

# **LOCAL GOVERNMENT COMMITTEE**

Tuesday 12 March 2002  
(*Afternoon*)

Session 1

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## LOCAL GOVERNMENT COMMITTEE

**8<sup>th</sup> Meeting 2002, Session 1**

### CONVENER

\*Trish Godman (West Renfrewshire) (Lab)

### DEPUTY CONVENER

\*Dr Sylvia Jackson (Stirling) (Lab)

### COMMITTEE MEMBERS

Mr Keith Harding (Mid Scotland and Fife) (Con)

\*Mr Michael McMahon (Hamilton North and Bellshill) (Lab)

Tricia Marwick (Mid Scotland and Fife) (SNP)

\*Iain Smith (North-East Fife) (LD)

\*Ms Sandra White (Glasgow) (SNP)

\*attended

### THE FOLLOWING ALSO ATTENDED:

Iain Gray (Minister for Social Justice)

Peter Peacock (Deputy Minister for Finance and Public Services)

### CLERK TO THE COMMITTEE

Eugene Windsor

### SENIOR ASSISTANT CLERK

Irene Fleming

### ASSISTANT CLERK

Neil Stewart

### LOCATION

Committee Room 1



## Scottish Parliament

### Local Government Committee

*Tuesday 12 March 2002*

*(Afternoon)*

[THE CONVENER *opened the meeting at 13:46*]

### Item in Private

**The Convener (Trish Godman):** Okay comrades, we will start now that we are quorate. I ask that we take agenda item 5 in private, as we will be considering the draft report on the local government finance inquiry—I never thought that we would reach this day. Does the committee agree to take that item in private?

**Members** *indicated agreement.*

## Subordinate Legislation

### Special Grant Report No 1—Special Grant for Scotland Asylum Seeker Assistance: Report by the Scottish Ministers (SE/2002/52)

**The Convener:** I welcome from the Scottish Executive Iain Gray, who is the Minister for Social Justice, Mark Batho, who is head of the social justice group, and Thekla Petrie, who is the policy adviser for the asylum seekers and refugee integration team.

I remind members that, after the minister has spoken, they may only make points of clarification and ask questions, which the minister may or may not answer. After that, I shall open up the meeting to debate. I give the minister a minute or two to make a presentation.

**The Minister for Social Justice (Iain Gray):** The purpose of the special grant report is to give the Executive the authority to pay grant to local authorities to reimburse them for expenditure that has been incurred in the current financial year. The costs that local authorities have incurred are covered by the Home Office, so the grant will not be met from Scottish Executive resources.

The report deals with asylum seeker assistance through the provision of support and accommodation services. As members know, new arrangements for the support of asylum seekers came into effect in April 2000. New asylum seekers are supported by the national asylum support service. They receive housing on a no-choice basis and are issued with vouchers and a small amount of cash for immediate living needs. The Home Secretary recently announced that vouchers will be replaced by cash from early April. Further changes to the system have been proposed in a recent Home Office white paper.

The special grant report concerns asylum seekers who were in the UK before April 2000. They have been and continue to be supported by local authorities under the old system. At the end of January 2002, the numbers concerned were about 415 asylum seekers and 100 asylum seeker families. They are concentrated mostly in Edinburgh and Glasgow, but a further 16 local authorities supported asylum seekers at some time during 2001-02.

The number of asylum seekers in Scotland rose steadily during 1999-2000 until it reached the January 2000 figure of 610, but that number is reducing slowly as decisions are taken on asylum applications, as would be expected. Those asylum seekers applied to local authorities for support under the Social Work (Scotland) Act 1968. The

children of asylum seekers are supported under the Children (Scotland) Act 1995. The expenditure that authorities incurred in that way was reimbursed in previous years by the Scottish Executive using special grant powers. We are operating in exactly the same way for 2001-02.

The funds to pay grant under the special grant report were transferred by the Home Office to the Scottish assigned budget and we expect them to be sufficient to pay grant claims in full. One slight change has been made from previous occasions. Last year, there were two levels of reimbursement—£140 per week per asylum seeker and £240 per week per family. This year, we have introduced a third rate—£270 per week per family of five or more. That will bring the system into line with that in England and Wales. We understand that local authorities are pleased with that revision.

**The Convener:** If members have no questions or points of clarification, I will ask the minister to move the motion.

*Motion moved,*

That the Local Government Committee, in consideration of the Special Grant Report No.1 - Special Grant for Scotland Asylum Seeker Assistance: Report by the Scottish Ministers, recommends that the report be approved.—[*Iain Gray.*]

**Ms Sandra White (Glasgow) (SNP):** I will speak for the motion. I am pleased that councils will receive reimbursement. Perhaps I should have asked my question earlier. Is the expenditure incurred through social work departments or on health services or education?

**Iain Gray:** I expect that local authorities would incur such expenditure through social work departments. Support is given under the Social Work (Scotland) Act 1968 or the Children (Scotland) Act 1995. Administrative procedures would mean that money was normally paid through social work departments.

**Ms White:** As I said, I am pleased with the special grant report and I will support it. As a member of the cross-party group on refugees and asylum seekers, I have a special interest in the subject. At many meetings of the group, we have heard that local authorities are finding health services and schools and education support costly. That was why I wanted to ask whether the funds will go to the health and education budgets. Will the special grant cover the extra expenditure that councils have incurred on health or education?

**Iain Gray:** No. The funding is to support asylum seekers under the old system so that they can live.

**The Convener:** Sandra White should have asked her questions earlier, but the minister

decided to answer.

The question is, that motion S1M-2737, in the name of Iain Gray, be agreed to.

*Motion agreed to.*

**The Convener:** I thank the minister for attending.

### **Water Undertakings (Rateable Values) (Scotland) Variation Order 2002 (draft)**

**The Convener:** We will now consider two affirmative instruments. We are joined by Peter Peacock, who is the Deputy Minister for Finance and Public Services, and by Nikki Brown and Carol Sibbald of the local government finance and performance division of the Scottish Executive. I remind committee members that I will allow the minister to speak to the first instrument for a few minutes, after which members will be able to ask questions for clarification, which the minister may or may not answer. We will then debate the motion.

**The Deputy Minister for Finance and Public Services (Peter Peacock):** Thank you, convener. You have rather caught me on the hop—I was still eating when I heard that you were ready to discuss the orders. This committee is not good for the digestion.

The first draft order deals with the rating of one of the prescribed industries. The Water Undertakings (Rateable Values) (Scotland) Variation Order 2002 corrects an error in an apportionment figure in schedule 2 to the Water Undertakings (Rateable Values) (Scotland) Order 2000. The apportionment figure for East of Scotland Water, as shown in column 2 of schedule 2, opposite the words "South Lanarkshire Council", should be 1,177 and not 1,777. The incorrect apportionment figure was used by South Lanarkshire Council when calculating its rates bill for the land and heritages that are occupied by East of Scotland Water in the South Lanarkshire Council area for the financial year 2001-02.

The variation order will ensure that South Lanarkshire Council can recalculate the rates payable by East of Scotland Water for 2001-02. It will also ensure that the correct apportionment figure is used in future years.

**The Convener:** Do members have any questions?

**Dr Sylvia Jackson (Stirling) (Lab):** Why was there an error? Did someone just put down the wrong figure?

**Peter Peacock:** I understand that the error was simply typographical.

**Mr Michael McMahon (Hamilton North and Bellshill) (Lab):** Has any assessment been made of the impact of the change? Will it have an adverse effect on any decisions that South Lanarkshire Council made based on the figure that it was given originally?

**Peter Peacock:** There was an effect, but it was small. It amounted to about £3,000, which can be repaid.

**The Convener:** Minister, if you have anything further to say, you may do so now.

**Peter Peacock:** I have nothing to add on the order.

*Motion moved,*

That the Local Government Committee, in consideration of the draft Water Undertakings (Rateable Values) (Scotland) Variation Order 2002, recommends that the order be approved.—[*Peter Peacock.*]

*Motion agreed to.*

### **Electricity Lands and Generators (Rateable Values) (Scotland) Variation Order 2002 (draft)**

**Peter Peacock:** The second order deals with the rating of one of the prescribed industries. The variations made by the Electricity Lands and Generators (Rateable Values) (Scotland) Variation Order 2002 are required to take account of changes in the electricity industry consequential on the implementation of the Utilities Act 2000.

To further the development of competition in the Scottish market, Scottish Power plc and Scottish and Southern Energy plc were required to make schemes to transfer their generation and transmission activities, as well as their supply and distribution activities, to separate companies. The transfers took place during the financial year 2001-02.

The 2002 variation order inserts the relevant successor company names throughout the two principal orders involved. Consequential variations have also been made to the formulae in the Electricity Lands (Rateable Values) (Scotland) Order 2000. The electricity companies concerned have been consulted on the draft order and are content with it.

*Motion moved,*

That the Local Government Committee, in consideration of the draft Electricity Lands and Generators (Rateable Values) (Scotland) Variation Order 2002, recommends that the order be approved.—[*Peter Peacock.*]

*Motion agreed to.*

### **Ethical Standards in Public Life etc (Scotland) Act 2000 (Stipulated Time Limit) Order 2002 (SSI/2002/55)**

**The Convener:** We will now consider a negative instrument.

**Peter Peacock:** My officials do not seem to be staying for this!

**The Convener:** If the minister wishes to stay, he may do so.

**Peter Peacock:** I hope that you have no questions, because I certainly have no briefing.

**The Convener:** There are no questions. You may go, minister. No motion to annul has been lodged.

**Peter Peacock:** That is an enormous relief.

**The Convener:** Are we agreed that the Local Government Committee has no recommendation to make on the Ethical Standards in Public Life etc (Scotland) Act 2000 (Stipulated Time Limit) Order 2002 (SSI/2002/55)?

**Members indicated agreement.**

14:00

*Meeting continued in private until 15.35.*





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