

LOCAL GOVERNMENT COMMITTEE

Tuesday 6 June 2000
(*Afternoon*)

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LOCAL GOVERNMENT COMMITTEE 19th Meeting 2000, Session 1

CONVENER

*Trish Godman (West Renfrew shire) (Lab)

DEPUTY CONVENER

*Johann Lamont (Glasgow Pollok) (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)

*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

CLERK TEAM LEADER

Eugene Windsor

SENIOR ASSISTANT CLERK

Irene Fleming

ASSISTANT CLERK

Craig Harper

LOCATION

Committee Room 1

Scottish Parliament

Local Government Committee

Tuesday 6 June 2000

(Afternoon)

[THE CONVENER *opened the meeting at 14:01*]

Local Government Finance

The Convener (Trish Godman): Okay, comrades. The first item on the agenda is the briefing paper on the review of local government finance. Before we go through the paper, I want to say a couple of things. We have written to Jack McConnell, the Minister for Finance, to ask for clarification of the Executive's position on our inquiry and to ask whether it would be able to contribute towards the cost of the inquiry, although I think the answer to that may be negative.

In the paper, we propose the appointment of an adviser, initially to assist us with the terms of reference, to help identify the witnesses we should have before us and to draw up proposals for an external research programme. If members approve the proposal, we hope to appoint the adviser as soon as possible. At the moment, the terms of reference are pretty general. When the adviser is appointed, he will assist us to define more specific terms of reference.

Having said all that, I do not want members to think that the adviser, or group of advisers, will do all the work. There will be a lot of hard work for us. The adviser and any external research will only assist us in our deliberations. We have all agreed that the inquiry needs to be done, but the system is complex, so we will need guidance.

We will go through the paper page by page and members can pick out anything on which they want to comment. The first page gives the background and the Executive's position at the moment. As I said, I have written a letter about that. Page 2 sets out the Executive's proposals for three-year budgets and so on.

Johann Lamont (Glasgow Pollok) (Lab): I would like the proposed terms of reference to acknowledge that the inquiry will identify the things that work in the process of local government finance, rather than just saying that we seek to identify the faults and make recommendations on how to improve the system. We want to identify the strengths and weaknesses of the system.

Mr Kenneth Gibson (Glasgow) (SNP): I endorse that. Way back in the mists of time, when

we first had the Minister for Finance in front of us on this issue, I said to him that once we have been through it all, we may well want to retain much of the present system. That is why I thought that an independent review might strengthen the Executive's position in some regards.

Donald Gorrie (Central Scotland) (LD): I support that. I also think that the terms of reference should read, "To examine the current system of local government taxation and finance". There is a risk of getting too bound up in the distribution system, which is algebra and opaque. The system of local government taxation is important and there are issues about different forms of taxation, such as land value tax, local income tax and taxing a decent amount on second homes. Mentioning the word taxation would ensure that we do not concentrate too much on just one side of the picture.

Mr Gibson: I understood that taxation was inherent in the inquiry.

Donald Gorrie: One might say that that was covered by finance, but some people interpret finance in a slightly narrow way.

The Convener: We can make it more specific.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I want to give a word of support for Donald Gorrie. We are at the exploratory stage, but the second home issue is a big one in the Highlands. If we address that, we will have to be desperately careful about how we go about it. We would not want to penalise somebody who had a family croft but was forced to work in Aberdeen to make a living. I do not quite know how we would do that in legislation, but if we thought about it, there would be mechanisms. I would value the committee's thoughts at a suitable stage.

The Convener: At the moment we are making general comments. The specifics will come up as we examine local government finance.

Mr Stone: I feel duty bound to support Donald and flag up the issue.

The Convener: The terms of reference, with the added bits about strengths and weaknesses and taxation, are agreed. Are there any comments on the appointment of an adviser? Members will see that the Parliamentary Bureau has recently approved a revised system for appointing advisers for fewer than 15 days—a fast track.

Mr Michael McMahon (Hamilton North and Bellshill) (Lab): Does the Parliamentary Bureau set down criteria for advisers, or do we have to identify what we expect?

The Convener: We set the terms of reference. I believe that Johann Lamont has already done this,

have you not?

Johann Lamont: Yes.

The Convener: Would you like to say anything about it? [*Laughter.*]

Johann Lamont: I will have to remember—it was back in the mists of time. The system was not particularly satisfactory, because we had to mark applications on the basis of whether they had certain information, which we had not asked for. Eugene Windsor and I did it, but I was a bit concerned about how the process worked. The issue is getting the right person. This is a long process. It does not strike me as something we need to do in a terrible rush.

The Convener: The fast track is a new procedure, which is more straightforward. The bureau has examined some of the criticisms that were made about how advisers are appointed. We must get an adviser, though, to tell us what to do about research and so on.

Mr Gibson: We need to set out criteria and see who is available who meets them. We need someone who has knowledge of the Treasury rules and the local government finance system, which probably whittles it down pretty severely. We need to set out exactly what we want the person to have knowledge of before we decide what we want them to look at. We could consider how to select an adviser once we have narrowed down the field.

The Convener: We need someone who can explain what they are talking about in a form of English that we can understand.

Mr Gibson: Indeed.

The Convener: We need someone who has some experience of local government finance and—without wishing to patronise anyone—who can explain local government finance to us in a way that we can understand. Is there anything else?

Donald Gorrie: Are the 15 days consecutive, which would allow the person to work for us for a fortnight, or will the 15 days of work be spread out over a longer period?

The Convener: The 15 days can work any way we want, apparently. Eugene Windsor will come back with a draft paper on the appointment of the adviser, which we can consider and add to, or take away from, as we wish. We have noted the couple of suggestions that have been made.

Mr Gil Paterson (Central Scotland) (SNP): Will 15 days be adequate for such a wide-ranging inquiry?

The Convener: I will ask the clerk whether we are able to exceed 15 days. We think that 15 days

will probably be enough for this part of the inquiry and we can ask for more later. We will take it one step at a time. Holding the inquiry properly will be a long procedure—it is a big job and we must do it properly.

Mr Paterson: That was the reason for my question.

The Convener: We will take it step by step and slowly but surely.

Mr Gibson: It is important that we do not get too excited about the fact that the inquiry will take more than a year, as we want to ensure that what we come up with is absolutely right. We should not rush into the inquiry; if we do, it is likely that it will be just as flawed as the current system is alleged to be.

The Convener: I agree.

We will move on to the role of external research. Are there any comments on that point?

The second paragraph of page 3 of the briefing paper says:

“The Committee may wish to consider bidding for funding under the Committees’ external research budget as part of the inquiry.”

Do we wish to bid for some funding for external research?

Mr Gibson: It is important to have appropriate back-up if we are to have a proper inquiry—that is vital to the entire process.

The Convener: The bidding process takes place in May and November, so we will bid for research funding in November 2000, which is just after we come back from our recess. We will organise a bid for then.

The timetable for that part of the project will start in January 2001 and continue until June. We start the whole inquiry process in June 2000 by agreeing the general terms of reference of the inquiry and by agreeing in principle to appoint an adviser, agreeing the terms of reference for the adviser and by recruiting an adviser. From July to September, the adviser will undertake the initial work. In October, we will agree the terms of reference and funding priorities of the external research and work up an external research funding bid. In November, we will submit the bid, which I hope will be successful, and then we will recruit the external research contractor. The external research will start in January 2001 and end in August 2001—that sounds like a long time away.

Mr Gibson: Where do you envisage taking external evidence?

The Convener: We will be advised about that. We may not always pull people in—we may go out

to take evidence. Is that what you mean?

Mr Gibson: I mean both.

The Convener: Where do you suggest we go this time, Kenny?

Mr Gibson: I was not suggesting anywhere specific. It is important that we consider our schedule over the year, to ensure that we have an opportunity to interview people here and to go out to local authorities to speak to finance directors, chief executives and finance conveners to get their point of view. There are others from whom we should take evidence, such as academics who have a specific interest in local government finance.

The Convener: I envisage that we will follow the same sort of system as we followed when we considered the McIntosh report. Sometimes we will have witnesses here and on other occasions we will go out.

Donald Gorrie: Is there any indication about the timetable for the bill that arises from the McIntosh report, which, I understand, will appear in the autumn? It would be quite convenient if we could have a chunk—say two or three months—of work on that bill and then three or six months, or whatever, on our inquiry, rather than the two pieces of work overlapping.

The Convener: I am trying to remember what Wendy Alexander said the other day. The timetable is not definite, but the indications are that it will be the end of next year before the bill is passed—that is, the end of 2001.

Mr Gibson: Whit?

The Convener: Kerley will not report until the end of June and MacNish will not report until the end of this year.

Mr Gibson: That is what people call playing for time, or am I being cynical?

The Convener: May I have some order, please?

Members must read and sign up to the summary of the recommendations at paragraph 8 of the briefing paper, because, as I said earlier, we are not passing this piece of work on to other people, such as advisers or researchers. There will be a lot of work for us and I am particularly keen that members agree the recommendations that have been summarised in that paragraph.

14:15

Colin Campbell (West of Scotland) (SNP): Do you want unanimity?

The Convener: Yes.

Members *indicated agreement.*

The Convener: Thank you. We will start to move on that.

Visits

The Convener: The next item on the agenda is a briefing paper on proposals for a programme of visits, for which I must thank Morag Brown, who is sitting quietly behind us as usual.

We have examined the systems of local government in a number of countries, including the United Kingdom, and are considering visits to counterpart committees at the National Assembly for Wales and the Northern Ireland Assembly. Northern Ireland is not covered in the paper because there were some difficulties there when it was written. We might want to consider visiting both north and south Ireland later.

The first page of the briefing paper has background information. Then it moves on to next steps. I ask members to discuss those, so that we are able to prioritise the visits. Does anyone have comments about the key objectives for visits to other parliamentary committees? Does anyone wish to add to the three objectives that Morag Brown suggested?

Mr Gibson: We could also look at the powers of local government. I notice that some of the Norwegian communes with populations of 10,000 or more have more powers than the Scottish Parliament, particularly with regard to social security, pensions and so on, which is quite interesting. We could investigate how such powers are integrated into the local government systems in those countries.

The Convener: Okay—are there any objections?

Johann Lamont: The first priority should be to visit the parliamentary committees in the United Kingdom to see how they manage the devolution process.

Colin Campbell: Why? Is not this sufficient experience?

The Convener: Will members please behave themselves?

Donald Gorrie: Studying local government is more important than studying other parliamentary committees on local government. Therefore, we should concentrate on how local government really works in Denmark, Catalonia or wherever, which would involve some discussions with the relevant parliamentary committees. We are meant to be improving local government in Scotland, so we should examine local government in other countries.

In particular, I see no point in trotting down to Westminster to talk to people on select and standing committees, although it would be useful

for some members to go—perhaps the convener, the vice convener, the clerk and a researcher. I do not think there would be a useful dialogue between the whole committee and those people down there. For what it is worth, there is not much point going to Northern Ireland or Wales either because, like us, they are beginning to learn how the system works—although it might be useful to visit them in a year or so.

It would, however, be valuable to visit at least one of the Scandinavian countries. They seem to have roughly similar systems, so one visit would be enough. We might also visit Catalonia, which sounds interesting.

The Convener: Perhaps I should clarify this point. It was not my intention that the whole committee should go anywhere; rather, the idea was that we would divide up. I would be interested in visiting Northern Ireland at some point, on the basis that it does not have local government as we know it—voluntary organisations are used to do much of the work. Northern Ireland is also interested in what we are doing, so there will be invitations both ways. It will certainly come to me, but I would rather members of the committee went on a visit. Wherever and whenever we decide to go, it would not be a proper use of our time to send the whole committee.

Johann Lamont: The issues around how other countries manage local government and the separation of power between the different levels are very interesting, but we need to put them in context. We must ask ourselves to what purpose we would make such visits, other than the fact that they are interesting. We are considering local government finance, which is a major piece of work. Examining the structure of local government—how it works at a theoretical level and comparing different models—would be another significant piece of work. Visiting different countries and having an interest in those subjects without being able to take them further should not be our first priority.

Perhaps the phrase “other parliamentary committees” is misleading. I would be interested in considering how the Welsh Assembly relates to local government and what the local government issues are in Wales. Does it have an equivalent of COSLA? Is there tension between local government and the Assembly, given that its powers are different from those of the Scottish Parliament? There are similar questions to be asked in relation to Northern Ireland?

As a member of the Equal Opportunities Committee, I visited Northern Ireland to attend a day that focused on the women's agenda for the Northern Ireland Assembly and I was struck by how similar it was to the women's agenda that the Scottish Trades Union Congress produced for the

Scottish Parliament. In the short term, it might be more useful to consider our powers and how the new structures are bedding in. We would need to be clear that the countries that we wanted to visit were selected for more than straightforward interest. I do not think that that is what you are suggesting, convener, but we would need a programme or goal.

I notice that one of the cities in Norway has something similar to metropolitan status. It would be interesting to go there, given what we have been arguing for Glasgow. However, that should not necessarily be the first priority of the Local Government Committee.

Mr Gibson: It is unfortunate that the Executive does not even recognise the concept of metropolitan status. We should remember that Oslo is about half the size of Glasgow.

It is important that we examine what is happening elsewhere in the UK. The Welsh Assembly is evolving, just as we are, and I am sure that it would welcome our involvement. No one is seriously suggesting that the whole committee should travel everywhere—I do not think that the Local Government committee on tour is an option. We can make visits as groups.

Although it is important that we consider what is happening in the rest of the UK, we should learn from what does not happen here. It is not simply that it is fascinating to examine systems in Scandinavia, but that they obviously work. We might examine local income tax and proportional representation—I appreciate that there is PR in Northern Ireland. Wherever we go, we can examine structures and exchange views and ideas with officials and politicians. We should consider how the systems are put together and what we can learn from one another.

It might be that the system in Norway or Denmark is too cumbersome and overly bureaucratic. Who knows until we have gone and had a look? I do not believe that they have all the answers and that we have none. We might have something to learn from them, but it might also be that we come back and decide that it would be better to continue to do things as we have done them. We should examine what is happening elsewhere in the UK, but we should also consider the situation in Catalonia and Scandinavia.

The Convener: Eugene Windsor and I have discussed possible visits to Wales, Northern Ireland and London, to take place between September and December. If we divide up the trips, we should be able to do that. We will not be tackling the meat of the finance review until the following calendar year.

As far as Catalonia and the Nordic countries are concerned, it would be interesting to visit them but,

as members have said, we need to have a clear programme so that we know why we are visiting and what we want to get out of it. I would find it interesting to visit one country that is within the European Union and one that is not, to discover if there are significant differences. Do countries outside the EU simply ignore the European convention on human rights, or do they work with it? That has serious implications for local authorities and might be worth some comparative consideration. However, that would take place well into next year.

I am seeking members' agreement for a programme in which we examine the other UK countries after the recess. We need to tighten up the reasons for our visits because I have to present those to the conveners committee.

Mr Stone: There is a great deal of sense in what you say, convener. None of us can second-guess what Kerley will say, but it is conceivable that some of the recommendations will throw up questions about structures. We do not want to get into a holus-bolus reform of local government in Scotland—it was bad enough when it happened before. However, we should remind ourselves that, with all due respect to Keith Harding, at the time, that reform was politically driven and some of the solutions were less than perfect.

I have always thought that one council for the Highlands is too big. All parties realise that slight adjustments may have to be made in parts of Scotland, particularly in the light of the Kerley recommendations. That might be an important fact to remember as and when some of us visit Catalonia or Scandinavia.

As you suggested, convener, the other point is the importance of Ulster. At the moment, its councils have very few powers, apart from running leisure centres and taking away the bins. However, that is something that will change. If we are to help the fledgling democracy in Ulster, any contact must be good for them. We must show a supporting hand. The province has suffered from xenophobia and a "Who are you?" attitude. I would certainly back the suggestion of such a visit.

The Convener: Do members agree that Johann Lamont and I will speak to Eugene Windsor and bring more detailed proposals back to the committee?

Members indicated agreement.

Draft Covenant

The Convener: We now move to a discussion of the briefing paper on the local government and Scottish Parliament covenant and joint standing conference. The first page gives the background, but the second page sets out some issues for consideration. Do members want to comment on the role of Parliament in relation to the covenant and the conference? The first question reads:

"Is it within the competence of the Parliament to enter into arrangements such as those proposed by COSLA?"

Does the committee want to refer to the Parliament's legal advisers for an early opinion?

14:30

Donald Gorrie: One of the few clear things in the Scotland Act 1998 is that the Parliament has powers over local government in Scotland. I do not regard this as an issue, quite honestly.

The Convener: The matter has been referred to Carol McCracken, who is the director of clerking. She will give us the legal advice, and we will proceed from there.

Mr Gibson: The most important thing is to establish the mechanism that is to be adopted for choosing the members to represent the parliamentary side of the joint standing conference. We should do that early on, if possible.

The Convener: Are there any other comments on that paragraph? We will wait to hear what Carol McCracken has to say and take it from there.

Donald Gorrie: Are we just asking the question, or are we answering it?

The Convener: We are just asking the question at the moment. These are the questions that have come up.

Donald Gorrie: So, we are not deciding on the mechanism.

The Convener: No. We are just posing these questions.

Mr Gibson: Who is going to answer them?

The Convener: That is for the Parliament and local government, not the Local Government Committee. That is where it gets confusing.

Johann Lamont: So there would need to be a parliamentary debate, or some appropriate body in the Parliament would have to decide whether the Parliament was going to discuss this matter and take a view on it. We could furnish such a debate with a report containing our views on the way in which it should be done, but it would have to be for

the Parliament to decide. Would the Parliamentary Bureau decide that, or would it be considered committee business?

Mr Gibson: Perish the thought.

Bristow Muldoon (Livingston) (Lab): The recommendation that there should be a covenant and joint standing conference flows from McIntosh, but we do not have to wait for the full action to proceed with McIntosh. The appropriate way for us to deal with this would be for you to discuss with other conveners a way of taking the issue forward. This committee should act as the lead committee in examining the content of the covenant, and we should invite the Convention of Scottish Local Authorities for discussions. Some of the other committees of the Parliament may also want to comment on the covenant.

The committee should address the issue on one of its committee days in the Parliament, to allow all members the opportunity to have a say. You will probably have to discuss that further with Eugene Windsor and the other clerks.

The Convener: Bristow Muldoon has put forward a proposal. Does anybody disagree with it or want to add to it? It could be a way forward. We can make inquiries about it and address the matter on a committee day.

Dr Sylvia Jackson (Stirling) (Lab): This is a complex matter, concerning the prospective role of the other committees and the way in which they will be represented on the joint standing committee. If the matter was progressed, that would be the main issue for you to discuss, would it not?

The Convener: Yes. I can take the matter to the conveners liaison group, but Bristow Muldoon's idea of addressing it on a committee day is good, as it must be addressed by the Parliament at some point. That would allow conveners of other committees to contribute as appropriate.

Donald Gorrie: The wider issue is raised of the cross-representation of committees. Without being defensive and territorial, I feel that several committees are trespassing on what is basically local government ground. It could be argued that this committee should be represented on the body that is to be set up to examine the issue of teachers' pay, in response to the findings of the McCrone committee, as local government has to pay up.

The wider issue is to ensure that the Parliament is properly represented in different ways. It is reasonable enough that people in education and social work should be represented on the joint standing conference, but the Parliament should ensure that there is cross-representation of its committees. Because of the way in which the

Parliament works, the danger is that members get engrossed in the work of their committee, as we all do, and lose sight of the wider issues.

The Convener: Yes. That is correct.

Dr Jackson: That is what I was trying to get at. We should recognise that the issue is complementary to our role in considering local government.

The Convener: Yes. I agree with that. Do members have anything else to add on issues for consideration?

Donald Gorrie: As long as the Parliamentary Bureau has nothing whatsoever to do with the matter—ever—I am in favour of the suggestions. *[Laughter.]*

The Convener: I am the reporter to the COSLA/Local Government Committee group. It would be helpful if two other members were willing to act as reporters when I cannot attend the meetings of that group. The group usually meets on Friday. The three, or two, of us would not attend together; only one would go and report back. Whoever took on that role would meet more people from COSLA. It would be good for committee members to go out and do a bit more than sit around the table discussing things. If anybody is willing to take on that role, they should let Eugene Windsor know. Johann Lamont and I will take it in turns to attend those meetings anyway.

Mr Gibson: I volunteer.

Donald Gorrie: I volunteer as well.

The Convener: Kenny and Donald have volunteered.

Donald Gorrie: We have a pool of talent.

Mr Gibson: Albeit a shallow pool. No, actually we have oceans of talent.

Donald Gorrie: We are all big fish in a small pond.

The Convener: On page 3 of the briefing note, COSLA asks for the draft material to be passed to conveners of the subject committees. We have talked about that, and the committee seems to agree that the conveners should receive information about what is going on. The suggestion is that

“clarification on the wider issues raised above is obtained before any material is passed to other committees.”

Is the committee happy with the suggestion that we address the matter before passing it on to the appropriate committee?

Members indicated agreement.

The Convener: There are two

recommendations in paragraph 5:

“Members agree to await clarification on the wider issues, and to consider the matter further when such clarification has been received”,

as it is a bit confusing; and

“Members consider the appointment of two members to support the Convener in her role as Reporter.”

We have fulfilled the second of those recommendations.

Johann Lamont: What timetable has been set for receiving that clarification?

The Convener: I do not know.

Johann Lamont: It was suggested earlier that the matter is quite straightforward.

The Convener: I am told that that clarification should be received before the summer recess.

Johann Lamont: I would have thought that COSLA would want the matter to be progressed as quickly as possible. I am not sure what clarification is required. Is it simply whether we are allowed to arrive at an agreement with another body about the way in which we will work together? Is it about protocols such as those that we will develop with Westminster? Is it not about this committee, but about the Parliament?

Eugene Windsor (Clerk Team Leader): Because no such agreements have previously been entered into with outside bodies, legal clarification is required on whether the Parliament has the competence to enter into such an agreement. I do not think that there is any indication that it does not, but we need to confirm that before we can move on.

The Convener: Are you satisfied, Johann?

Johann Lamont: No.

Donald Gorrie: It should not hold us up a great deal, but I agree with Johann Lamont. If we were seen to be pushing the issue, that would show local government people that we are serious about it.

The Convener: We can find out how long it will take, and we can push the matter. For the moment, does the committee agree to the recommendations?

Members indicated agreement.

Petitions

The Convener: We have four petitions to consider. Petitions PE198 and PE173 have been grouped together because they relate to financial problems in Aberdeenshire Council, which were the subject of a previous petition from the council.

I will suggest a course of action for each petition, but members can certainly challenge me. On PE173, I suggest that we send the petitioner copies of the letter that we sent to Aberdeenshire Council and the Executive and the reply that we received from the Executive on the previous petition; refer the petition for information to the Executive; and advise the petitioner that, although we note the concerns over the proposed closure of Ballater area office, it is a matter for Aberdeenshire Council rather than for us. How do members feel about that suggestion?

Mr Paterson: The Parliament has responsibilities for communities. Rural communities are under most strain at present. I am concerned that the proposed closure of the office represents something else being taken away from a rural setting. Therefore, should we not also address our concerns to Wendy Alexander? I understand fully who is responsible for the closure, but the Parliament and the country should be concerned that we are losing talented people from the countryside in big numbers. The closure is part of that drain.

Mr Gibson: Frankly, I think that this is a matter for Aberdeenshire Council. It is an issue for the Parliament when it considers the budget for the local authority. It is important that we should argue why some local authorities should perhaps receive more than others receive. However, it is up to the local authority to decide on something such as the location of a council service.

The council has to take into account the feelings of local people, but we want there to be subsidiarity and we want people to recognise that local authorities are responsible for such actions. Otherwise, every time something happens in a local authority that is not a parliamentary matter, people will approach us and expect us to do something about it. We should trust local authorities to take decisions within the financial settlement that they are given, which we may not agree with—we certainly do not agree with it in this case. Subsidiarity is the key issue, so I agree with the convener that this is a matter for Aberdeenshire Council.

Mr Paterson: I would like us to flag up our concerns about the matter. The Parliament will be remiss if it turns a blind eye to communities that come under pressure. The budgetary pressure

that Aberdeenshire Council is under is caused by decisions that are taken by the Parliament.

Bristow Muldoon: I agree with Kenny Gibson. The Parliament has to be careful that it is not seen to intervene in decisions that are wholly within the remit of local government. If we intervened, we would swiftly discover that local government strongly resented it. The key issue is subsidiarity. If any of us who were previously in local government had thought that the advent of the Scottish Parliament would mean that every decision that we made would be second-guessed and scrutinised at parliamentary level, we would have had strong concerns.

The broader issue of people expressing concern about the budgetary settlements for local authority areas can legitimately be considered in this arena. We have raised that issue in the past and, ultimately, the Parliament decides on it. The budget settlements were decided, after a vote, in the Parliament, which is the appropriate arena for that debate. I agree entirely with Kenny Gibson that the location and the detail of the delivery of local government services is a matter for local government and that we should not step on the toes of local government.

Dr Sylvia Jackson: I would like to marry the two perspectives. I accept everything that Bristow Muldoon and Kenny Gibson said, but I take on board what Gil Paterson said, as I do not think that there is anything wrong in expressing concern about the issue. Perhaps in the letter to the petitioner, we could mention the inquiry into local government finance in which we will participate.

Johann Lamont: I do not think that there is consensus in the committee that rural communities are under the most strain. I will have a debate any time about the strains that inner cities and some parts of my constituency suffer because of the level of poverty. I do not think that, on the basis of one petition, we can sit in judgment on a local authority. Expressing our concern, as Sylvia Jackson suggests, would not progress the matter and would reflect on a decision about which we do not know enough to be able to say whether it was appropriate. Even if we did know more about it, it is clearly a decision for the local authority.

There is a separate debate about the level of the settlement, which has been conducted by political parties and about which we have different views. I would be concerned if, on the basis of one petition, we made judgments on matters about which we are not sufficiently informed and which are not our responsibility.

14:45

Mr McMahon: I want to make the same point.

My basic concern about our conducting this debate is that we do not have any evidence on the decision. The decision may concern the petitioners, but it is not necessarily a bad decision—we do not have any evidence one way or the other. It would be entirely wrong and would send out the wrong signals for the committee to sit in judgment on a decision that has been made by another democratically elected organisation. We should not set such precedents. I am concerned about the fact that the petition is before us, as the purpose of the Public Petitions Committee is to establish whether there is a remit for committees to become involved in petitions, and it should have known that this is a local authority decision, over which we have no influence. I do not know why we are discussing it.

Donald Gorrie: The letter that you propose, convener, should set out clearly the points that have been made: that we have no remit over, and are not commenting on, specific decisions by councils on how they provide their services, but that the overall funding of local government is within our remit and that we intend to initiate an inquiry to improve it. It would be fair to tell the petitioner that we are responding in so far as it is within our remit, but that we are not trespassing on local government.

Colin Campbell: It is largely a question of how the response is put. I think that if such a closure occurred in any of our areas, our people would feel upset. We can express our understanding of that, while making it clear that is not really in our barrel. That would not commit us one way or the other.

Dr Jackson: Colin Campbell has found the right tone. In our report in response to the budget, we expressed concern about the general situation. What I meant earlier was that we should express concern about the wider context rather than about individual decisions.

Johann Lamont: The problem is that we do not know what the consequences in the budget would be if the office were not closed. We do not even know whether it is financial constraints that have determined that the office should close—the reason might be something else entirely. As soon as we empathise with the petitioner, and agree that it is a shame and that they must be upset, we are passing judgment on the decision-making process. The decision in this case might be entirely about financial constraints and the council might be deeply unhappy about it and might welcome the involvement of the committee—it might be making other difficult decisions. We have to be careful that we do not appear to sit in judgment on the local authority.

It is legitimate to say that it is not our responsibility, but that we are considering the

whole question of local government finance, but that does not presume that more money would go to Aberdeenshire Council, as we have been talking about the structures of local government finance rather than just freeing up more money for local government. There has also been an issue about how that money is distributed. I feel strongly that my area does not get a fair share of what it needs. Even saying that we are pursuing local government finance in no way presumes that we would be freeing up money that would save the Ballater area office.

Colin Campbell: I do not think that anybody mentioned that.

Mr Gibson: Even if we knew the detail of the case inside out, and were 100 per cent in agreement with what the petitioner was calling for, we still have no right whatever to intervene. I think that we just have to express the position that this is simply a matter for Aberdeenshire Council.

Mr Paterson: The sooner we get to Norway, the better. [*Laughter.*] Bearing in mind the amount of time that the Norwegians spend, and the effort that they make, knowing that there is a considerable problem in their country, we do not seem to recognise that we are losing many young people in a country setting. We will soon end up with cities and nothing in between. It is a major problem in this country, which the Parliament should recognise, and we should do something about it. There is pressure on post offices, schools and so on.

Bristow Muldoon: Convener, are we straying from the subject?

The Convener: Slightly—

Mr Paterson: No—that is the subject.

The Convener: I wish to pull this together. Members have two petitions in front of them, and there appear to be two different matters. On the first petition, PE173, I, too, do not want to get the committee or myself into a position of commenting on the closure of the area office, when I do not have all the background. It is a matter for the local council, and that is what I would wish to say on that.

The second petition, PE198, is about the money given to Aberdeenshire Council. We should say in the letter that we have a proposed review of local government finance, which would include an examination of how the block grant, or the 36 per cent of the Scottish block that goes to local government, is divided up.

On the first petition, we can allow democratically elected, accountable councillors to make up their own minds. I have no idea whether they made the right or wrong decision, and I have no comment to make about that.

On the second petition, we could inform the petitioners, Donside Community Council, that we are having an inquiry into local government finance. That covers both petitions PE173 and PE198.

Given the discussions that have been going on in the Rural Affairs Committee, it is clear that there is a recognition by the Parliament that there are difficulties in some rural areas. As Johann Lamont says, there are also difficulties in urban areas. We have to address both, and the Parliament will do that.

Mr Stone: I completely agree with what you say. You are absolutely right to talk about the different natures of the first two petitions. From my education experience—and members will know from their experience in other committees—I would say that we must be careful, along the lines that you suggest.

You could perhaps strengthen things a wee bit by taking the matter back to the conveners liaison group. Michael McMahon makes a good point: I can possibly see why the petitions came to this committee, but we must establish a policy across all committees, and should say that matters that are in the hands of the Parliament have a far greater legitimacy than matters that are in the hands of a council. We do not want to be dipping into other people's democracies. I am sure that we need to establish a policy on that.

The Convener: If the committee wishes me to do this—I do not feel one way or the other about it—I would prefer that we referred the point to John McAllion, the convener of the Public Petitions Committee, rather than to the conveners liaison group. How do members feel about that?

Mr Gibson: I agree: the matter should be referred to John McAllion. If an issue is genuinely for the Local Government Committee, we should deal with it. It is quite clear, however, that PE173 in particular is not something in which we should be involved. It is wholly inappropriate for us, as Michael McMahon and others have said, to be expected to deal with the matter or even discuss it. I have similar views about other petitions on our briefing paper.

It is important for the Public Petitions Committee to consider which committee, if any, is the most appropriate one to which petitions should be sent. In my view, that committee should be able to screen the petitions and say that certain ones are not matters for the Parliament, and send them back instead of passing them to us.

The Convener: Are members in agreement that I write to John McAllion along those lines with regard to PE173? I might bring in the other petition that we have discussed later.

Members indicated agreement.

The Convener: We move on to petitions PE154 and PE156, from Hillhead Primary School board and Hillhead Community Council respectively. The primary school board, in petition PE154, calls for the Scottish Parliament to intervene to overturn the decision of Glasgow City Council concerning 7 and 8 Alfred Terrace. Petition PE156 is from Mrs Jean Charsley, on behalf of Hillhead Community Council, and calls for exactly the same thing.

I used to be the councillor for the area, so I know the history of the matter. If that is declaring an interest, I declare an interest.

Members have copies of the *Official Report* of the relevant Public Petitions Committee meeting, when Jean Charsley appeared before the committee. You also have correspondence from the school and from the community council.

This is basically a challenge to a Glasgow City Council planning decision on a piece of ground that has been landscaped. My memory is that we were unable to find out who owned the land, but the information was obviously obtained, as there was a compulsory purchase order, and it was then landscaped. The council now wishes to build houses on the site that used to be 7 and 8 Alfred Terrace. The building fell down at some point, but not in my time.

Members will note that both the police and the land services—the council department that deals with roads and transport—were opposed to the application. The planning committee, however, overturned the decision. I thought it useful to give members that information now off the top of my head, although I am sure that you have all read it. Again, however, I need to ask whether the matter is our business.

Bristow Muldoon: I think that that is another issue which it is not appropriate for the committee to deal with. Whether there are broader issues about a possible desire to have greater powers of appeal on planning issues is another matter—but it is not the question that we are being asked to consider.

I do not think that it would be appropriate for the committee to pass comment on individual planning applications, which are either passed or not passed by local authorities. Planning law is in place to deal with that. I think that we should note the petition and, if people want to refer more general petitions, asking the Parliament to consider planning law as a general issue, that would be more appropriate.

Mr Gibson: I agree again with Bristow Muldoon. If there is an issue of maladministration, the petition should go straight to the commissioner for local administration in Scotland; it should certainly

not come to us. It is clearly not an issue of national significance. It is of importance to people locally, but it is really up to Glasgow City Council now.

Those of us who have been councillors will be well aware of how many planning applications there are, and of how many of them are contentious in one local authority, let alone in 32. Do we want to open the door to receiving such petitions from the length and breadth of Scotland every time a development which people are or are not in favour of does or does not go ahead? We have to be clear about how to deal with such cases. If they are not of national significance, we should not be discussing them. Issues of maladministration must go to the appropriate body.

Donald Gorrie: Two issues are highlighted, one of planning and another of the possible misuse of compulsory purchase powers, which is of more relevance to the committee. Planning seems to come under another committee's remit anyway—I am not sure whether that is correct, but that seems to be the system.

I agree that we cannot second-guess every planning decision made by every council. There is an issue of a proper appeal mechanism, but that is for another day.

If Glasgow acted incorrectly or illegally with regard to compulsory purchase powers, that should be pursued. I am not sure whether that comes under maladministration. If so, the ombudsman may do something about it. However, my faith in ombudspersons is pretty limited: they always find some excuse—in my view—not to do anything.

There seems to be an allegation that Glasgow City Council was just plain wrong with its compulsory purchase. That might be an issue that we should investigate in some way.

The Convener: If there is an alleged misuse of a compulsory purchase order, the first route is through the local government ombudsman, not necessarily through Parliament. I am not absolutely sure from memory, however, that that is the case.

I suggest that, when we write back, we say that, if the petitioners are still concerned about the compulsory purchase order, the route of the ombudsman is the one that they should go down. We agreed that the Executive was correct in not calling the council in—it is a local matter.

I suggest that we proceed along those lines and see what happens, with the suggestion that the petitioners approach the local government ombudsman.

Donald Gorrie: Roll on, proportional representation.

The Convener: Do members wish to add comments to the letter about whether such petitions are coming to appropriate committees?

Members: Yes.

Mr Stone: Absolutely.

Colin Campbell: This matter highlights the problems that citizens have with planning. If a planning development is requested by a firm, permission for which is turned down, that firm can appeal to the secretary of state. The citizens cannot do that. It is an obvious lack in the planning system.

Mr Gibson: That is a legislative matter.

Colin Campbell: Yes, it is a legislative matter.

The Convener: It is about planning law. That has been picked up by the Transport and the Environment Committee, and in the deliberations of the Public Petitions Committee. It might be something else for us to consider.

Would planning matters come to us? I am informed that they would go to the Transport and the Environment Committee.

15:00

Donald Gorrie: I am concerned about one thing that you said, that we agreed that it was correct for the Executive not to have called the council in. In my experience, if the council is a developer, the Executive always calls—or should call—it in. There seems to have been an extremely bad decision by somebody in the Executive, and I in no way condone that.

The Convener: It is a private company which is the developer.

Donald Gorrie: Right—but it is council ground. The council had compulsorily purchased it.

The Convener: Yes.

Donald Gorrie: And the council will benefit?

The Convener: There will be a capital receipt.

Donald Gorrie: In that case, it must benefit. The secretary of state cannot duck out of that. I think that it was a very bad decision by the Scottish Executive, and I would not wish to be party to saying that it was okay. If you leave that bit out, convener, I am happy.

The Convener: You have picked up the point that, because there was a compulsory purchase order by Glasgow City Council, which then sold the site on to a private company for building houses, the council should have been called in.

Donald Gorrie: Correct.

Mr Keith Harding (Mid Scotland and Fife)
(Con): It depends: if the planning application was submitted after the land had been sold, that would not be the case.

Donald Gorrie: It would depend on whether the council is a beneficiary.

The Convener: Do members wish me to ask for clarification about that?

Donald Gorrie: That would be useful.

The Convener: We spoke to the Executive about the matter, and its position on compulsory purchase powers was as described. That is correct, unless the situation changed when the land was sold. We need clarification on that.

That does not stop me adding that point to the other part of the letter to John McAllion, about whether the petition should have come to the committee in the first place—but our discussion has thrown up something else.

Is there anything else? My goodness—it is past 3 o'clock. I thank members very much for their time.

Meeting closed at 15:02.

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