.....	191

LOCAL GOVERNMENT COMMITTEE

7th Meeting

CONVENER :

*Trish Godman (West Renfrew shire) (Lab)

COMMITTEE MEMBERS :

*Colin Campbell (West of Scotland) (SNP)
*Mr Kenneth Gibson (Glasgow) (SNP)
*Donald Gorrie (Central Scotland) (LD)
*Mr Keith Harding (Mid Scotland and Fife) (Con)
*Dr Sylvia Jackson (Stirling) (Lab)
*Johann Lamont (Glasgow Pollok) (Lab)
*Mr Michael McMahon (Hamilton North and Bellshill) (Lab)
*Bristow Muldoon (Livingston) (Lab)
*Mr Gil Paterson (Central Scotland) (SNP)
*Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD)

*attended

WITNESSES:

Ms Wendy Alexander (Minister for Communities)
Mr Frank McAveety (Deputy Minister for Local Government)

COMMITTEE CLERK:

Eugene Windsor

ASSISTANT CLERK

Craig Harper

Scottish Parliament

Local Government Committee

Wednesday 27 October 1999

(Morning)

[THE CONVENER opened the meeting at 10:02]

The Convener (Trish Godman): Good morning and welcome, colleagues. I welcome Wendy Alexander; it is good to see her here this morning. I also welcome Ted Davidson and David Middleton, who are becoming old friends of the committee—it is the third time that we have seen them here. It is good to have them back again.

I will briefly review our proceedings. Wendy will take a few minutes to address us and then I will open the meeting for questions. The normal procedure is that a member indicates a wish to speak. She or he gets one question and a short supplementary. If the supplementary wanders all over the place, the member will be pulled into line. This is usually quite a well-behaved committee, but we will see how members do this morning. They have had a break, so they might be back fighting fit.

We are scheduled to meet from 10 until 12, but the meeting might not take as long as that. The sooner we start, the sooner we will finish, so I should be grateful if Wendy could begin her address.

Evidence

The Minister for Communities (Ms Wendy Alexander): Thank you, Trish. Why do I have the feeling that we are not the centre of parliamentary action this morning? [*Laughter.*]

I will take a few moments to recap where the Executive is on the local government agenda. Frank McAveety wrote to you on 4 October, setting out the Executive's planned programme of action following the McIntosh commission's report. It might be helpful if I highlighted the main areas of on-going activity.

First, the leadership advisory panel, chaired by Alastair MacNish, has started its work. I set out its remit in a letter that I sent to council leaders, and I know that all committee members have seen it. The panel has had its first meeting. Perhaps more significantly, it has embarked on visits, so councils are beginning to develop a clear understanding of what the panel is setting out to achieve. There is plenty of positive feedback from that process. As you know, the panel's work is intended to continue until the end of 2000.

The second area of on-going activity is that of the renewing local democracy group. That name is something of a mouthful—the group is known colloquially as the Kerley group. It has started work; it has a particularly demanding remit and has been asked to work fast. We have asked it to aim for the end of February, but as I indicated in my letter to the convener yesterday, there is clear evidence that it might need slightly longer to produce a finished product.

In passing, I mention the leadership forum that took place in September. I was happy that the convener was there. We felt that it was an opportunity to meet leaders in a way that was different from the stage-managed and confrontational meetings of the past. Subsequently, at the end of September, we issued a consultation paper on the various aspects of McIntosh to which we did not respond immediately. We are looking for responses from the public by the end of November.

The convener has written to me about the time scale, asking whether the committee could be given more time. I sympathise with that, so I have written to her proposing that at the close of the consultation period, we should send the committee all the responses that we receive—with the exception of those where the author has requested confidentiality—so that it can take account of them in formulating its response. It is up to the committee to decide whether it wants to respond collectively, but we would welcome that if it were possible. The Executive is expected to produce a statement of its conclusions following the consultation period. That statement is likely to be in late January or early February. We would expect to receive the committee's deliberations by the Christmas recess, and would then need time to reflect on all the responses. I hope that that information will help the committee to schedule its activity over the coming weeks.

The other major event on the horizon is the ethics bill. We plan to publish a draft bill fairly shortly, with a view to formal introduction in the new year. We are anxious that the committee should play a part in pre-legislative scrutiny at that draft stage. We look forward to working with it on that.

I have tried to set out what we are doing as extensively as possible. I am particularly interested to know how the committee sees its own work programme shaping up and how it sees that relating to the Executive's work. Frank McAveety has embarked on a trip visiting all the councils in Scotland—he is about halfway through. The response from councils is that they would like a pause to reflect on their submissions to the McIntosh consultation and to think through the implications of the leadership advisory panel. They

have also said that they would like the opportunity to consider their submissions to Kerley, given the width of his remit, which takes in remuneration and numbers of councillors, as well as electoral systems.

I am trying to accommodate that pause, and I would like today not to go further than the consultation documents. I want to convey the genuine impression that this is a consultation period and that the time for drawing things to a conclusion is in the new year. I should be happy to hear the committee's views on how we work together to examine the responses to the consultation. I know that the committee is examining many of the same issues on the same time scale and that there is a danger of duplication.

I am anxious to explore the scrutiny role of the committee, with which I am completely comfortable. We need to be alert to the way in which we scrutinise legislation and reconcile that with a desire to work in parallel with the Executive. We are in new territory. I am happy to come back to the committee in the new year, once we have the responses to the consultation.

The Convener: In your letter, you said that the committee had both a scrutiny function to perform and a partnership role. We recognise that. We appreciate that our role will not always be straightforward, and I ask this question for the sake of clarification—if I do not ask it, other members will.

Does the Executive have a procedure for issues going to Parliament? The Cubie committee is an example, although I am sorry to have to bring it up. We are all engaged in a learning process—you are learning to do your job as we are learning to do ours. No one in the committee is clear whether the Executive will enable discussions, not about the membership of the independent committees, but about the remit of the committees. Does the Executive have criteria for that? It is a general question and is not specific to the committee.

Ms Alexander: There are three circumstances of appointments that we are in danger of confusing.

The first circumstance is Executive appointments to quangos. Such appointments are dealt with by a commissioner. I know that this area is of interest to members; there have been discussions about the possibility of different forms of scrutiny of the process. The procedure for appointments will remain until the Parliament decides to change it. I think that that will happen in the period ahead.

There is a group of ad hoc advisory committees, which includes the local government advisory panel and the Kerley committee. There is no hard-

and-fast rule about how the Executive makes appointments to advisory committees.

I do not want to make this a matter of principle. I checked the dates and I see that Trish was appointed convener of the committee on 30 June. That was subsequent to my taking a paper to the Cabinet to examine the composition of the Kerley committee, having consulted all the political parties, before an announcement was made on 2 July.

On coalition issues, we are driven by the partnership statement, which said that there would be immediate progress on electoral reform and the recommendations of McIntosh. That led to the announcement of the Kerley group.

On 2 July, we announced that we would move ahead with the establishment of a leadership forum at the beginning of September. In August, while the Parliament was in recess, we announced the composition of that forum, to enable Alastair MacNish to lead the session at the leadership forum on the work of the leadership advisory panel. We did that because McIntosh had included in his document an obligation that councils should commit themselves to working out a new structure by 1 January 2000. We had to make the appointment in the recess to allow Alastair MacNish time to talk to all the council leaders and to give them 16 weeks—only two or three committee cycles—to discuss the situation with their groups.

10:15

On the second circumstance—Executive appointments to informal advice groups—there is no generic guidance for the Executive; the formal position is that the Executive makes such appointments. Informal discussions took place with the committee, and had those events not taken place during the recess, perhaps they would have been handled differently.

The Cubie committee is an example of the third circumstance of appointments. As everyone knows, considerable space and time are devoted to student funding in the partnership document. However, the document gives a specific commitment that the committee's terms of reference, time scales and membership should be submitted for approval by the Parliament as a whole, so that the Parliament would feel some ownership of the Cubie committee's deliberations. When I got home at 11.05 pm last night and watched "Newsnight", I heard Andrew Cubie fulfilling exactly that role when he said that his job was to come up with, and consider, a range of options. The Cubie committee was a special case. Is that helpful?

The Convener: Thank you for answering the

questions, Wendy. As far as I am concerned, the matter has been clarified. Wendy is here for some time this morning, and I would not want the committee to spend that time pursuing the issue further. If members want to pursue the issue by another method, they are free to do so.

The meeting is now open for questions. Donald, you have your hand up.

Donald Gorrie (Central Scotland) (LD): Not unexpectedly. As everyone else in the world—except the Executive—who is at all interested in Scottish local government is in favour of an independent review of local government finance, would not it be reasonable for the Executive to give way on the issue? If it did so, the Executive would not lose any of its short or middle-term activities, most of which we support. Any long-range review would take a couple of years to reach a conclusion, and any major change—for example, to a local income tax or energy or land tax—would take several years, so we are looking years and years ahead. I cannot understand your—I mean that collectively, not personally—thrawn attitude.

Ms Alexander: May I take the opportunity to clarify another important point? The McIntosh commission recommended an independent commission on finance. Therefore, it would have been inappropriate for me not to state the Executive's position on that in the opening debate. I had taken the issue and my statement to the Cabinet, and it was agreed that I should clarify our position. That clarification would include the variety of independent ways in which we thought that elements of the review could be progressed other than in the form conceived of by McIntosh. That has indeed happened. It is true that when I make speeches on local government, or when Frank McAveety visits councils, if we are invited to state the Executive's position and explain the various reviews that are under way, we do so.

I regard the committee as being slightly different, because members scrutinise the Executive. It would therefore be inappropriate for me to answer on part of another Executive minister's portfolio; I conveyed that to the clerk in advance of the meeting. My position acknowledges that the committee's role is not simply to hear me make a speech on the Executive's position, but to scrutinise the Executive. Jack McConnell has testified to the committee on matters regarding local government finance, and we would get into a dangerous position if I tried to answer on a point that is the portfolio responsibility of a colleague whom I know to be very willing to testify in his own right. The Executive, collectively, is anxious to avoid Executive ministers testifying on the portfolio of other ministers.

The Convener: Do you have a supplementary

question, Donald?

Donald Gorrie: It might fall under the same umbrella. Would you personally—or, to the best of your knowledge, would the Executive collectively—take a dim view if the committee, either on its own or together with the Convention of Scottish Local Authorities, set up some form of review? Would the Executive co-operate with such a review?

Ms Alexander: That is a question for Jack McConnell to answer. Nevertheless, I shall give a collective answer. It comes back to respective roles and the fact that we are all still feeling our way. It is not the place for the Executive to dictate the work programme, in any shape or form. Should the committee decide that it wants to run a PR review independently of, or in parallel with, Kerley—and I imagine that there are aspects of finance that we are reviewing, both the traditional and the modernising elements, that you want to scrutinise—that is a matter for the committee, not the Executive.

Mr Michael McMahon (Hamilton North and Bellshill) (Lab): I do not want to trespass on areas that are the concern of other committees, and I hope that you do not mind if I take housing as an example for the point that I want to make. What strategic role do you envisage that local government can play in the partnerships that it is developing with the private sector? In housing partnerships, for example, local government can govern a whole area within which housing associations can be many and varied. Will local government be given the strategic role in the planning and development of housing, and in other areas?

Ms Alexander: That is a fair question. It would be wrong to suggest that there is not a fuzzy boundary between committee responsibilities. Also, as a minister, I have responsibility for housing.

As members will know, we have published a summary of the responses to the green paper on housing. There was widespread support in those responses for a full recognition of the strategic role that local government can play in housing. The specific issue on which the consultation responses crystallised is whether, when a council divests its landlord role, it should be able to take a much wider-ranging strategic role, which would cover the financing of other housing partners in that area. The responses to the consultation also express a difference in view on how strategic that role can be when local government continues to be a provider in its own right, and a landlord, and therefore in competition for resources in that area.

To resolve that, a series of meetings is taking place with housing interests. One of the

overwhelmingly positive responses to the green paper was the suggestion that there should be a Scottish housing advisory interest group. We have an embryonic group that meets approximately once a month, which aims to take a statement to Parliament before the Christmas recess, which will set out the Executive's general view on a range of housing issues, including the future strategic role for local government in housing. The aim is to roll out further, more detailed, policy procedures in January or February, and to publish a housing bill next May.

Dr Sylvia Jackson (Stirling) (Lab): The feedback that I have received from Stirling Council, about the leadership forum, has been extremely positive and constructive. Frank has also had feedback on that. The fact that you gave up so much time, and that listening was involved as well as presentations, was appreciated.

My question follows Michael's and concerns the strategic role of local authorities. I want to ask about the work that is being done in Stirling on community planning. Will you say something about the reports from the pathfinder groups, and will you tell us what you think are some of the issues, as the initiative is spreading out to some of the other local authority areas? The initiative is obviously critical to strategic policy at local authority level.

Ms Alexander: That is a fair question. We are trying to create a permissive climate for community planning, because we do not want such planning to take the same form in every area. What emerged from the five pathfinder councils' presentation at a seminar in March before the Scottish Parliament elections was that what was right for one area was not necessarily right for another. As a result, we are working with COSLA to develop guidance and support for all councils that is not overly prescriptive.

One of the complex issues is the interrelationship between the genuine commitment to community planning—the process by which councils promote the well-being of their communities and we promote joined-up government—and the need to resolve the on-going debate over general competence. We have talked to COSLA about creating a community planning framework. However, at the moment, we are encouraging every authority to establish its own community planning framework that allows the authority to talk effectively to other partners in the area and at the same time allows the authority to play its leadership role as the other democratically elected tier of governance in Scotland.

Dr Jackson: Has the work that has been undertaken so far raised any good points concerning a more holistic approach that brings

together the public, private and voluntary sectors?

Ms Alexander: You are right to point to the potential for structural barriers. Earlier this week, I said that we would invite all the local government leaders to identify structural barriers that stop them getting their job done. I cited examples such as the provision of breakfast clubs and other aspects of the social inclusion agenda where they felt that they could contribute. We have now sent out that invitation.

Johann Lamont (Glasgow Pollok) (Lab): I want to raise an issue with which we have wrestled, about the relationship involving the Scottish Parliament, this committee, the Executive and local government. One of the difficulties with the establishment of the Scottish Parliament is that power might be sucked up from a local to national level. It is ironic that, as we scrutinise local government and take into account the views of the Scottish Executive and the McIntosh commission, the people who are delivering at local level work in local councils, and much of the work that comes to us as constituency MSPs is about local services. How can we allay some local authorities' fears about our scrutiny role—with the introduction of the advisory panel and with visits from this committee and various other groups—and tell them that it does not mean that we are necessarily sitting in judgment of them, but that we are working with them to deliver the most effective services?

Furthermore, on the advisory panel and the issue of evaluation, how will you deal with a local council that receives advice, but which does not necessarily want to take that advice on board?

10:30

Ms Alexander: I will take those two questions together, as I think the point raised in the latter illustrates the problem of not having in place the relationship raised in the former.

I reviewed the McIntosh recommendations yesterday. It seems to me that the first two—on the joint agreement, or covenant, between the Parliament and the councils and on the joint standing conference—are among the most genuinely thorny, and I look to the committee to take a lead on those two areas. We would have a headless wonder if we responded to the detailed specifics of McIntosh that we have put into the consultation paper without trying to resolve the big issues of constitutional structures. The recommendations were made in the spirit of the convention—they are an invitation to create a relationship between the Parliament and local government in which the Executive does not feature.

Frank McAveety and I will have a view on

whether, should we go ahead and set up a joint conference, it might be better to have the Executive at the table, as that would allow for a tripartite dialogue. However, such action is further down the road. The committee should form a view first as to how to structure that relationship. I realise that that is not easy. We are still driven by the Westminster system—we have select committees that have scrutiny elements to them. Members scrutinise in forums such as this, which does not allow for a round-table discussion. People from the Convention of Scottish Local Authorities are still questioning the essential character of the covenant and the joint conference. I would be anxious to be part of those deliberations at a much later stage, when they begin to take shape.

I have been circumspect about discussing the backstop position in circumstances where the leadership advisory panel might feel that one of the 32 councils has not engaged with the challenge of developing structures that are right for the 21st century. I am anxious to stress that not living up to that challenge means that the council would not have met the essential criteria of transparency and effectiveness in decision making. We are trying to avoid being overly dogmatic. It would be very sad if we decided on an ultimate backstop position in the absence of knowing how either the covenant or the joint conference will look—although I do not see that situation arising.

That raises a wider issue—where are we going with this debate? We are considering the introduction of some form of generic local government bill at some stage in this Parliament. From my point of view, whether we push hard for such a bill in the next session is an open question. I believe that a backlog of legislation will build up and, with the establishment of the covenant and the joint conference, members might want a much longer pre-legislative scrutiny period and, therefore, might prefer the introduction of legislation at a later stage. The obvious way in which to impose a backstop on the leadership advisory panel would be to enshrine a power of intervention in that legislation, but that raises the question of the stage at which that legislation will materialise. That is a terribly winding answer, but there we are.

Johann Lamont: How will local councils take ownership of the leadership advisory panel? How will we get away from the perception that it will be like a travelling fair, with someone sitting in judgment saying that one council deserves 9 out of 10 and that another will get 10? How can we get across the strong message that we want to implement the panel by working with councils?

I welcome what you said about the forum—that

is a good way to take things forward. Is there an opportunity, through that body, to acknowledge the difficulties that have been imposed on local government, for example by reorganisation? Perhaps you cannot comment specifically on finance, but there are more than financial implications to the reorganisation of councils. Councils were reorganised for political reasons, and not necessarily in ways that made most sense for delivering services. Should we explore how to support councils in dealing with that? I am thinking about Glasgow, but there are difficulties elsewhere.

Ms Alexander: It is undoubtedly true that there is concern about the number of initiatives.

We are asking all councils to do three ambitious things—they are the same things with which people here are wrestling. What should the electoral system be? How should people be elected? How should they be remunerated? We are asking councils to think about structures that are right for the 21st century for their circumstances and—while they are at it—to respond on the various outstanding aspects of McIntosh and to conduct best value service reviews.

With the best will in the world, that is an incredibly ambitious agenda. We have a responsibility to minimise bureaucracy and help people to be truly strategic. There were concerns that, although best value reviews were not meant to be bureaucratic exercises, they tended to become so on occasion. We have acted to reduce some of the burdens. For example, we have introduced a unified set of performance indicators for next year and we have set up a joint scrutiny forum to ensure that the various inspectorates in local government do not duplicate each other's work. We must keep the best value regime simple and make it an exercise that allows people to stand back from the daily grind and does not drag them into it.

The candid answer is that there is a legitimate concern, to which we are alert. We can act and have begun to act to ensure that the best value process is about improving the delivery of services and does not impose additional bureaucracy, either for the Executive or in the way chief executive departments carry out the exercise.

I hope that that deals with the question about ownership. The process is elevated above an exercise with the unfortunate connotations of the contract specification culture that was so familiar under compulsory competitive tendering and did not have a sense of local ownership.

Bristow Muldoon (Livingston) (Lab): I want to return to diversity in local government. Different local authorities have a wide range of problems

and ways to tackle them. How comfortable is the Executive with local authorities finding their own solutions to problems? An example is the diversity of views on housing, which you recognised.

Ms Alexander: The question about recognising diversity brings us back to what the character of the commission and the joint standing committee will be. One reason the leadership forum worked so well was that it had one person from each council, so the fact that council obligations in Orkney and Shetland differ wildly from those in Glasgow and Edinburgh could not be ignored. COSLA perhaps does not capture that diversity as fully. The issue of diversity raises interesting questions about the structure of the Parliament's relationship with local government.

On the question of individual solutions, I think that we are trying to create a much more permissive regime, although that is not easy. Scotland now has two directly elected tiers of government besides Westminster and the European Parliament. For the first time in hundreds of years, that creates a dialogue between two sets of politicians. Too often in the past 20 years, local government's elected politicians had to talk to Scottish Office civil servants because ministers were spending three days a week in London, one day in their constituencies and only one day in Scotland.

The dialogue can become more political—not in a party political sense but in a real and meaningful sense—and less administrative. That will create the opportunity for leadership. Some will succeed and some will fail, but we are not seeking the sort of universal administrative solutions that were forced upon us in the past by political circumstances.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I want to ask about decentralisation. The reorganisation of local government was painful in many different ways. In remote areas, it was felt that aggregating authorities led to a loss of local control. By way of a sop, the previous Government said, "There shall be a scheme of decentralisation." What proposals do you have to review the decentralisation scheme that had to be submitted to the then Secretary of State for Scotland? Has the Executive given any thought, without prejudging the issue, to whether adopting a new voting method might impinge on decentralisation?

The Convener: That was two questions.

Mr Stone: I am sorry. Strike out one of them.

Ms Alexander: Let me answer both of them. As you know, decentralisation, active citizenship, engaging people directly and bolstering the representative role of councillors were central to the McIntosh recommendations. I hope that, when

people respond to the consultation paper, they will take the opportunity to mention those things. In my statement on 2 July, I observed that community councils are not the only way of listening to what is going on in communities. A plethora of organisations is offering a huge range of opportunities and we are looking for creative submissions on how people can engage with the political process at local level.

I am committed to the potential of information technology to allow both greater participation at local level and decentralisation of service delivery in the creation of one-stop shops. There is a whole agenda concerned with access to participation. Much is happening and more can still be done.

In answer to the second question, the Executive has no thoughts on the implications of a new voting system, in so far as we have left that for Kerley to consider as part of his remit.

Mr Keith Harding (Mid Scotland and Fife) (Con): According to reports in the press two or three weeks ago, the Executive has decided to extend the life of councils, possibly to a four-year cycle. If that is the case, do you intend to hold the elections on the same day as parliamentary elections? If we go down the route of proportional representation, which, according to the press, is now a less favoured option, would you expect the new system to be introduced in time for the next local elections?

Ms Alexander: The Executive has made no decisions of any kind on that matter. We set up the Kerley committee in good faith and we await its deliberations. What was your other question?

Mr Harding: If we go down the route of PR—

Ms Alexander: Oh, yes. There is a variety of views on the timing of elections and the matter is explored widely in the consultation document. As members can see from the table on page 17 of the Executive's response to McIntosh, the matter that gives us concern is that, with a certain phasing of general elections, there could be annual elections in Scotland for 11 consecutive years from 2001. That raises the question of voter fatigue, never mind politician fatigue. There is, therefore, a need for a genuine debate. I look forward to receiving the committee's view, although it may be one of the issues on which it will be more difficult to reach consensus. No decisions have been made.

Mr Harding: Could some of the reforms be brought in in time for the next elections, which may be only two and a half years away?

Ms Alexander: One of the reasons for the tight time scale for Kerley was to allow us to meet the commitment to respond rapidly. In principle, we want progress, but I cannot offer guarantees in advance of Kerley's recommendations. However,

the commitment to speed is there and was reflected in the original setting of the date for the report in February. As I indicated in my letter to Trish Godman, it now seems impossible for every council to make considerations and submit by then, so there will be a slight slippage.

10:45

Mr Kenneth Gibson (Glasgow) (SNP): Twice on page 4 of its response to the McIntosh report the Executive says that part of the Kerley committee's remit will be to advise on the appropriate number of members for each council. The second time that is mentioned, it says the group will be

"taking into account . . . the impact of changes to the political management structures of councils".

Why would the internal management structures impact on the number of council members in a local authority?

Ms Alexander: A certain number of members is required if we want to move to a model where councils have an executive and a scrutiny role. There is a relationship between the two. The Kerley committee will consider such matters. We did not want to pursue them in a party political forum; we want to try to reach consensus on them. We have attempted to acknowledge the genuine link between the work of the leadership advisory panel and the parallel work that Kerley is doing. It seemed inappropriate to send Kerley off to do a programme of work without acknowledging that there would be a simultaneous debate about political structures and the fact that some councils may move to a model where there is an executive and back benchers. I am aware of a number of councils in Scotland that are doing that.

Mr Gibson: There is obvious concern among councillors that the entire exercise could lead to a significant reduction in the number of elected members. According to the Executive document, any improvement in the remuneration of councillors can be met only from existing resources, which may mean fewer councillors. While that may make management structures more effective, it could have an impact on the relationship between councillors and their electorate. Fewer councillors would have to serve larger electorates, which may make it more difficult for them to serve effectively. Might there be an increase in the number of elected members in some local authorities or is that, frankly, not on the agenda?

Ms Alexander: Concerns are misplaced. We have asked Kerley to consider the matter. The fact that we did not try to have a narrow review simply of electoral systems—in isolation from who would serve, how they would be remunerated and what

role they would perform—was widely welcomed by COSLA. Any attempt to second guess what Kerley will come up with is unhelpful. Given the tight time scales, the real challenge is to persuade everybody who has an interest in the debate to contribute to the Kerley review and to recognise in the submissions the quite complex interaction between any new electoral system and political management structures, the number of councillors and their remuneration.

There is no hidden agenda, however. Kerley was set up on an all-party basis, with a remit that we felt was broad enough to capture the complexity of the issues surrounding why people stand, why they serve, what circumstances they should be elected under and how they should be rewarded for their service.

Johann Lamont: I want to ask you a brief question about Kerley. Obviously, minister, you cannot comment on the findings until they emerge. The rest of the McIntosh report talks about the importance of engaging, the political process, renewing democracy and so on. What weight will be given to the ability of each electoral system to engage the electorate? What will be the impact of having different systems for European, Westminster, Scottish, local government and community council elections? Delivering proportionality is perhaps the best option, but we must recognise, particularly if local government and, say, Scottish parliamentary elections coincide, that differences between the systems might affect people's ability to participate.

Ms Alexander: I have tried to resist all attempts to shape or influence in any way what Kerley is doing. One of the strengths of the McIntosh report was that it was independent, developed in two phases over 18 months, I think. I believe that there were very few occasions during that process on which Neil McIntosh traipsed in to see the then Secretary of State for Scotland, subsequently the First Minister—because he wanted to maintain some distance.

The concern is wholly legitimate, but I felt that, having set the remit, the obligation of ministers was to stand back and not to try to steer the exercise. We identified proportionality and the ward-member link as key criteria and asked the committee to examine recommendations on an all-party basis and in that spirit.

You also raised the complexity of a proliferation of electoral systems, Johann. At the leadership forum, Mr Kerley made a presentation to me and everyone else, and one of the slides that he showed highlighted that very issue. In so far as I have seen him present that to all council leaders, I know that that issue is on the agenda. It is something that he is raising as he goes round the country.

Donald Gorrie: My perception—which may be entirely wrong—is that at UK and Scottish levels, the national Administration is, in a non-political sense, essentially anti local government. The national Administration is about the national Administration doing things that it thinks it does well; it has grave suspicions about local government, which it thinks is far less competent. There are sniffs of that in, for example, the Scottish Executive's response to McIntosh.

In four years' time, minister, do you think local government will have more or less power than it has now? Would you like to comment on your attitude to local government?

Ms Alexander: I think that it is wholly misplaced to suggest that there is a hostile attitude towards local government in Scotland. McIntosh was widely regarded as an agenda for local government for which many people had campaigned for more than 20 years. It was widely welcomed, and we overwhelmingly accepted its recommendations or put them into consultation. It is an enormous step forward on the democratic agenda, which local government has been advancing for 20 years.

The evidence refutes Donald Gorrie's essential premise that the Administration is hostile to local government. The very first debate the Parliament had was on the nature of its relationship with local government. At that time, we were asked to accept 30 recommendations. We accepted the overwhelming majority, or asked for further consultation with local government or with the Local Government Committee before seeking resolutions. I therefore do not accept the central premise of Donald's point.

The answer to whether local government will have more or fewer powers is probably more in some areas and fewer in others. I do not know that those will be drawn by statute. I will explain what I mean. We do not live in a static world. I would be failing in my duty as a minister if I changed nothing about how we attack poverty in some of the most deprived estates in Scotland. Therefore, the balance of responsibilities changes in what I do.

I can cite two areas in which local government will have a massively expanded role. Too often, we refer to new burdens, but new burdens can also be described as an expanded role. At the moment, there is a consultation paper about transferring to local government resources that are currently held by the Department of Social Security to help care leavers establish themselves in supported accommodation and jobs. That, by any criteria, is central Government moving resources to local government. I hope that it will allow local government to become the personal adviser to everyone leaving care, to ensure that they do not fall through the cracks, as happens at

the moment.

We are now under an obligation to provide child care across Scotland. Local government has a hugely expanded responsibility in that area—not as the sole provider, but as the lead provider of care. There is nothing inevitable about that—further and higher education, by contrast, are provided by others.

There are many areas in which local government will play an expanded role in the new Scotland. The boundaries will not necessarily be enshrined in statute. One of my firm convictions—my attitude to local government proves this—is that the new Scotland is not just about making laws; it is more about how we do things. This afternoon, we will debate domestic violence and discuss how we support work against violence against women. That requires not a change in the law, but a fundamental change in the way in which we do things.

The fears are misplaced on two counts. First, because we were asked to accept the McIntosh report, which represents a huge democratic advance. We have done that. The benchmark has been set. Secondly, the fears are misplaced because of the way in which, day to day, ministers make decisions—on care leavers and rough sleepers, for example. I think local government can be very optimistic about its future strategic role in housing.

Donald Gorrie: We will hold you to that.

The Convener: Surprisingly, there do not seem to be any more questions. In summing up, I want to make a couple of points. I would like to reiterate what Sylvia Jackson said. As yet, we have not gone out to councils, either as small groups or as a full committee, but those of us who meet councillors during our other business have received positive feedback about the leadership forum day. They did not all agree with what you were saying, minister, but they appreciated the fact that you and Frank McAveety spent so much time with them.

I am grateful to you for your comments, in answer to Johann Lamont's question, about the covenant and the joint conference. That is where things should start to gel.

I want to pick up on what Donald Gorrie said. Most of us around the table have been councillors, and it would be dishonest of us to say that we should not investigate local government, as changes are needed there. However, the committee must say that it is for local government, rather than against it; I think that we all agree on that. The Scottish Parliament must remember that local authorities, not us, deliver services, but we have the right to monitor what they are doing.

That, for me, is the essence of the McIntosh report. The committee has examined its recommendations. There has been some disagreement, but I am sure that we will be able to sort that out. I must return to what I said at the start; we know that our role is to scrutinise, but we want a role as partners, too, even though that is not straightforward.

On behalf of the committee, I thank the three of you for coming along. The two civil servants got off easily, I must say. Perhaps one day they will come by themselves so that we can put questions to them specifically. I also thank Frank—I hope that you were not taking copious notes.

The Deputy Minister for Local Government (Mr Frank McAveety): I am cultivating a gentler and softer image.

The Convener: We will take a five-minute comfort break.

10:59

Meeting suspended.

11:05

On resuming—

Visits

The Convener: Let us get back to business. The second item on the agenda is the programme of visits and consultation. Members have been issued with paper LG/99/7/1, which lists some core questions that Morag Brown from the Scottish Parliament information centre has drafted. The questions are based on discussions that we have had at previous meetings. We can amend them, if members so wish. The questions will be sent out to the councils before we visit them. Obviously, we can add to the list, once we have heard people's answers. In the meantime, is there anything in the draft that members would like changed? Kenny—sorry, I was going to call you Keith. I get confused because there are two people on the committee whose names start with a K.

Mr Gibson: I have a couple of minor points. In question 4, on proportional representation, should we not mention the three systems that McIntosh has suggested, so that we do not end up with 57 varieties of response? The McIntosh commission spent a great deal of time examining this issue and narrowed the options down to three. We should ask councils which of the systems they favour, rather than try to reinvent the wheel.

Mr McMahon: We should also ask them whether they would like to keep the status quo.

The Convener: Yes, we need to ask that question. Councils must justify why they want to keep the status quo, in the same way that they must justify their preference for other systems.

Mr Gibson: I have another query, regarding directly elected leaders. I know that Frank sees himself as the future Rudolf Giuliani of Glasgow, but we are flogging a dead horse here. There is no interest in the idea from local government in Scotland, so I do not understand why we are continuing to ask about it. Nobody that I have met from any political party gives a monkey's, apart from the minister.

The Convener: It will be easy enough for people to answer the question, then—they can just say no. We could build up a database that indicated that nobody, apart from Frank McAveety, wanted directly elected leaders.

Mr Harding: In spite of what Ken keeps saying, this was in our manifesto. There is a demand for directly elected leaders.

The Convener: There you are, see.

Mr Gibson: No one of importance wants them.

Mr Harding: There is a demand in two places. This is a very good question, because it may settle this matter once and for all.

Mr Gibson: Without opening Pandora's box, should we not ask councils what other issues they would like to raise?

The Convener: We could include that on the list of questions.

Donald Gorrie: I want to make more or less the same point. We need to ask councils what, in their view, are the key priorities and the main pressures. One of the important reasons for visiting people is to get different answers from different perspectives. There could be a standard question about what priorities we should have that could help them, or words to that effect.

Colin Campbell (West of Scotland) (SNP): I have no objection to any of the questions—it is the way in which we will get the answers. I have a terrible fear that some of the councils will simply produce two or three A4 sheets with answers and talk to that. The spirit of this inquiry should be that of a dialogue around these things, rather than putting councils in the way of having to do too much extra work. There will be a temptation amongst some to show off, or to produce big documents to back up their answers. We should make it clear that these are core discussion elements.

The Convener: When we send out the letter we will make that clear. You are right. We do not want pages and pages listing the great things that councils are doing.

Johann Lamont: It is important that, when the letter and questions go out to councils, we make it clear that they are not sitting an exam. We recognise that a lot of work has already been done and that if councils wish they can refer us to that.

My concern is that officials will answer the questions and that there will be no political engagement in the discussions. More important than the questions will be the tone of the accompanying letter. We referred earlier to the number of visits that councils have had from all sorts of groups. We need to talk about the dialogue that we are in the process of establishing, and the on-going nature of that. This is the first stage, where the most important thing is that we are meeting the councils.

The Convener: I will remember that.

Dr Sylvia Jackson: I want to make the same point about constructive dialogue. We should say that we are conscious of the time that councils are giving to various visits at the moment.

Mr Gil Paterson (Central Scotland) (SNP): I support that point. If we make visits when the clerk

is not available to accompany us, how do we report on that visit? Is the onus on the reporter to take shorthand notes, because I cannot do that? How do we cope with the spontaneous response that you want from elected members rather than officials?

Eugene Windsor (Committee Clerk): When we first discussed this, we talked about the reporters agreeing a common format for their findings. We do not envisage members doing shorthand notes, but they could perhaps produce some kind of report to present to the committee.

The Convener: There will always be at least three of us on a visit. If a member of staff is not present, the three of us who are there can get together and produce a report that will come back to the committee. Later in the meeting we will set aside a date for reporting back from meetings and visits. I take your point, but you would not want to write down everything anyway. You would need the salient points: the main issues that were discussed, any decisions that you reached and anything in particular that came up.

Mr Paterson: I write very slowly.

The Convener: He is trying to get out of being a reporter. I can see that.

Mr Paterson: Absolutely. [*Laughter.*] Get someone who can write fast to accompany me.

Bristow Muldoon: I know that we have agreed that what we are aiming for is a representative group of local authorities—big, small, urban, rural, etc. Is it appropriate for us to consider writing to the local authorities explaining what we are doing and possibly allowing them a chance to give us their written thoughts on these questions? We could explain that it will not be possible for us to visit every single local authority, but that would at least explain the process.

The Convener: We were going to do that anyway, but now it is on the record. That is a good point.

We will now consider the timetable for visits. Craig has an updated agenda paper with the dates.

Craig Harper (Assistant Committee Clerk): Given scheduling constraints, the fact that many of the committee's members served on more than one of these working groups, and the dates on which councils were available, this is what I have come up with. If we agree to the visit on Friday 5 November, which is the only date on which Glasgow City Council is available before Christmas, we will be able to visit nine councils. Dumfries and Galloway Council, Clackmannanshire Council and South Ayrshire Council could not fit in with the dates that were given before Christmas. We will have to

accommodate them at some later juncture.

11:15

The Convener: Do members have any questions or problems with that? Kenny wants to go somewhere else.

Mr Gibson: Yes. Well, no, but on Friday 12 November, I cannot go to Stirling, as I have scheduled a meeting with South Lanarkshire Council for that date. I will also have to attend a constituency meeting, which has taken four or five weeks to organise, on that day.

The Convener: We will have to consider that.

Craig Harper: One last issue to consider is travel. I spoke to the chief executive of Shetland Islands Council. To get up there and back, our visit would have to straddle the Thursday and the Friday. The committee would have to travel up at lunchtime on the Thursday. That is the only way. It is impossible to get up there and back in a day.

The Convener: Oh dear. What a shame. Who will go up there now?

Johann Lamont: Could we return on the Friday?

Craig Harper: You could return at lunchtime on the Friday.

The Convener: You could return on the Monday, if you are really keen. However, we would have to travel on the Thursday.

Mr McMahon: Do you envisage that these will be all-day visits, or are they expected to last only a couple of hours in the morning?

The Convener: I think that we are considering an all-day visit—or as much of the day as we can manage—given the questions that are going to be put and the fact that we will be addressing officials, councillors, people who are receiving the services and kids from schools. One of the things that I remember from Neil McIntosh's presentation was that, although such consultation takes a long time, it is worth while. There should be an informal element, too, even if it is just a conversation over a sandwich lunch, which would allow us to talk to a lot more people informally, rather than in a formal information-gathering session.

Eugene Windsor: I want to clarify what was said in our initial letter to councils. We asked for a timetable that would give committee members the opportunity to meet the chief executive, senior officers and senior members in the morning session. There would be a break for lunch, followed, in the afternoon, by a visit that would be based on the things in which committee members had expressed an interest. That is why we thought that an all-day session would be better; it is why

we opted for Fridays and Mondays, when there is no Parliament business.

Donald Gorrie: I am conducting some exchanges with my friend here, but we will let you know.

The Convener: That is all right. You can conduct exchanges if you want. That is not a problem.

Mr Paterson: If the meeting were to last all day, I would find that difficult to accommodate this Friday.

The Convener: Do you mean Friday 5 November?

Mr Paterson: Yes.

The Convener: Who could go to Glasgow? We decided that neither Johann nor Kenny, nor I, would go.

Mr Stone: That is not this Friday?

Mr Paterson: That is this Friday.

Mr Stone: It is a week on Friday.

The Convener: It is next Friday—a week on Friday.

Mr Paterson: No, it is 5 November.

The Convener: Which is not this Friday—it is next Friday.

Mr Paterson: It is a week on Friday.

The Convener: Three people could go, but nobody from the SNP would be there. How do members feel about that? Heartbroken, are you?

Mr Gibson: We have no axe to grind.

The Convener: Gil, if you cannot manage to attend that meeting, we will remove your name from that. It just gives you other guys more work.

Mr Paterson: As it is parliamentary business with which I will be occupied, I will seek to move it to another time, but I do not think that I will be able to do so.

The Convener: If you cannot do that, that is fine.

Mr Stone: Some Liberal Democrats think that I am half-SNP, so I will cover for Mr Paterson.

The Convener: My goodness.

Colin Campbell: That is your more intelligent half.

Mr Gibson: The question is, what is the other half?

Bristow Muldoon: To attend a meeting on 5 November poses a potential problem for me as well. I need to nip out to check my master diary in

my constituency office.

The Convener: Okay. Johann, I hope that you do not have a problem.

Johann Lamont: I have a slight problem with the Friday. Is it possible to set aside the time between Friday lunchtime and Saturday lunchtime, rather than between Thursday and Friday? There will be parliamentary business on Thursday.

The Convener: For the visit to Shetland?

Johann Lamont: Yes.

The Convener: That makes much more sense, because if something is going on in Parliament it may be difficult for that number of people to be away. We should make the visit from Friday lunchtime. Kenny, we will think about letting you go. How much is it worth? I am not supposed to say that. This is the wrong day to say that.

Johann Lamont: It is all right: no one is paying any attention.

The Convener: When Bristow returns we can clear up the matter of the Glasgow visit.

Dr Jackson: Can we have some information on where the council's offices are or where the meetings will take place?

The Convener: Yes, we will provide that information with the travel arrangements.

Research

The Convener: The next item on the agenda is research priorities. Eugene Windsor will speak on that matter.

Eugene Windsor: The paper that we have provided gives members information on the committee's research priorities. Members should be aware that we cannot place any more demands on the in-house research unit.

Rating Revaluation

The Convener: Eugene, do you wish to say anything about the rating revaluation inquiry? Has the Convention of Scottish Local Authorities replied to you on that matter?

Eugene Windsor: No, it has not. The short paper on the rating revaluation outlines how we propose to handle the inquiry. The objective is to get the issues out in the open, and it will then be for the committee to take a view on how it wishes to proceed.

Mr Paterson: I know that many small businesses in particular hold the view that the rates burden should be shifted from small businesses to larger ones, by taking into account the profit-making element. In the light of that, can

the Forum of Private Business be approached to give evidence?

Eugene Windsor: We have not approached it so far.

Mr Paterson: I see.

Eugene Windsor: The forum has been mentioned a number of times. If the committee wants to hear from the forum, we can arrange that. I suggest that there is not enough time at next week's meeting to do that, given that those who are attending need approximately 40 minutes to present their cases. If the committee wishes to include the forum, we could rejig the programme to include it, or we could arrange to hear from it at a later date.

Mr Gibson: I am meeting representatives of the forum for a couple of hours on the morning of the meeting, so they will be here. We should also hear the opposite perspective from the Scottish Retail Consortium, which represents larger enterprises in Scotland. In order to get the full picture, it would be appropriate to hear from larger businesses as well as smaller and medium ones.

The Convener: I acknowledge your points, but if we keep adding to the agenda, we will need to have two meetings.

Johann Lamont: Our investigation is a narrow one. We are not seeking the views of groups that hold entirely different opinions on changes to the business rate. If the issue is raised with regard to a particular area, for example, Glasgow, we may contact relevant groups, but that is not what our investigations are setting out to do. We have a narrow focus with regard to the groups that we are inviting along.

Donald Gorrie: The Federation of Small Businesses and the Forum of Private Business both have interesting but rival schemes for how to deliver lower rates for small businesses. They could both submit their information on paper. In many cases, the issues can be explained briskly on paper and there is no need for a long spiel.

I am signed on for their agenda but, in fairness, we should hear from bigger businesses that might be asked to pay more so that the smaller businesses could pay less. It will be fair to give them an opportunity to put their case.

The Convener: If you look at page 2, CBI Scotland will represent the larger businesses and it is coming. I will discuss this with the clerk. If we cannot adjust the timetable, we can ask for a short written submission. I am aware that there is little room in the programme up until Christmas, as we have visits and a bill that we must examine. Are members content to leave the issue with me and to let me discuss it with the clerks?

Members indicated agreement.

The Convener: Bristow, what has happened about the Glasgow visit?

Bristow Muldoon: I am free for the Glasgow visit.

The Convener: That is good.

Work Programme

The Convener: The next item on the agenda is Sylvia's famous map. Have you any comments to make about the map?

Dr Sylvia Jackson: I thought that it was excellent. I have already added one or two things after Wendy's remarks this morning. She gave some more timelines for the Executive response to McIntosh. She said that it is hoped that it will produce its response by January or February. We can add a few points, but it is excellent.

The Convener: It is a good idea, because it gives us a map of what is happening and gives a shape to what we should be doing.

Ethical Standards Bill

The Convener: On the ethical standards bill, it is a sort of white paper—I do not know what it is called in this Parliament. A draft will come to us, which we will examine and comment on. Our comments will go back to the Executive. The Executive may take on board all of what we say, some of what we say, or none of it. The second stage, is when we can amend it if, for example, the Executive has taken cognisance of some of what we have said but we are not happy with other aspects.

Eugene Windsor: I will clarify that slightly. When the draft is published, that is not one of the formal stages. The draft stage is for consultation with anyone who is interested and for pre-legislative scrutiny by this committee. It is then formally introduced in the chamber. That is stage 1, when there will be a debate. The second stage is the committee stage, stage 2, when the committee has the opportunity to scrutinise it line by line and accept amendments to it.

The Convener: My understanding is that the pre-legislative scrutiny will take place before Christmas.

Eugene Windsor: The plan is that the draft will be published within the next few weeks and that the bill will be formally introduced in the chamber early in the new year.

Johann Lamont: I confess total ignorance about how those matters work. At the stage when we examine the bill with an opportunity to amend it, will this committee have a formal discussion in

which we have to give notice of amendments beforehand and work our way through them, or is it more flexible than that? To what extent is it formally laid down that if a member wants to move an amendment, they must give notice so that everybody is aware of what will be discussed at the meeting?

Eugene Windsor: My understanding is that it is fairly formal and that amendments must be put down in writing.

The Convener: A conference was held on Monday on the remaking of Scotland's local democracy. I understand that Donald spoke at it. Can I suggest that we get the papers from that, that we put it on to the agenda for next time and that Donald says a few words then about how he felt about the conference?

Donald Gorrie: In my arrogant and busy way, I only attended my own session.

The Convener: You can tell us about your own session.

Donald Gorrie: I gave a highly entertaining address, but Morag Brown attended it all.

The Convener: You and Morag can do a double act.

Donald Gorrie: Wendy Alexander spoke in the morning.

The Convener: We can have some comments because we will get the papers. That is all the business that we have for today, except for one thing that I want to be recorded. Several members have told me that they think that the papers that we get for this committee are very good. I want to rubber-stamp that and thank the clerks and everybody else who produces those papers for us. I find them easy to read, and if I find them understandable and helpful, they must be. We thank the clerks for that.

Meeting closed at 11:31.

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