

# **PROCEDURES COMMITTEE**

Tuesday 30 October 2001  
(*Morning*)

Session 1

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## PROCEDURES COMMITTEE 10<sup>th</sup> Meeting 2001, Session 1

### CONVENER

\*Mr Murray Tosh (South of Scotland) (Con)

### DEPUTY CONVENER

\*Mr Kenneth Macintosh (Eastwood) (Lab)

### COMMITTEE MEMBERS

\*Patricia Ferguson (Glasgow Maryhill) (Lab)

\*Donald Gorrie (Central Scotland) (LD)

\*Fiona Hyslop (Lothians) (SNP)

\*Mr Frank McAveety (Glasgow Shettleston) (Lab)

\*Mr Gil Paterson (Central Scotland) (SNP)

\*attended

### THE FOLLOWING ALSO ATTENDED :

Professor David McCrone (Adviser)

### WITNESSES

Dennis Canavan (Falkirk West)

Tom McCabe (Minister for Parliament)

Mike Watson (Convener, Scottish Parliament Finance Committee)

### CLERK TO THE COMMITTEE

John Patterson

### SENIOR ASSISTANT CLERK

Mark MacPherson

### ASSISTANT CLERK

Katherine Wright

### LOCATION

Committee Room 1



## Scottish Parliament

### Procedures Committee

*Tuesday 30 October 2001*

*(Morning)*

[THE CONVENER *opened the meeting at 09:32*]

**The Convener (Mr Murray Tosh):** Good morning, ladies and gentlemen. We are just about ready to start. We have no apologies at this stage. Kenneth Macintosh will be along in a minute or so.

### Consultative Steering Group Principles Inquiry

**The Convener:** In connection with our CSG inquiry, we shall take evidence from the following: Dennis Canavan MSP; the Minister for Parliament, Tom McCabe MSP; and the convener of the Finance Committee, Mike Watson MSP.

Dennis Canavan will give evidence first. His correspondence, which explains the thrust of his proposals, has been circulated to members. He will amplify those comments for the committee's benefit. We have allocated half an hour for Dennis Canavan's evidence. We are slightly late starting, so we will overrun at the end if need be.

You are welcome to make an opening statement, Dennis.

**Dennis Canavan (Falkirk West):** I thank the convener for inviting me to give evidence. Never before have I been asked to give evidence to a parliamentary committee, either at Westminster or in the Scottish Parliament—this is a first for me. I understand that the invitation resulted from my letter of 1 August 2001 to the convener, a copy of which has been circulated to members.

I am unhappy about the way in which the Parliamentary Bureau operates. As I said in my letter, at times it seems that it behaves

*"like a secret society, meeting behind closed doors".*

That appears to contravene one of the basic CSG principles, that the Parliament

*"should be accessible, open, responsive, and develop procedures which make possible a participative approach".*

The Parliamentary Bureau takes many important decisions about the Parliament. It takes decisions on the Parliament's agenda, timetable and delegations—including delegations to represent the Parliament overseas. All its decisions are taken behind closed doors and only some are subject to the approval of the Parliament as a whole.

Formally and informally, I have raised some of those matters with the Presiding Officer, but I have received no satisfactory response. To be fair to the Presiding Officer, his hands are to some extent tied by standing orders, especially the one that states that a party or a group must have a minimum of five members to be represented on the bureau. In effect, three members of the Scottish Parliament are excluded from the bureau—Robin Harper, Tommy Sheridan and me.

As I understand it, each of the party whips or business managers on the bureau is entitled to cast a vote in proportion to the number of members in his or her party. The two parties that form the Executive have an overall majority in the Parliament, so the two block votes of the Labour party manager and the Lib Dems party manager constitute a majority within the bureau. In effect, the Executive controls the bureau, which in turn controls many of the Parliament's activities. That seems to contradict one of the other CSG principles, that

*"the Scottish Executive should be accountable to the Scottish Parliament".*

In my letter, I have suggested three ways in which the status quo could be improved. First, we should consider whether it would be possible or desirable to change the standing orders to get rid of the minimum-of-five rule, so that individual members and members of small parties might have some input, either as individuals or collectively. Secondly, the bureau should publish more comprehensive reports of all its meetings. At present, it furnishes me with a brief minute of the decisions that are taken. A more comprehensive report would be in the interests of openness and democracy. Thirdly, all MSPs should be given advance notice of the Parliamentary Bureau's agenda—in other words, what items will be on the agenda of next week's meeting. If we were told that in advance, we would have the opportunity of feeding into the decision-making process, before decisions were taken.

My correspondence with the Presiding Officer shows that the bureau rejected my suggestion that all MSPs be given advance notice of the agenda of its meetings, but the Bureau did not give any reason. I hope that the Procedures Committee will give my suggestions a more positive consideration.

**The Convener:** Thank you, Dennis. Let me explain how we will proceed. The clerks have given committee members an analysis of your statement that suggests some of the issues raised. On this committee, we do not dish out questions or restrict members to questions; we all ask whatever we think appropriate. If some of the issues that the clerks have flagged up are not covered in the discussion, we can pursue those

later by letter if necessary. I am sure that you will be happy to co-operate with that.

Let me kick off with a couple of points that arise from your opening statement. I would like you to clarify what briefing you receive. I had understood that Robin Harper, Tommy Sheridan and you were given a briefing, but from what you have just said, it seems that you receive the summary sheet that we now all receive after bureau meetings.

**Dennis Canavan:** Yes, we receive the summary sheet. At first, Robin Harper, Tommy Sheridan and I received nothing at all. We complained about receiving no information whatever and, following those representations, we now receive each week a summary note of the bureau's previous meeting.

**The Convener:** Is that the same as the summary that is now published?

**Dennis Canavan:** I assume so.

**The Convener:** Let me formally establish the baseline. With the letter that you sent to me you enclosed a copy of the letter that David Steel sent to you on 25 July 2001, which concerned your request to be given advance notice of bureau agendas. Have you at any stage formally approached the Presiding Officer to ask that you be invited to participate in the bureau either, as you put it, as a full participant or as an observer? If you have, what was the result of that?

**Dennis Canavan:** I have suggested to the Presiding Officer that the three of us should have some access to the bureau, perhaps as observers rather than as voting members. I have received no positive response from the Presiding Officer on that.

**The Convener:** Were you given an explanation of why that was not possible?

**Dennis Canavan:** The main reason given was that standing orders do not allow it. However, my understanding is that there is nothing in standing orders that states explicitly that MSPs who are not members of the bureau cannot attend bureau meetings.

**Mr Gil Paterson (Central Scotland) (SNP):** How does the fact that you do not get notice of the bureau's agenda affect you as an individual MSP?

**Dennis Canavan:** It means that I cannot feed into the decision-making process before the decisions are taken. Some of the bureau's decisions, such as the business resolutions, are subject to the approval of the whole Parliament. By the time the motion comes to the whole Parliament, the decision seems to be fairly cut and dried. In any democratic process, it is important that people have the opportunity to feed in at an early stage, before firm decisions are taken.

**Mr Paterson:** If a full agenda and a consequent

full minute of the meeting were made available, would an individual MSP still have a special need to take part in the bureau's meetings? Would those two things mitigate your anxiety?

**Dennis Canavan:** It would be helpful if we were given the agenda of future meetings of the Parliamentary Bureau. That would enable Robin Harper and Tommy Sheridan, who are members of parties that are not represented on the bureau, and me—I am not a member of any party—at least to have the opportunity to convey our views to the Minister for Parliament or to the Presiding Officer. We do not know what parliamentary business or other agenda items the next meeting of the bureau will discuss. I fail to understand why the bureau is resisting what seems a fairly reasonable proposition.

**Mr Paterson:** Would the provision of a full agenda plus a full minute of meetings suffice, or would it still be beneficial for you to attend bureau meetings?

09:45

**Dennis Canavan:** They would be beneficial, but they would not be all that I am seeking. Any member should be entitled to sit in and watch what the bureau is doing. Ideally, I would like us to have an input, by way of a vote, into the decision-making process. Even if it were a weighted vote, I would have one 129<sup>th</sup> of the vote. At present, my share of the vote is zero.

**Fiona Hyslop (Lothians) (SNP):** I should first declare that I am a member of the bureau. Is your main concern the subject matter of the agenda for the Parliament? If so, are you aware that the agenda is fairly straightforward and contains little information about the content of forthcoming parliamentary business? Members of the bureau themselves have only about an hour and a half's notice of the forthcoming agenda items before they go into the bureau meeting to make decisions. If your main concern is about the content of the agenda, would you have enough time at lunch time on a Tuesday to influence that agenda? Bearing in mind the fact that all decisions about the agenda come to Parliament and that any member can make a statement about the content of the agenda, do you still think that there is a serious lack of democracy? The agenda always comes before the Parliament, you always have a chance to speak on it, and you always have a chance to vote on it.

**Dennis Canavan:** The more notice we get of the parliamentary agenda, the better. Even with minimal notice, we might have the opportunity to feed in. You should also bear in mind the fact that I am the only member of the Parliament who does not have the opportunity to get time allocated for a debate in the chamber. I therefore feel

excluded in that respect, and I also feel excluded in that I have very little, if any, opportunity to influence the business of the Parliament.

As I understand it, the Parliamentary Bureau discusses items other than parliamentary business, such as delegations representing the Parliament, including overseas delegations. I am not against delegations—they can do a world of good by building up good international relationships between our Parliament, other Parliaments in the world and other devolved Administrations in the United Kingdom—but the bureau seems to decide, first, whether there should be a delegation and, secondly, who the members of that delegation should be. It would be reasonable to ask all members of the Parliament whether they are interested in being a member of a delegation or in taking part in an activity, rather than to have the bureau deciding such things behind closed doors and without any endorsement by the Parliament as a whole.

**Donald Gorrie (Central Scotland) (LD):** There is a wider issue of how we try to make the mechanisms of the Parliament operate more satisfactorily from the point of view of all members as members of Parliament rather than as members of parties. However, I shall stick to the issues that you have raised for the moment.

Would it help you if one observer representing the three members who are singletons were allowed to attend the bureau and listen to its proceedings? That would be one option.

There is another option. I understand from my brief sojourn at Westminster that there is a convention that the Liberal Democrat whips represent the interests of the smaller parties—the SNP, the Welsh nationalists and the Irish—on the odd occasions when those parties are allowed to choose the debate or to decide the membership of standing committees. Would it help you if one of the two Opposition parties were asked—without political agreement, obviously, but merely procedurally—to represent the interests of the three singleton members in the bureau?

Those seem to be two possible options for achieving what you are looking for.

**Dennis Canavan:** It might be partially helpful, but I do not see why the three of us should not be able to feed in directly to the bureau, either as individuals or by putting our heads together, agreeing on the aim that we want to pursue and making a collective representation. At present, there is no mechanism whatever, and that is a democratic deficit in the way the Parliament operates.

**Donald Gorrie:** Would you regard an allowance for one spokesman for the three of you as satisfactory, or would you insist on all three having

the right to attend the bureau individually?

**Dennis Canavan:** I would prefer that all three had the right to attend as individuals. I would have to consult my colleagues in the Scottish Green Party and the Scottish Socialist Party about whether they would agree to some form of collective representation, but I feel that although that might be helpful it would not be ideal.

**Mr Kenneth Macintosh (Eastwood) (Lab):** You say that you feel excluded. I hope that you do not mind my saying that your rate of participation in parliamentary proceedings does not give the general impression that you are an excluded member.

You seem to be concerned about two issues: first, transparency and, secondly, the fairness with which you and the other two individual members are treated. I think that there is an issue of transparency, and I would like to hear your comments on whether you feel that there have been any improvements. Since the Parliament started, there have been a number of changes to the way in which the bureau operates.

On your treatment as an individual member, why do you think that the CSG set the limit of five members for a party to be represented on the bureau? Do you agree that it was right to do so?

**Dennis Canavan:** It may very well be the case that I use more opportunities than do other members to try to get my point of view across in meetings of the Parliament, but I am a member of only one committee in the Parliament—the European Committee, which is not a legislative committee as such. My having to use opportunities on the floor of the chamber more frequently than the average non-ministerial member of the Parliament is a result of the fact that I have very little, if any, influence on the agenda of the Parliament. Since the Parliament started two and a half years ago, there has been only one occasion on which I have had a members' business debate. I can think of no other occasion when I have had the opportunity to introduce a debate, except when I have lodged an amendment to an Executive or Opposition motion. Even then, it would be a rare occasion when my amendment was selected.

**Mr Macintosh:** I would also like to hear your views on improvements in the transparency of the bureau and on the idea that a party should have five members before it can be represented on the bureau. The CSG thought about many things, and came up with that minimum of five. Why do you think it did so?

**Dennis Canavan:** I did not attend any meetings of the CSG, so I do not know what its members' thinking was. Perhaps they looked at other Parliaments and came to the conclusion that they

needed some minimum number. They did not know in advance what the representation of the various parties in the Scottish Parliament would be as a result of the 1999 elections, or indeed whether there would be any members, like me, who were elected without being a member of any party. Why they picked five I do not know. It seems a rather arbitrary number.

If people think that the Parliament must operate to take account of the fact that most members of Parliament are members of parties, I accept that. However, if there are members of Parliament who are members of no party, or of very small parties with only one or two representatives, I do not see why they should be excluded completely from the process.

I think that there have been some slight improvements in transparency. The summary note of the bureau meetings is now given out. At first, we were told nothing at all about the mysterious workings of the bureau, apart from the motions that emanated from it and came before the full Parliament for endorsement. However, apart from the summary note, I can think of no other improvement in the way in which the bureau operates.

**Mr Frank McAveety (Glasgow Shettleston) (Lab):** I am intrigued by what you said about exclusion. The trinity of modest parliamentarians of which you are part makes it difficult to believe that you are excluded. Have the three of you, who share concern about this matter, written to the bureau—collectively or as individuals—during the past two years, asking for items to be put on the Parliamentary Bureau's agenda?

**Dennis Canavan:** I cannot think of any occasion on which I have done so, apart from when I was pursuing the motion that I lodged about the Scottish Transport Group pension fund surplus. That motion was eventually debated in the chamber. That is the only example that I can think of in my case. You would have to ask Robin Harper and Tommy Sheridan if they have been making similar efforts to get items on to the parliamentary agenda.

**Mr McAveety:** Do Robin Harper and Tommy Sheridan share your views? Do they have a view on observer status or voting rights, for example?

**Dennis Canavan:** I am not here to speak on behalf of the other two. There is a reasonable case for considering either giving each of us a right to attend as observers or allowing us to agree among the three of us which one could represent us on the bureau.

**Mr McAveety:** Is there any issue that has arrived in the Parliament after being discussed in the bureau which would have been changed or influenced if you had had either voting status or

observer status on the bureau?

**Dennis Canavan:** As I have not had the opportunity to attend any meetings of the bureau, I simply do not know the answer to that question. I hope that by attending a meeting of the bureau I would have the opportunity to influence the parliamentary agenda. At present, however, we have virtually no influence at all.

**Patricia Ferguson (Glasgow Maryhill) (Lab):** I am not a member of the bureau but, like Fiona Hyslop, I attend the bureau, although I do not have voting rights. My view of the bureau is therefore probably slightly different from Fiona's.

You mentioned the fact that the business programme of the Parliament is decided at the bureau. You also mentioned delegations for overseas or internal UK visits. What other business would you like to see at the bureau if you were able to attend?

**Dennis Canavan:** Let me give another example. I received notification yesterday from Deputy Presiding Officer George Reid about a new committee that is being set up to consider the very worthy cause of aid for the people of Afghanistan. George's letter says, *inter alia*:

"You will also note that MSP membership is confined to parties represented in the Bureau."

I find that unacceptable. Robin Harper, Tommy Sheridan or I may have specific expertise or a particular view on aid for the people of Afghanistan, yet it appears that we are being excluded from the important new committee that is being set up with the approval of the Presiding Officer, the Deputy Presiding Officer and, I assume, the Parliamentary Bureau.

10:00

**Patricia Ferguson:** You may have an advantage over some of us, Dennis, given that you have received that correspondence. However, I am not sure that your example is relevant, although it is unique. More generally, what issues do you think that you might be able to influence or have a say on if you were able to participate in the business of the bureau?

**Dennis Canavan:** I am sorry, Patricia, but I did not hear what you said.

**Patricia Ferguson:** The situation that you described is unique. Are there issues of a more general and continuing nature that you think you might be able to influence or say something about if you were able to participate in bureau meetings?

**Dennis Canavan:** The main issues are the parliamentary agenda and the formation of committees—whether committees of the Parliament or ad hoc committees such as the one



to which I just referred. Other items may appear on the agenda of the bureau, such as the reference of bills to specific committees of the Parliament, on which we may have a view that we would like to feed in. However, as we are not even given advance notice of the agenda or allowed to attend the bureau meetings, it is difficult, or impossible, to feed into the decision-making process.

**The Convener:** I will pick up on another issue. It seems to me that the logic of what you are saying is not that you should be allowed to attend the bureau but that the bureau should meet completely openly. Is that your view? Should the bureau be run like a committee meeting, to which everyone, including the press and the public, should be entitled to turn up in order to follow the proceedings? Might that have an adverse impact on the way in which the bureau works?

**Dennis Canavan:** As I have not had the opportunity of attending a bureau meeting, I find it difficult to give a firm answer to that question. In my view, there is a case for meetings of the bureau to be more open. We all know that there is an obligation on the committees of the Parliament to hold their meetings in public unless they decide to discuss a certain item in private because special circumstances apply. I see no reason in principle why the bureau should not operate in a similar manner.

**The Convener:** At the beginning of your presentation, you raised the issue of the qualified, or block, voting system—call it what you will. Given the fact that sometimes there will be disagreement in the bureau and that it will be necessary for votes to be held, how would you propose to do that and to make decisions if not through the business managers deploying the votes that their parties have in the Parliament?

**Dennis Canavan:** In principle, I am not opposed to the qualified voting system that is used. However, in the case of MSPs who are members of parties, do the business managers consult the membership of their parties before casting the block vote on behalf of their members? It is important that back-bench members—if I may use that term—have the opportunity to feed in, either directly to the bureau or through their party's business manager.

**The Convener:** That is probably quite difficult to achieve in practice. As Fiona Hyslop indicated, the details of business—proposals for debates and so on—may reach bureau members only an hour or so before the meeting takes place. That happens because the parties take time to decide the issues that they want to raise in the time that is available to them. I am not sure that it would be realistic to expect the business managers, who have the votes, to canvass all members of their parties

before they are required to use those votes. Might not that slow down the system? We try to be reasonably spontaneous and responsive to events as they arise, but there is always tension between consulting and deciding in advance and reflecting topical issues.

**Dennis Canavan:** I accept that, sometimes, the timetable may diminish opportunities for consultation, but I still believe that the party business managers should make every effort to consult members. However, almost no consultation takes place between the bureau and three members, including me.

**The Convener:** As no one has another question, I thank you for your presentation, Dennis. We have covered most of the points that the clerks had identified. When they sift through the information, they may wish to raise one or two further points with you. I can advise you that we now proceed to interview the Minister for Parliament on the Executive's submission. You are more than welcome to remain—this is a public committee meeting and you are entitled to remain, but I thought that I would mention that as I will take the opportunity to put some of your points to the minister for his comments.

I welcome the Minister for Parliament, Tom McCabe, to the table and thank him for coming along this morning. The committee has received the paper that the Executive submitted to our inquiry and we look forward to discussing the terms of that paper and the other issues that members will raise in the context of the Executive's contribution to our work.

Minister, I am happy to offer you the floor so that you may make whatever initial presentation you think will help us.

**The Minister for Parliament (Mr Tom McCabe):** Thank you, convener. Good morning, everyone.

I am grateful for the opportunity to give evidence to the Procedures Committee on behalf of the Executive in connection with the inquiry into the application of the CSG principles. As you indicated, convener, we have submitted a detailed memorandum and I will be happy to try to answer questions on that memorandum at the appropriate time. With your permission, I would like to make a few brief remarks in order to set the scene for your proceedings this morning.

The committee's inquiry is both important and timely. The report of the CSG was one of the cornerstones on which the new Parliament was built. It reflected a high degree of public and political consensus about the way in which our new Parliament should operate. It set out four key principles that were intended to underpin every aspect of our work. It is right that, at periodic

intervals, we should take stock of the progress that we have made in living up to those principles. On behalf of the Executive, I make it clear that we remain committed to working towards that end with the Parliament.

Before I address the principles in more detail, I would like to make a few more general observations. It is extremely important that we should not underestimate the progress made by the Parliament, which has been in existence for just over two years. I am sure that we can and should do more but, as the Executive's memorandum clearly illustrates, both the Executive and the Parliament have travelled a long way in a short time. The devolved institutions have found their feet and a distinctive voice of their own. They have put down roots and established themselves quickly and confidently as part of the political and constitutional landscape. We should acknowledge the scale of their achievements over the past two years. After all, we created the world's newest Parliament without putting a gun in anyone's hand or tanks in the street. Perhaps we should take a little more time to celebrate that achievement, to acknowledge it ourselves and to encourage the people of Scotland to acknowledge it.

The CSG report gave us a high standard to live up to. Of course it is right that we should always strive to meet the highest ideals, but we should also be practical and realistic about what can be achieved and the time scale within which achievements can be made. As politicians, we may have all been partly responsible for creating expectations that were unrealistically high at the beginning. Some of us also need to be careful about being too critical of what the Parliament has achieved. Devolution is a success story and we have a great deal of which to be proud. By all means, let us strive to improve, but let us also be honest and realistic with one another and, more important, with the public. It does no one good to inflate expectations or to knock what the Parliament has achieved. Perhaps we should try to steer more of a middle course.

I make it clear that the Executive's first and foremost duty is to deliver the programme for government on which it was elected. That has involved, and will continue to involve, an ambitious and substantial legislative programme, for which I make no apology.

I now turn to the CSG principles, beginning with power sharing. The Executive has made real efforts to adopt a more inclusive approach to the development of policy and proposals for legislation. Proof of that approach can be found in our commitment to meaningful consultation. We have carried out more than 230 consultation exercises and we have invested considerable

amounts of time and effort in improving our consultation processes. We have also tried to reach out beyond the usual suspects and have provided consistent support for the Scottish civic forum.

The committees of the Parliament play a key role in scrutinising proposals for legislation and in taking evidence from interested parties. The legislative process at Holyrood places great emphasis on front loading, so that proper consultation takes place before bills are introduced, followed by detailed scrutiny by the committees and the opportunity for interested parties to give evidence. I firmly believe that proper consultation makes for better legislation. Both the Executive and the committees have put a great deal of effort into achieving that. The Executive and the Parliament have a common interest in finding ways to improve our consultation processes and to reach out to a wider audience. We will pay particular attention to any recommendations that the committee may make on that issue.

Accountability is the second key principle, but we must be clear about exactly what accountability means and about who is accountable to whom. The basic principle is quite clear: ministers are accountable to Parliament and Parliament has a duty to hold ministers to account for the decisions that they take. There are many ways in which the Parliament can hold ministers to account, including the use of questions, correspondence, debates and inquiries. The Parliament and its committees have been assiduous in holding the Executive to account—I make no complaint about that.

Ministers have the powers and functions that have been vested in them by statute. The Parliament is free, if it wishes, to legislate to give ministers new powers, or to take powers away from them. However, it must do so by passing legislation and not resolutions. Resolutions of the Parliament have binding force only in limited circumstances, such as when it passes a vote of no confidence in the Executive. Otherwise, ministers will listen carefully to the views that are expressed by the Parliament, but they are not required to act upon those views as a matter of course.

I emphasise that that does not reflect a lack of accountability—quite the opposite. It reflects the proper lines of accountability in a parliamentary democracy. Just as civil servants are accountable to ministers, so ministers are, in turn, accountable to Parliament. Parliament must approve the appointment of ministers and it can confer statutory functions on ministers or remove such functions from them if it chooses to legislate. The Parliament can, and does, scrutinise ministers and

hold them to account for the decisions that they take. However, except in limited circumstances, the Parliament cannot give binding instructions to ministers simply by passing a resolution. It is for ministers to exercise the duties and functions that have been conferred on them by the Scotland Act 1998.

10:15

With regard to openness and accessibility, voluntary organisations that have regular dealings with the Executive and the Parliament frequently acknowledge the difference that devolution has made to getting alongside decision makers and influencing the development of policy and legislation. MSPs, Scottish ministers, the Parliament and the Executive are all, in my view, more open and accessible to input from individuals and interested organisations. That is reflected in the much larger postbags that we have received since devolution. I am aware that that may not always be apparent to the public at large, and that there is an issue about how we can find ways to cast the net more widely, but plenty people and organisations can testify that, in this respect as in others, the Scottish Parliament has already made real progress.

Finally, equal opportunities has been a priority for the Executive and the Parliament. That commitment is reflected in the work of the Equal Opportunities Committee, and on the Executive's side by the establishment of a dedicated equality unit and the development of a wide-ranging equality strategy. That strategy is described in detail in the Executive's memorandum, so I do not propose to go into greater detail. Of course, I am happy to do my best to answer any questions, although the committee will bear it in mind that equality is Jackie Baillie's responsibility, not mine. Suffice it to say, the Executive and the Parliament have made a commitment to equality of opportunity, and have worked closely with each other, statutory bodies and the voluntary sector to promote and mainstream equality. We will continue to do so.

Convener, I am grateful for the opportunity to set the scene, and to say something about what the Executive has done on its own, and in partnership with the Parliament, to live up to the principles of the consultative steering group. I will do my best to answer any questions that the committee has.

**The Convener:** Thank you for that presentation, which contained many interesting points that the committee will now discuss in greater detail. The clerks have been through the statement, as have members, and have identified a number of issues, but we have not dished out questions to members, and I will not restrict anybody in what they seek to ask. We have tried to structure the meeting so that

we follow your general introduction, and then the four specific principles, as you did in your statement, but that will probably break down as we range across the issues. I make that point simply to establish the justification, if it is necessary afterwards, for asking you for written comments on anything that we identified beforehand as a substantive issue but which we do not get round to raising in the discussion. I see the minister nodding, so I am happy that we will co-operate on that.

I will kick off the discussion by advising you, minister, that we have just had half an hour with Dennis Canavan MSP, who expressed concern about the status that he and the other two individual MSPs have in determining and contributing to discussion about parliamentary business. Specifically, he argued that they should be represented at meetings of the Parliamentary Bureau, or be present at bureau meetings, so that they are aware of discussions. That is part of the general sense that the operation of the Parliamentary Bureau may not meet the CSG principles, in that there is a lack of transparency. What is your view, two and a half years into this Parliament, on the degree of privacy with which bureau discussions are surrounded? Is there scope to respond to the wishes of Dennis Canavan and, to be fair, the points that people outside the Parliament also make?

**Mr McCabe:** First, there has been an attempt to open up the process. A summary note of proceedings of the bureau is issued to every member of the Parliament. That is new. We have to ensure that we get the function of the bureau, and the way in which the bureau operates, into proper perspective. It is not always wise to draw direct comparisons with Westminster, but when we draw comparisons with other Parliaments around the world, we see that our bureau operates far more openly than do many institutions.

It is also important to recognise that the bureau is not an emperor within its own domain. It does not take final decisions. The bureau discusses issues in private, but I firmly believe that there are times when that is of benefit to all parties that are represented in the bureau. In particular, when dealing with especially sensitive subjects, it encourages people to express a clear and honest view rather than be reticent, which they may be if they know that every word they say will be reported to the outside world.

However, let us remember that the bureau then produces a business motion that is presented to the Parliament, and every member of the Parliament has the opportunity to express a view on that business motion. It is a compliment to the way in which the bureau goes about its work in as consensual a way as possible that on very few

occasions has that motion been debated or has there been an attempt to overturn the contents of a business motion. That indicates to me that there is a fairly high level of acceptance for what the bureau produces. It is important to bear those points in mind.

The level at which representation is achieved in the bureau was set before the Parliament was established. Parliament could change that. It could reduce the number from five to three MSPs, or it could increase the number to 10. Personally, I believe that we have struck a reasonably fair balance, therefore I cannot see a case for changing the current situation.

Mr Canavan asks for observer status. I watched his evidence at committee. I felt on some occasions that he was facing two ways at once. He asked for observer status, but he also made a plea to influence decisions more heavily before they are reached in the bureau. That takes me back to an earlier point. It is important to remember that whatever decisions the bureau takes, they are placed before the whole Parliament, and every MSP has the opportunity to express a view when the business motion is put to a vote in the Parliament.

**The Convener:** Okay. I undertook to present those points to you. Mr Canavan may choose to come back at a later stage on your answer. I throw the discussion open.

**Donald Gorrie:** My questions address the accountability principle. Do you wish to address the earlier principles first, convener?

**The Convener:** No. It will do if we just flag up the angle that we are coming from.

**Donald Gorrie:** Tom, you say in your memorandum:

"civil servants are accountable to Scottish Ministers, who in turn are accountable to the Scottish Parliament."

This committee and the Scottish Parliament have devoted some effort to improving their relationships with civil servants to get better and faster answers. Are you satisfied with that, or are there ways in which we could improve further the relationship between civil servants and the Parliament and, to some degree, make civil servants accountable to the Parliament directly?

**Mr McCabe:** I do not have a closed mind on that. I am conscious that, in order for civil servants to serve properly, they need clear lines of accountability. The present situation, where civil servants are accountable to ministers, and ministers not civil servants relay information to other politicians and the Parliament, has much merit.

You are aware, Donald, that we have examined

ways of opening up the process. We have, for example, made the civil service telephone directory available through the Scottish Parliament information centre. The Executive would be interested in hearing members' suggestions on better relationships and communication with civil servants. The relationship and communication are important, and if we can improve them, the outcomes of this Parliament will be better, and the degree of satisfaction that individual MSPs receive from their work will be greater.

Our mind is not closed on the issue. If members have suggestions, I assure them that they will be considered seriously. As on other occasions, we may not always agree, and we may not be able to accede to the requests that are made, but I assure you sincerely that suggestions will be considered seriously.

**Donald Gorrie:** I have two questions on committees. You said that your primary task is to get the Executive's, or the Government's, business passed—there is another question about the name of your organisation. I accept your point, but there is an issue, because we have no House of Lords. The argument was that we did not need one, because the committees sort out bills. There have been occasions in the past when the Executive has been quite flexible and made changes to bills. However, on other occasions the Executive has stood very firm on an issue, and committee members who were persuaded intellectually in their committee work that the committee had the right line were persuaded to vote for the Executive line. First, do you think that it is satisfactory that the Government should put pressure on committee members to vote against the conclusions that they have reached as members of committees?

My second question is on timetabling. While the system of consultation is good—you mentioned that pressure groups speak favourably of the consultation before stage 1—the timetable for stages 2 and 3 is such that there is no time for interested members to consult informed pressure groups to make sure that their amendments are correct and Government amendments are acceptable. Is it possible to spread out the timetable without the Government losing its business?

**Mr McCabe:** First, it is right to acknowledge that we do not have a revising chamber in Scotland. I must be honest and say that, having examined the procedures at Westminster from the outside, one gets the impression that they are more contemplative. However, as I said earlier, the balance is that in Scotland we substantially front-load the process and engage in fairly substantial prelegislative scrutiny. That makes a positive contribution to the eventual shape and usefulness

of the legislation that this Parliament passes. So far, when a timetable has been set for the completion of stages 1 or 2, and a committee has requested additional time, I think that it always has been granted.

It may help to put in some perspective the amount of time that committees have spent considering legislation. A large number of the Parliament's committees are currently dealing with legislation. To date, 22 Executive bills have been passed: six have fallen to the justice committees; three have been dealt with in the chamber; three have fallen to the Finance Committee; two each have fallen to the Enterprise and Lifelong Learning Committee, the Local Government Committee and the Rural Development Committee; and one each has gone to the Education, Culture and Sport Committee, the Transport and the Environment Committee, the Health and Community Care Committee and the Social Justice Committee.

Approximately 155 days or part days have been spent in committee addressing the 22 Executive bills and the four members' bills. That averages approximately six full or part days considering legislation per committee. When viewed from that perspective, the time pressure on committees with regard to legislation is not as intense as we sometimes think.

It was recognised that a high percentage of bills fell to the Justice and Home Affairs Committee, which was why we proposed to the Parliament the creation of a second justice committee. The evidence now is that both justice committees are extremely busy with legislation, which shows that there was justification for taking that course of action.

There may be a case on some occasions for an increase in the time between stages 2 and 3, but I would prefer that to be decided case by case. Obviously, I have an interest in ensuring that the Government's programme is passed. However, if a committee expresses a view, there is merit in considering such a request. I hope that, if the Executive is open-minded about that, the situation will not be abused.

I do not know whether I have covered all your points. If I have not, reiterate one and I will try to answer it.

**Donald Gorrie:** I will give other members a chance.

**The Convener:** I have a related point on bill procedures. One of the issues that the committee raised with the Executive previously was the relatively late lodging of amendments at stage 2. The Executive undertook to try to lodge its amendments in reasonable time for members to react to them, and undertook to lodge late amendments only if it turned out to be absolutely

unavoidable. Has any work been done to monitor the Executive's success in that respect? We have had no further complaints, but are you examining proactively whether you are achieving that aim, and whether that part of the voluntary procedure of the Parliament is working well?

10:30

**Mr McCabe:** We are conscious of that. Our good-practice guidelines for bill teams set a target of five days. We are keen to ensure that, wherever possible, we adhere to that target, which we have imposed on ourselves. We will monitor the situation and if we find that on too many occasions we do not meet the deadline, we will try to take the appropriate action to ensure that we meet it. We set the target in the good-practice guidelines for the bill teams and we strive as hard as we can to ensure that we stick to it.

**Fiona Hyslop:** I thank the minister for the memorandum that has been presented to the committee. Page 4 mentions accountability, which is the subject on which I want to touch. I have two points: the first is on the accountability of the First Minister and the second is on the accountability of the Executive to the Parliament. I want to pick up on some of your comments.

There are concerns about the role of the First Minister. The matter has been dealt with in the press and allegations have been made. Regardless of whether those concerns are connected to issues that happened at Westminster, the sequence of events during the past 10 days is of particular concern to the public and the Parliament. The Parliament is restricted in the matters for which it can call the First Minister to account. Can you envisage or would you like to suggest how Parliament can call the First Minister to account for his actions and behaviour in recent days?

How can we ensure that the Parliament has the opportunity to question the First Minister? The opportunities that are available to us at question time are restricted, the First Minister rarely opens a debate unless it is on the programme for government and the opportunities for personal statements are limited. Will you share with the committee the areas in which you think we can make improvements to ensure that the First Minister is fully accountable to the Parliament?

**The Convener:** Although we want the minister's answer to reflect Fiona Hyslop's general point about the accountability of the First Minister, which is entirely legitimate, we are not seeking to discuss recent debates. I appeal to members to ask questions on pertinent procedural matters.

**Mr McCabe:** I appreciate your guidance, convener. It is unfortunate that Fiona Hyslop

chose to raise that subject by way of an example.

Our First Minister is highly accountable to the Parliament. Every week there is a robust exchange at First Minister's question time. Henry McLeish is a visible and high-profile First Minister; he has taken a number of debates in the Parliament as First Minister when he could easily have handed them over to other ministers. He did not do that; he chose to take on issues in an up-front and open way.

Members have the facility to question the First Minister through correspondence. He is extremely keen to meet members of the public; question-and-answer sessions with the First Minister have taken place in different parts of Scotland and that process will continue. He has demonstrated in a meaningful way that he wishes to be open and accessible. The processes and procedures in the Parliament are credible and robust for examining the way in which the First Minister performs as the First Minister of Scotland.

**Fiona Hyslop:** I want to follow up on that. I asked what improvements could be made and your answer seems to show that you think that things are satisfactory as they are. The First Minister has taken the initiative on some occasions—on the Ryder cup and the Flanders declaration, for instance. Is there an opportunity for the First Minister to be held to account in a committee rather than in the theatre of First Minister's question time or in a debate? You said that committees are vital in holding ministers to account. Is there scope—perhaps not regularly, but enough to give reasonable representation across the Parliament—to have more committee examination of the First Minister's role and initiatives? That could happen either in subject or mandatory committees. Perhaps the First Minister should be more accountable for the issues that he is responsible for, particularly the programme for government. Do you think that that type of improvement would bring more accountability to the role of First Minister?

**Mr McCabe:** No, I do not. That suggestion would mean substitution of processes that, as I said, are robust enough. Leaders lead and the First Minister leads. He has launched initiatives such as the bid for the Ryder cup and there will be other initiatives. Those initiatives have brought credit to the Parliament and to Scotland. We would be disappointed if we did not have a leader who was prepared to lead from the front and who tried to do what was best, in his opinion, for Scotland.

I have described the opportunities in Parliament—a robust question session each week and correspondence with and written questions to the First Minister—that allow examination. It is important that the Parliament does not engage in tokenism. If processes exist, we should use them;

we should not, for reasons of tokenism or whatever, substitute those processes for the sake of it.

**Fiona Hyslop:** My final question is on that point. The Procedures Committee is examining existing processes to discover whether they are robust enough, which means that we might want to recommend changes.

Earlier, you made it clear that in your view the Executive is not bound by resolutions, motions or decisions of the Parliament. Does that not contradict the principle of accountability? The CSG said that the Scottish Executive should be accountable to the Scottish Parliament. Your argument was that the Executive is not legally bound by that, but surely you are of the view—and you expect the public to be of the view—that if the Scottish Parliament passes a motion, regardless of whether it is legally binding, the Scottish Executive has a political, moral and democratic responsibility to abide by it. You seemed to suggest that the Scottish Executive can treat the Parliament as a consultation exercise and not carry out its wishes. Will you comment on that?

**Mr McCabe:** The Scottish Executive is under an absolute imperative to take account of the views that are expressed in the Scottish Parliament. My view is that it has always done so and that it always should do so. We should not confuse the legal and constitutional position with the expression of a view. I said that if the Parliament wishes to increase or decrease the power of Scottish ministers, it has the ability to legislate to that effect. We all have a responsibility to explain the proper legal and constitutional situation to members of the public to minimise misunderstanding. We must encourage the public to understand better the processes of the Parliament and how a legally constituted Parliament makes legally constituted changes to the way in which it holds ministers accountable.

**Mr McAveety:** At our previous meeting, we heard evidence on the MORI research, which was conducted internally with members and staff and externally with the public. I should comment on a couple of points.

First, the research revealed a definite disconnection in the public's view. The phrase that was used was that the Parliament has not lived up to expectations. Part of that relates to how involved people feel. One of the key commitments in section 2 of the Executive submission is on modernisation. Will you expand on how we can enhance the modernisation agenda and connect with the public? How can we ensure that the public participate more and that we find ways to broaden accountability?

Secondly, given that members have submitted a

critique of the Parliamentary Bureau structure, how can we modernise that structure?

**Mr McCabe:** There are a number of points. I am in a dilemma over the MORI findings. In a healthy democracy, when members are consulted in a Parliament, a degree of partisanship is expected in the views that are expressed. It is right and proper for Opposition members to be critical of the Executive and to express the view that some things do not happen as comprehensively or as quickly as they should. It is understandable that other members who are supportive of the Executive express a different view.

It is perhaps not always advisable to be completely honest, because one can sometimes be misrepresented. However, I spoke earlier about the way in which political rhetoric has heightened expectations in Scotland. I am not entirely sure how well members of the public understand the processes at Westminster, either now or in years gone by. That is not a criticism of Westminster; it is a reflection of the fact that members of the public elect politicians and expect them to represent them well, to legislate and to look after matters of state to the best of their ability. There is not a wealth of people walking around the streets who are highly conversant with the processes and procedures of the Westminster Parliament.

Although I hope that we improve on the situation in Scotland, we must be realistic in our expectations. Someone helpfully said to me this morning that, in Westminster terms, "This is 1232." Westminster has been around for a long time, so perhaps we should tailor our expectations. We are breaking new ground in Scotland and I hope that over time there will be a different conception of what political and public life is about and a better understanding among members of the public. I do not underestimate the size of that task, which will take a considerable time. We should try our best to put the situation into a proper perspective.

The Executive has a number of initiatives on consultation. We have tried to write documents in plain English, we have produced a good-practice guide on consultation and we have examined innovative ways of consulting specific groups in Scotland, adopting different methods depending on the type of organisation or group with which we are dealing. A great deal of work is being done in the equality unit on examining how we can communicate better with excluded groups.

As I said, the Executive tries hard not to go only to the usual suspects when it requires expert advice, which is extremely important. It is important that the Parliament considers long and hard how to define an expert. Someone said to me many years ago—when, in a previous life, I worked in social work—that the best social worker was someone who had raised a family and had a

variety of life and academic experiences. It is important that we do not consult only professors and people who are defined as experts. People have many ways of gathering experience in life and we must be mindful of that and ensure that we cast our net as widely as we can. That will frame a view in legislation that best serves the people of Scotland.

On modernising the Parliamentary Bureau, I said that in my view the bureau works well. It is a forum in which representatives of the parties with five or more MSPs can express a straightforward view in confidence. The bureau has demonstrated on a great many occasions that it is prepared to work consensually. It is important that the decisions that the bureau takes are put before the Parliament and that MSPs have the opportunity to comment on the proposals. Every week there is an opportunity to discuss, debate and—this is important—vote on the business motion. That is a modern and open system. It has been helpful that the bureau recognised a degree of concern and began to issue the summary note, but the fact that members can express a straightforward view in that forum is important. The way in which the bureau operates is the way in which it should continue to operate.

However, I stress that that is the view from the Executive. The Parliamentary Bureau is made up of the four main parties in the Parliament and we must be mindful of that. When a vote is taken, the Executive has a majority, but it is important to remember that, on the vast majority of occasions, the Parliamentary Bureau does not take a vote and that most items are concluded on a consensual basis.

10:45

**The Convener:** I should have introduced Tom McCabe to our professor, David McCrone, who is the committee's adviser. We were a bit negligent, as we have not tested his life experiences; now that Tom McCabe has pointed that out to us, we will put right that omission.

**Mr McAveety:** I know that within policy areas ministers have responsibility for the modernisation agenda, but where does that cut across the Executive's relationship with the Parliament and the Parliament's relationships with people? How can parliamentary committees move forward the modernisation agenda? That is a commitment at paragraph 2.2 in "Working Together for Scotland: A Programme for Government", which outlines broad areas. I have not yet got a feel for how that connects with parliamentarians and the public.

**Mr McCabe:** This morning's proceedings are part of a modernisation agenda, because we are taking stock of the way in which we have established a new Parliament. The fact that we are

prepared to do that so soon after its inception indicates a firm commitment to modernising and reviewing the processes that we employ.

The committees of the Parliament are free to set their own work programmes and they are free to produce reports, to which they expect the Executive to respond. If any committees have strong views about how the internal processes could be improved, the Executive will pay heed to those views and will comment on the reports that are produced. Moreover, there is a facility to discuss the reports at a meeting of Parliament, as often happens.

**Patricia Ferguson:** I will examine issues about participation and access to the Parliament and the Executive. I read with interest the comments in your submission. Do you have ideas about how we should be taking those issues forward? I am especially interested in the work of the Scottish Parliament education service. I firmly believe that the 10,000 young people who have participated in exercises with the education service are a huge investment in the future. I noticed that your submission refers to the youth parliament and the youth summit. Do you have ideas for taking those forward? Have you thought about a course in the curriculum that would allow young people to have a better view of the Parliament? Such a course would inform their thoughts about the Parliament when they become adults with votes.

It became obvious from the MORI findings that the public are not as aware of the Parliament as many of us thought that they might be, given the strenuous efforts that we have been making to be open and participative. The idea of a roadshow was flagged up to us in the MORI presentation. I was intrigued by the idea of the First Minister doing question-and-answer sessions around the country. Could that be expanded on, through other ministers doing similar sessions, or could it be developed in conjunction with the Parliament so that the idea of the Parliament is taken out to where people are?

**Mr McCabe:** Patricia Ferguson will appreciate that any input to the curriculum would be the responsibility of the Minister for Education, Europe and External Affairs. I am loth to move on to that territory. I must be honest and say that I am not aware of any moves to alter the curriculum—that always proves to be a controversial issue. I will ensure that Patricia Ferguson's comments, questions and that suggestion are passed on to the minister.

On the extension of First Minister's question-and-answer sessions, the Executive now has an interactive website, as members know. The First Minister has done a webcast. There are thoughts about other ministers doing the same. That is another innovative way of ministers becoming

more accessible, and not only to the public of Scotland, as a webcast is worldwide. I am sure that worldwide access would do us all good. That is one way of expanding the process to ensure that there is more two-way communication.

We held grass-roots consultative events in summer 2000. Those involved minority ethnic groups, women and disabled people, whom we asked to assist us in developing an equality strategy. We have tried our best to increase the range and number of contacts that the Scottish Executive has in that area. We also funded the Scottish Association for Mental Health to organise a day for users and carers to respond to the white paper on mental health. A variety of innovative methods are being employed to try to widen the net, to use the expression that I used earlier. It is important that we do that. Often those events rightly do not have a high profile. When the Executive encourages such events, we often target such groups and encourage them to do their work without necessarily attracting a great deal of attention.

There is a strong commitment to examine fresh ways of consulting a far broader range of interested groups, especially on specific subjects. We recently produced an action plan on alcohol misuse. We consulted a variety of people to gain their experiences, including alcohol service users, young people and recovering alcoholics and their families and friends. The processes are far more comprehensive than those that were employed in the past, but they are far from final. I hope that we will never form the view that we have finally perfected the art of consulting and assessing the views that are expressed. We should always try to learn fresh ways of communicating with people. One of the great hallmarks of the Parliament should be that we are determined to communicate much more effectively with the people whom we represent. We have made a good start, but we are far from completing that journey.

**Patricia Ferguson:** I appreciate what has been done on the consultative side, but the vast majority of people will probably never have occasion to be consulted. Is there a case—going back to MORI's idea of a roadshow—for taking the Parliament and the Executive out to where people are, not necessarily to enter into consultation with people, but to let them see their Parliament in a tangible way? That would be similar to the way in which committees meet in other parts of Scotland. Meetings of the Cabinet would not necessarily be held in public, but ministers could go out and come across to people in a more informal way than ministerial visits allow. They could perhaps even work with the Parliament to do similar things.

**Mr McCabe:** All those suggestions have great merit. The Executive is prepared to consider them



seriously. To some extent, there is a great dichotomy in the MORI poll findings, which do not altogether line up with my own experience. I find that the public in Scotland are highly excited about the Parliament and the things that have happened over the past two and a half years. They greatly appreciate meetings of the Scottish Cabinet being held in different locations in Scotland. I have no doubt that they appreciate that parliamentary committees have met outside Edinburgh and would appreciate it much more had they done so more regularly. Those suggestions are all worthy of consideration. I assure Patricia Ferguson that I will take them back to the Executive for further consideration.

**Mr Paterson:** I do not want to be an advocate for Dennis Canavan; the issues about the Parliamentary Bureau go beyond what he said. MSPs from different parties have different views on how it operates. The first page of the Executive's submission includes four bullet points: "Sharing the Power", "Accountability", "Access and participation" and "Equal opportunities". If an agenda were produced in advance of a bureau meeting, which was then followed up by a more descriptive minute than we currently get, would that be sufficient to meet those four bullet points?

**Mr McCabe:** I will make an important point that might assist members' understanding of the bureau. The Executive does not compile the bureau's agenda; the clerks to the bureau and the Presiding Officer's office do that. The outcomes of the bureau meeting are presented to Parliament each week in a business motion. I would be interested to hear the specific concerns. I understand the point about openness, but I have made clear my view that there is a case in any parliamentary democracy for a forum in which representatives of the main parties can candidly express a view without its being misrepresented. The important safeguard is that the workings of the bureau are presented each week to the Parliament and every MSP has an opportunity to vote on the business motion. I do not share Gil Paterson's experiences. I do not see a great swell of concern about the way in which the bureau operates. Such concern is not reflected in the number of times that the business motion is challenged or in the number of times that it goes to a division.

I think that the Parliamentary Bureau works well. I do not think that anyone's mind should ever be closed to considering improvements to operating procedures, but if something is not broken, we should not try to fix it. In my considered view, the operating procedures of the bureau are not broken.

**Mr Paterson:** I should perhaps rephrase my question. Is there any good reason why an agenda

and minute should not be produced?

**Mr McCabe:** I do not want to fall back too much on the argument of commercial confidentiality, but I can think of times in the recent past when it would not have been helpful to detail each item that was going to be considered by the bureau.

**Mr Paterson:** Is that the case every week?

**Mr McCabe:** Not necessarily every week, but there have been times when it would not have been helpful to detail each item.

**Mr Paterson:** May I move on to an area that Fiona Hyslop touched on?

**The Convener:** As long as you behave.

**Mr Paterson:** Fiona Hyslop talked about holding the First Minister to account. My idea may be an easier solution than the suggestion that a committee should be set up to scrutinise the First Minister. We all recognise that question time is good knockabout stuff, but perhaps we should make a simple alteration by changing the name of question time to answer time. That might work.

**Mr McCabe:** I recognise the difference between objective consideration by a committee of the Parliament's procedures and an opportunity being taken to score political points. I have to say, with the greatest of respect, that Gil Paterson has taken the opportunity to score a political point.

**The Convener:** I will follow up that point with what I will try to represent as a more measured contribution to the discussion. We recognise that in First Minister's question time there is an attempt in the questions to set up answers and score points and that, in his responses, the First Minister often scores points back. I would not apportion blame to one side rather than the other. Is not the concern that what is missing is a serious opportunity to discuss with the First Minister the ingredients of the Executive's programme, the progress that it is making and the reasons and aspirations behind the initiatives that he has introduced and their outcomes?

I am aware that, at Westminster, discussion of the modernising agenda includes consideration of ways in which the Prime Minister might be seen to be answerable to Parliament in a way that is entirely divorced from Prime Minister's question time. Might we examine that matter profitably here so that we could parallel the political knockabout, which is part and parcel of political life, with a more searching, sincere and constructive exchange of views with and interrogation of the First Minister?

**Mr McCabe:** I defer to the convener's triumph of optimism over experience. I cannot envisage the forum that would be as sincere and objective as you hope for. I admire you for hoping for that kind

of forum, but I am afraid that the same atmosphere that First Minister's question time generates would find its way into whatever alternative forum we created.

We have a not inconsiderable process of questioning the First Minister each week. Questions can be laid before the First Minister. Members also have a chance to correspond with the First Minister. An important hallmark of Henry McLeish's tenure as First Minister has been that, when individual MSPs have asked for a discussion, there has been a high degree of accommodation. All of that is important and I find it hard to believe that the political knockabout—for want of a better expression—would not enter into any alternative forum that we devised for examining the First Minister.

11:00

**The Convener:** The suggestion at Westminster is that there should be a committee made up of committee chairs to question the Prime Minister. I believe that that is being considered seriously and I suggest that our conveners might discharge a similar duty reasonably responsibly.

**Mr McCabe:** It would be improper if our minds were totally closed to any such suggestion. As I said, I will defer to your optimism. My view is that there are already ample mechanisms for examining the actions of the First Minister.

**Mr Macintosh:** We will hear later from the convener of the Finance Committee. I appreciate that you are not the Minister for Finance and Local Government, but I would like to know what you think about the difficulty that the Finance Committee has had in making the budget process work. Do you have a view on whether the budget process is working as it was envisaged that it should? Is it as accessible to the public as many other policy areas are?

In terms of power sharing, the budget is an area in which the balance of power is predominantly with the Executive. I know that the Finance Committee and the minister are working to change that, but nothing has changed in three years.

**Mr McCabe:** The process is more open and accessible than any that has been experienced in Scotland before. There is an opportunity for a far higher degree of line-by-line examination of the budget than previously. However, the matters that are dealt with in the budget are by nature complex and do not lend themselves to bedtime reading. I hesitate to use the word "anorak", but the budget is not the most exciting area for members of the Parliament or the public. We face a great challenge in making it more interesting and more easily understood. The Minister for Finance and Local Government and the previous holder of the

finance portfolio understand that. We have not yet succeeded and I do not think that we will do so for some time, because of the nature of the subject, but we should not give up on it.

**Mr Macintosh:** I suspect that, as Donald Gorrie mentioned, there may be a problem with the extent to which and the speed with which the civil service has adapted to the principles of the Parliament. That is apparent more in relation to the budget process than any other policy issue.

**Mr McCabe:** The creation of the Scottish Parliament has been a great challenge to us all, not least the civil service, which operated for a long time under one set of circumstances and now faces a new set of circumstances. People are people and will not change overnight. My experience is that strenuous efforts are being made to recognise the new circumstances in which the civil servants find themselves and to live up to the expectations of politicians. That may be another area that is worthy of regular examination.

**Donald Gorrie:** You comment favourably about the work of the committees and their inquiries. In my experience, research projects and the work that is done by professional advisers are vital. However, as I understand it, the budget for that is extremely limited. I assume that, in Cabinet discussions, you are the person who fights for the Parliament. Will you try to get us a bigger allocation of money for that sort of work? I stress that the money will not be for a lot of fact-finding trips to the Bahamas and the Seychelles but will be for helpful advice that will allow the committees to do their work better.

**Mr McCabe:** I greatly appreciate the qualification that you added. I will ensure that the Minister for Finance and Local Government and I examine the expenditure in the current budgets to determine whether there is any overspend or underspend that might constrain committees. If there is any evidence that committees are being constrained, I will convey that to the Minister for Finance and Local Government.

**Donald Gorrie:** Paragraph 23 of your submission states that the Executive has offered comments to the non-Executive bills unit on

"how improvements could be made to the arrangements for the selection of Members' Bills and the allocation of Parliamentary time for the consideration of these Bills."

That is the job of the Parliament, not the Executive. It worries me that it is assumed that it is yours.

**Mr McCabe:** I can only say that we were asked for our comments so we offered them.

**Donald Gorrie:** Fair enough.

**Mr Paterson:** A good chunk of evidence suggests that the wider public do not understand

the difference between the Scottish Executive and the Scottish Parliament. We should probably put some energy into changing that situation and I suggest that the easiest way to do that would be to call the Scottish Executive the Scottish Government.

**Mr McCabe:** You are tempting me. The First Minister is clear that, in areas of devolved competence, we govern in Scotland. Over time, we will assess the way in which the public perceives the Scottish Parliament and the titles attached to it, but our view is that there are higher priorities that need to be addressed at the moment. We face a great challenge in ensuring that the public better understand the way in which we operate and the division between those who serve the Scottish Executive and the politicians who make up the Scottish Executive. However, at the moment our priorities lie in other areas.

**Fiona Hyslop:** We have discussed accountability. In many ways, accountability is retrospective and involves calling ministers to account for what they have done in the past. I would like to concentrate on the differences between accountability and power sharing, which is not retrospective but happens in the present. One of the key principles in the CSG report was:

“the Scottish Parliament should embody and reflect the sharing of power between the people of Scotland, the legislators and the Scottish Executive”.

What do you think that power sharing means? What has the Executive done to ensure that it works in practice? How has that power sharing involved the people of Scotland and the legislators?

I will give you a practical example of what I am talking about. If the committees' examination of bills is supposed to be about power sharing, what is your view about a bill that has been amended by a committee at stage 2 being changed back at stage 3 by an Executive amendment in the chamber, where the Executive has the majority of votes? Is that a good or bad example of power sharing?

**Mr McCabe:** The Executive has a responsibility to ensure that the Parliament makes good legislation. It also has a responsibility to ensure that when it attempts to overturn an amendment, it fully explains why. If there is a view that a stage 2 amendment has rendered the bill inoperable or has taken it outwith the competence of the Parliament, the Executive will attempt to rectify the situation. The underlying principle is that, if the Executive believes that the shape of the bill is no longer as effective as it was before the amendment was agreed to, the Executive is entitled to seek support for its attempt to change the shape of the bill again. The Executive may or may not succeed in doing so.

We should not get carried away. As much as the Executive recognises the excellent work that has been done week after week by the committees of the Scottish Parliament, we all also recognise that the committees are not the fount of all wisdom and that there are occasions on which a committee gets something wrong and takes a view that is not in the interests of ensuring that a piece of legislation serves the people of Scotland as fully as it might.

In the vast majority of cases, when a committee amends a piece of legislation, that amendment stays. However, committees' amendments should not always be cast in stone. After all, the reason why we have a stage 3 is to allow us to consider further the impact that a piece of legislation might have.

With regard to power sharing, I alluded earlier to the extensive front-loading of the legislative process in Scotland. The situation today is radically different from the one that existed before and a variety of organisations and individuals in Scotland have a far greater opportunity to pass comment on the legislation and influence the legislators than they had previously. That is a good example of the Scottish Parliament sharing power with the people of Scotland.

Power is also shared by the fact that the legislators pay heed to representations that are made as legislation passes through its various processes and stages. There are considerable examples of that in relation to the Housing (Scotland) Bill and the Regulation of Care (Scotland) Bill. Substantial changes were made to both bills as a result of representations that were made. The process is about sharing power rather than assuming that the Scottish Parliament and the Scottish Executive are the fount of all wisdom.

It has been demonstrated that we are willing to consider and, on many occasions, pay heed to representations that are made and committees' amendments to Executive legislation.

**The Convener:** We would probably all concede that. However, Fiona Hyslop was suggesting that power is not shared simply by responding to people's representations about your own proposals but by creating opportunities for other people to make proposals. I know that we have had one committee bill, but I think that the CSG envisaged that committees would respond to pressures from outside Parliament, such as pressures from voluntary organisations, professionals and professors, and take those concerns forward by engaging the civil service in the necessary research, analysis of implications and examination of consequential legislation. It was imagined that committees would drive the legislative process to a greater extent than has turned out to be the case.

We all understand that, in the early stages of the Parliament—as you said, minister, we are like Westminster in 1232—the Executive will want to pursue its agenda. However, does the Executive anticipate any diminution in the pace, volume and scope of the Executive legislation? Will it seek ways to encourage the Parliament to relate to the wider public in Scotland by introducing complex legislation of its own?

**Mr McCabe:** I do not think that the Executive has demonstrated any antagonism towards the committees generating legislation.

**The Convener:** I did not say that it had.

**Mr McCabe:** I know that you did not, but I wanted to make that point. The committees are free to generate legislation and we would welcome their doing so. The point that we have made is that, irrespective of where a piece of legislation has been generated—be it from an MSP, a committee or the Executive—the processes by which that legislation is scrutinised should be consistent and we should not fall into the trap of thinking that there are different grades of legislation. After all, when a piece of legislation is passed, it impacts on people's lives. With that sensible qualification, the Executive would be more than happy to see bills emanating from the committees of the Parliament.

11:15

**Fiona Hyslop:** We should be honest. The Executive has its own legislation to drive forward. It would not be happy if committees said, "No, we will not examine that Executive bill and stick to the Executive's timetable for it, as we want to introduce a committee bill on the same subject." That would create tensions. Does the Executive have scope to put back the programme for one or two of its bills and let committees introduce their own legislation? How realistic is that?

**Mr McCabe:** There are two points. First, committees have to appreciate the democratic expression that has been made in Scotland. The Executive is not here by chance. Its members did not parachute into the Parliament one evening to take up their seats. The Executive was elected and it controls the majority of the elected members in the Parliament. Executive members are entitled to prosecute strongly the programme on which they were elected.

Secondly, we should remember that there are opportunity costs if a committee decides to produce more legislation. Committees have to choose—as we all do—whether they want to engage in an extensive number of inquiries or to spend more of their time on the production of legislation. Let us test this and see: if the committees want to generate legislation and to

allocate their time in a different way, I encourage them to do so.

**The Convener:** In the course of those exchanges, David McCrone tried to catch my eye.

**Professor David McCrone (Adviser):** It is clear that it is emerging that power sharing is the most problematic of the four principles. People in the outside world and inside the Parliament perceive that to be the case.

The minister began his interesting contribution by talking about the educational aspects of power sharing. Should we be doing something to change perceptions of power sharing, even although, as you rightly said, there is a problem with the word "power" in power sharing? How can the profile of power sharing be raised to help solve a problem that people feel is becoming increasingly problematic?

**Mr McCabe:** I mentioned that committees are not the fount of all wisdom—neither am I, nor is the Executive. Our minds are open. We will look at new ways of creating a better engagement with the people of Scotland. The question is complex. We should not make the mistake of thinking that the issue has suddenly risen to the fore since the creation of the Scottish Parliament. From a previous life as a council leader and as a councillor, I know that power sharing has always been at the nub of exchanges between the many interest groups in our communities. I have confidence in Scotland's intellectual capabilities. I believe that we can devise better ways of engaging people.

Perhaps we should consider the forums that are needed to better examine this question—if I am honest, I will admit we have been guilty of doing that on an ad hoc basis. The Executive should encourage the creation of specific forums to examine this question. We should try to get the empirical evidence to back up particular courses of action. In the Parliament and other aspects of public life, there is a strongly and rightly expressed desire for power sharing. That is sometimes backed up by anecdotal rather than empirical evidence. It is important that we try to correct that situation.

**The Convener:** There are no other pressing questions. As I said at the outset, the clerks will go through the various points that they indicated might be profitable for us to pursue. We might seek a further memorandum on other issues.

I thank you for your presentation and the way in which you answered questions. It has been a most interesting exchange and we look forward to any further information that we get from you. We hope that you have found the views that were expressed by the committee interesting and useful. Thank you for your attendance. I also thank

your officials.

**Mr McCabe:** Thank you, convener. I appreciated both the way in which you conducted the proceedings and the way in which members asked their questions. I very much enjoyed that. I stress that if the committee requires any further information in writing, it should feel free to ask for it. We will do our best to accommodate that.

**The Convener:** We will adjourn for three or four minutes.

11:20

*Meeting adjourned.*

11:26

*On resuming—*

**The Convener:** I thank Mike Watson and Anne Peat, who is the senior assistant clerk to the Finance Committee, for coming along this morning. I offer my apologies for the slight delay; I know that this is a busy day for you, Mike, and I do not want to cause you any undue delay.

We have received a presentation on paper from you. The clerks have suggested that we pursue a number of issues by asking questions later. I will invite you to make any introductory remarks that you feel are appropriate. Members will then ask questions and make their points. We have not allocated questions to any members in particular. We may not get round to some of the issues that we want to pursue, in which case we will pursue them subsequently in writing.

**Mike Watson (Glasgow Cathcart) (Lab):** Thank you. I do not have much to say at this stage by way of expanding on the paper that I have submitted on behalf of the Finance Committee. I believe that the way in which the budget procedure operates in the Scottish Parliament represents a step change from how it operates at Westminster.

I am in the fortunate position—or unfortunate position depending on how we look at it—of being able to compare the two procedures, as I have had first-hand experience of both. There is no comparison other than to say that the Scottish Parliament comes out well ahead.

We are developing the process. We are now in only the second year of the full budget process. It was always likely, as I say in the statement, that there would be a time for bedding-in. I think that we are still doing that, but we are making progress. I fully believe that the Minister for Finance and Local Government and his officials are keen to participate in the process of improving the way in which the budget process operates. I am sure that at the end of the day—without wishing to say when that day will be—we will have

a system that is as refined as we can get it. I accept that there is still some way to go.

**The Convener:** I pick up on some points that you make in your paper. I highlight the third sentence of the paragraph at the foot of the first page. It refers to rule 5.8 of the standing orders, which requires that the Parliamentary Bureau set aside sufficient time for each stage of the budget process. The nub of your paper was:

“In practice it is clear that this arrangement is not yet working as it should, as many subject committees find that they have insufficient time to devote to scrutiny of the budget...”.

Will you review the progress that has been made in obtaining a greater amount of time and better levels of information for committees? Will you tell us what the state of the nation's health is on that issue and set out what you think has to be done so that the budget process operates more smoothly and on a more informed basis in sessions to come?

11:30

**Mike Watson:** The question of the amount of time is difficult because there is not a lot of room for manoeuvre. With an annual budget process, there are certain deadlines for the production of the annual expenditure report. The stage 1 consultation and report must be completed, debates and so on follow at stage 2 and then there is stage 3.

There is not a lot of slack in the system, and that does not depend on whatever work load the subject committees have over and above their budget process requirements. There are only 12 months in the year. The Executive and the Minister for Finance and Local Government have been meeting those deadlines, as far as possible. Therefore, it is difficult to bring forward the deadlines and to try to get information earlier. Obviously, we have to obtain information from the Executive that is as up to date as possible. If the Executive gave us the information earlier, it would be less complete—it might not be down to level 2 or level 3 at the appropriate stages. We are conscious of that.

The Finance Committee believes that more emphasis must be placed on the committees making room for the budget and the information contained in it and for assembling their reports. We are working on improving the level of support and information that is available to the committees. I might be letting the cat out of the bag if I reveal that the Finance Committee is considering having a standing adviser. We have taken on an adviser in previous years, but it would be valuable to have someone who was more widely available—to the subject committees as

well as to the Finance Committee. That person would be able to advise and assist them and to add value to the reports that they produce. That has not been finalised yet—it is work in progress.

Most of the committees have taken on budget advisers—we accept that. However, there is a limitation. If committees become more comfortable with the process and more able to interpret the information that relates to the relevant department, they will be better equipped to produce more meaningful reports.

I will finish where I started—there is not a lot of slack in the system. It is not possible to give a committee two months instead of one month to produce its report. That time is not available.

**The Convener:** The idea of an adviser with an overview of the budget who could complement committee advisers would be well worth considering.

**Mr McAveety:** We notice that when information is presented to committees—when ministers present the budget programme—there are often late amendments. Sometimes the budget lines are not accurate enough, which on various issues has caused a lot of confusion about allocation of resources. The Finance Committee has been analysing the clarity of reporting and information flow.

I want to touch on the discussion that we have had about involving the public and the public's perceptions of the role of the Parliament and its decisions. How effective have the public meetings been and how do you propose making them much more effective than they have been to date?

**Mike Watson:** There are three aspects. First, when we discuss the budget, we are in public session, so the public can engage in that way. Secondly, we have now established the practice—at stage 1 and stage 2—of holding meetings outside Edinburgh. Not only do we invite a minister to give evidence at such meetings—to give them added attraction—but we meet local organisations. We did that in Aberdeen last year at stage 1. We will meet in Kirkcudbright next month to pick up the views of people in the south-west. We do that in the morning and have the formal meeting in the afternoon. That is valuable.

I cannot comment on the third aspect personally, other than to point out that Jack McConnell, the former Minister for Finance, and Angus MacKay, the Minister for Finance and Local Government, have held public meetings at stage 1 of the process. I have not attended any of them, but they have been held in town halls, community centres and so on. I understand that there has been some interest, although not as much as there could have been. That is a valuable role for a minister to play.

The question of public engagement with the budget process comes down to the accessibility of the information and the ability to allow people who are not financial experts—I am honest enough to say that even after two and a half years as convener of the Finance Committee, I am not a financial expert—to look at the information and get something out of it. People have to be able to make a meaningful contribution in order to feel that they are part of the process. I suspect that that is difficult for the majority of people. That is why we have stressed that the accessibility of the documentation must be improved. It has been improved, but we have asked the minister for further improvements.

**Mr McAveety:** Is the mood music at the meetings a response to recent budget decisions, rather than any broader perception? How do we encourage folk? For example, in recent years many local authorities have engaged in budget consultation exercises and the reality is that there is marginal public involvement. There are opportunities to be involved, but the response rate from residents and communities is quite small. Several authorities have taken an evidence-based approach, through research and focus groups, in order to determine broad priorities rather than specific allocations. That seems to have worked slightly more effectively than the idea that we present the budget and ask how it should be spent.

**Mike Watson:** The idea of a focus group is interesting. It would probably have to be at departmental level—transport and the environment, education and so on. To try to get someone to get their head round the budget easily, digest it properly and ask meaningful questions is perhaps a bit far-fetched. There is so much in it. In the first year, we had a brief guide—a four-page fold-out—that was considered too brief. This year, there was a headlines version of that, which was about a quarter of the thickness of the draft budget publications, which was better. We have suggested that we need all three publications in the future. We made that point to the minister and his officials.

It might be better to engage people at the level of their specific interest—whether that be a community interest or a particular subject interest. Someone who understands transport issues might want to dig deep on that, but someone who is interested in education and lifelong learning might be more engaged with that element. At the moment, the Finance Committee meetings have tended to be general, as have the minister's meetings. I do not want to give the committees more work, but people who have specific interests in those subjects are probably better able to plug into the system at the level of committee consideration of its particular part of the budget.

**Fiona Hyslop:** I want to ask about the effectiveness of the accountability approach and equal opportunities.

We have to think through why we have financial scrutiny. The answer is to hold the Executive to account. I will use the recent example of the financial underspend, although I do not want to go into the politics of it. I know that Peter Peacock came to the Finance Committee and gave evidence. I also remember sitting on the Social Inclusion, Housing and Voluntary Sector Committee 18 months ago, identifying a potential underspend because of the new housing partnership and stock transfer issue. When committees look at the policies and the finance, and realise that there might be a problem, how do we ensure that it is fed in? The committee structure should have anticipated the £700 million underspend and I am not sure that that happened. Perhaps it did within the individual committees, in which case, what is the role of the Finance Committee in holding the Executive to account? Perhaps you can talk us through that.

**Mike Watson:** I do not think that the committees anticipated the underspend. Last year's end-year flexibility amounted to about £400 million, but this year that had increased to more than £700 million. The Finance Committee registered its concern with the minister about that point and about the timing. The draft budget, which is the second publication of the year, came out in September and end-year flexibility was announced the week after that. Clearly, EYF is not included in the draft budget.

One of the problems with the budget is that it is a moveable feast. We continually get in-year changes, end-year flexibility, the comprehensive spending review and UK budget consequentials. Not surprisingly, all those happen at a time not designed to fit in with our budget process. That is a real problem. Comprehensive spending review announcements are made in July; the next one will be made in July next year. That makes things difficult for us.

We were concerned that end-year flexibility did not seem to be monitored on a departmental basis and that it was released as a big lump sum at the end of the year. I take the point that has been made about accountability. However, the issue is not so much accountability as the fact that we cannot feed end-year flexibility easily into the figures for the year. You may say that that affects accountability, and that at the end of the year the money will be fed in. However, we know that many of the documents that we study are already out of date and we are forced to juggle with the additional figures. That is one of the issues that we are considering in the budget review that is now under way. We met the Minister for Finance and

Local Government as recently as last week to discuss it.

This is an awkward problem, because we do not have control over the timing of many of the relevant announcements. At our meeting with the minister, we made the point that we expected end-year flexibility to be announced earlier, as it was last year, and not in September. It can then be included in the budget document and accountability increased.

**Fiona Hyslop:** I want to move on to the issue of equal opportunities. I know that you have made strong efforts to introduce the concept of equality of opportunity into the Parliament's financial and budgeting arrangements, which is very important. How does that work in practice?

I will offer a practical example that might shed some light on the matter. A great deal of attention was given to the effect that the Housing (Scotland) Act 2001 might have on women in particular. One of the act's provisions was to extend the right to buy. Although witnesses gave evidence about the potential financial impact that that would have and the imbalance that it would create, because less finance is available to women to enable them to purchase properties, that concern was not picked up institutionally by the Finance Committee or anybody else. How do you think the concept of equality of opportunity can be introduced in practice into the budgeting process? Does it come down to examining how a measure will affect groups financially, or is the concern simply with the high-level figures that are made available for dealing with homelessness and so on? At what level do you envisage equality of opportunity working?

**Mike Watson:** As a member of the Finance Committee, I am proud that we have taken up the issue of gender in budgets. We began doing that last year. We have fed the issue into the budget process and we have invited the committees to consider it, which they are doing. We have also invited the Executive to feed it into its policy development at departmental level as well as into the budget that is associated with the introduction and implementation of policies.

Members may be aware that this year stage 1 reports by committees—particularly the Equal Opportunities Committee, which is not surprising—have been heavily critical of the Executive for failing to make much progress in that area year on year. Some ministers have been honest enough to admit that they do not have access to the information that would enable them to carry out that exercise meaningfully. However, we have made it clear that we expect incremental improvements to be made. We believe that departments ought to be able to cost the implementation of policy and to determine whether

it will have an effect on particular groups.

The member raised the issue of housing. Typically, spending on housing has a differential effect on women compared with men. It also has a differential effect on homeless people and on single-parent families, which tend to be headed by women. We are aware that there are ways in which those effects can be costed and made quite clear. We have stressed continually that that should be done in all departments at the level of policy development, and that it should feed through into budgets.

We still have a long way to go, but I know that the Scottish Executive's equality unit is working with a number of groups. Recently Anne Peat and I met a group from Glasgow Caledonian University that is finding ways of highlighting the issue. I do not want to sound complacent, but the group was pleased with the progress that we have made so far in that regard. That might be the skeleton of what we want to achieve, but we still have to put flesh on it. We are trying to do that.

**Donald Gorrie:** I declare that I am a member of the Finance Committee, albeit a relatively recent one.

My impression is that there is widespread agreement on the committee about what we are trying to achieve, but that it is very difficult to achieve it. Could the Procedures Committee help the Finance Committee by encouraging committees to change the way in which they work? Could the Procedures Committee lend its weight to improving the relevance, or comprehensibility, of the information that is given in the Executive's documents? It has made some effort to make its documents more comprehensible than UK documents are, but there is still a long way to go.

Is it your view that committees must accept that, at certain times of year, they will have to hold more meetings in order to deal with the budget properly? Should the Procedures Committee urge them in that direction? There is a complaint that, because of lack of time and the incomprehensible nature of some of the documents, committees have concentrated on the process. Instead, they could have said, "We think that the Executive should spend more money on A, B and C, either by paying for it through spending less money on X, Y and Z or by putting A, B and C at the top of the list when the Executive has more money." Could the Procedures Committee legitimately encourage committees in that direction?

11:45

**Mike Watson:** Yes, on both counts.

With regard to the time available, I refer members to the Transport and the Environment

Committee's submission to the Procedures Committee's inquiry. At paragraph 13, the committee said that it

"remains concerned that if better information and more time is not made available, Committees will continue to be unable to hold the Executive to account in the manner envisaged by FIAG".

That is true; we picked up that point from a number of committees. There are only seven days in the week—in fact, there are only three parliamentary days in the week. If committees are to have more time, they must meet more often. That suggestion will not always be popular, but I would argue that, every year, the budget bill is the most important bill to go through Parliament, because if the budget bill is not passed, nothing will happen and no department can spend anything.

Committees must give greater weight to their consideration of the budget. I say that advisedly, because committees, by their nature, were set up to become specialist committees, in that the members would become specialists in the subject areas. I approve of the linking of inquiry and legislative scrutiny functions, which is not the tradition that is followed in the House of Commons. I am not anxious to lay more work on the committees, but I would like them to go into the budget, as it affects them, more deeply. That means that they could come up with recommendations on alternative spends, along the lines suggested by Donald Gorrie. So far, such recommendations have not been made to any significant extent.

Among the reasons for that outcome is the fact that a committee might be reluctant to say, "We want more money for one of the areas for which we have responsibility, and we think that you should take that money out of health or education." I can understand that that would be an unpopular stance to take, as we cannot affect the overall size of the cake—we can affect only its distribution. Unless committees have the confidence to take that approach, through being comfortable with their knowledge of their subject area and having an idea of the slack that might exist—at least in the perceptions of people from other departments—they will not be able to make such suggestions. There is no point in the Transport and the Environment Committee saying, "We need another £500 million," if it cannot identify where that money will come from. I am afraid that there is probably no escape from the requirement that committees will have to give more time to consideration of the budget bill.

As I suggested, the process could be assisted by the committees' own advisers and by an adviser with an overseeing role. Time is an issue, and I am aware that my suggestion will not be a universally popular solution for members of



committees. However, I cannot see any other way of improving both the committees' input into the system and the output of suggestions.

**The Convener:** The case of the Transport and the Environment Committee was even more depressing than that. During that committee's discussion of the budget, members took the view that they probably could not do very much with the budget overall, so they opted to examine two segments, one in transport and one in the environment. They appointed advisers specifically for that purpose and although the advisers were good in their own specialities, they did not know much more about the budget process or about the totality of the budget than the members knew. That substantiates your earlier point about the committees being supported by someone who has a grasp of the overall picture and who can advise all subject committees on the budget.

**Mike Watson:** At the risk of incurring the opprobrium of my parliamentary colleagues in all parties, I think that it is probably easier for committees to schedule extra sessions now, when the majority—not all, but the majority—of members sit on one of the departmental or subject committees. I accept that that suggestion would not have been a runner prior to the reorganisation of the committees that took place about a year ago, but there is now some scope for taking that approach. Committees will have to be determined if they are to say, "If we are to do this better, this is what we must do."

**Mr Macintosh:** I want to comment on the same process. The Finance Committee has been involved in the battle over the budget process since its inception and although it has been frustrating, some progress has been made. What are your views on how far the Executive has improved the flow of information and made it more accessible to all? How well did the committees respond in the second year? I know that their response in the first year was poor and sketchy. How much effort have committees made to find the time to make a proper submission to the budget process?

**Mike Watson:** On the second point, the committees' reports improved slightly from the first year. I put that down largely to the use of budget advisers. Anne Peat will correct me if I am wrong, but I think that the committees that used budget advisers produced more detailed reports, which is to be expected and no surprise. The Finance Committee and I hope that all the subject committees will use advisers in future.

I do not want to be critical of colleagues. The committees have a heavy work load and it is no accident that only one committee bill—which is an important aspect of the committees' role—has emerged in two and a half years. That is another

reflection on the time that is available to committees. Year on year, there has been a small incremental improvement in the reports.

The Executive has responded to most of the recommendations of the Finance Committee on the form of the information. One of the matters that continues to irritate the members of the Finance Committee is that the information in the draft budget for 2002-03 and its predecessor, the annual expenditure report, is not in a standardised form. We have asked the Executive to ensure that each department produces the information in a standardised form, which would make it easier to compare departments. That impacts on the previous answer that I gave on alternative spending proposals.

Frank McAveety asked how the public could respond to the process. The public are entitled to pick up the draft budget and compare department with department—not just the performance of one department during the year compared with its previous year's performance, although that is important. We want to see incremental improvements: we want monitoring and performance targets to be outlined in the draft budget. We want to see year on year how the departments have improved, what targets they have set and what progress they have made towards meeting them. That is an important part of accountability and it links policy with spending, which is important.

The Executive has responded to many of the points that we put to it. If one was to look back two years to the document that covered the period before the Parliament was formed—I cannot remember its name, but it was a Scottish Office document—one would see that there has been a considerable improvement in this year's draft budget. We want continual improvement in accessibility and the way in which the information can be digested.

**The Convener:** I was at last week's meeting of the Transport and the Environment Committee, at which Ross Finnie gave evidence. He made an observation about the huge lack of understanding about resource accounting and budgeting. I have attended a presentation on the subject and although I might have understood it at the time, I would not pretend for a moment that I could define it for members.

One of the great difficulties that exists, as much for parliamentarians as for non-parliamentarians—the lay people—is coming to terms with year-by-year comparisons. I have heard parliamentarians talk about increases in expenditure that were rooted in taking the 6 per cent capital into account—they were notional increases. Can the Finance Committee do anything to assist the subject committees in better understanding basic

accounting principles? Those principles are novel and are not ones that members were used to in their previous professions, including those who came from local government before the system was introduced there.

**Mike Watson:** We undertook an inquiry into resource accounting and budgeting. The report is available and it would assist understanding, but it is not a straightforward subject for someone who is not an accountant. There are still areas that people need to read two or three times to make sure that they have a grip of it. That is understandable.

There are other aspects of the way in which the budget is conducted that might be made available to individual members and committee clerks. It might just be a matter of producing a glossary of terms. Some of those were mentioned in the financial issues advisory group report. However, it might be useful to consider a publication that could be used to assist understanding. It could be used as a companion to each annual expenditure report or could just be made available separately. I have not heard that suggestion before, but it sounds sensible to me.

**Mr McAveety:** In discussion with the Minister for Parliament this morning, we touched on the issue of the broad range of strategies for modernisation of policies and public services. It strikes me that we stopped short of taking a corporate view. It was suggested that some of the committees would progress some of those ideas through their individual remits. My previous experience at other levels of government is that it is best to take a corporate overview of key priorities and how resources should be allocated.

I am therefore intrigued at Mike Watson's suggestion about the use of an adviser. One of the key issues is to decode the language. The reality is that most people's eyes glaze over when looking at major financial tables. Keeping track of that is a complex job. If anything could be done about taking a corporate overview of finance and the impact of the budget on committees, that would be useful. It would allow members to scrutinise issues much more effectively.

**Mike Watson:** I pay tribute to the Scottish Parliament information centre, which has produced a number of documents to assist the taking of such a view. Every time the budget is produced, SPICe produces a useful synopsis. SPICe might also be able to produce the type of guide that I was talking about in my previous answer. SPICe is a very good resource and its researchers, Murray McVicar in particular, work closely with the Finance Committee. That therefore might be a way of developing the idea.

That is a dispassionate, non-political view of

what is happening, but it could assist people's understanding of the budget process and enable them to engage better with the process. The budget will never be a mass participation event; we understand that. However, it would be a shame if it were restricted to academics, local authorities and other groups with a direct interest. I like to think that we could spread the net more widely and, in time, I am hopeful that that will happen.

**The Convener:** I introduce Professor David McCrone, who is the committee's adviser on the investigation.

**Professor McCrone:** Have you come across any examples of best practice in presentation of the information in other devolved or non-devolved systems? If we all reinvent the wheel, it will look like a funny engine. Should that be left to SPICe?

**Mike Watson:** I do not think that we have. The only example of a budget document that I can remember—and it is referred to a lot—is from the state of Oregon in the US. It was introduced to us last year by Graham Leicester of the Scottish Council Foundation. It is not a direct comparison. However, my understanding is that Oregon has a system whereby the elected members meet once a year to decide the budget, then hand it over to the officials and return to it the following year. That method might have some loopholes. However, the document is available on the internet. Obviously that budget would be a pretty weighty tome, as one would expect.

It is interesting that, for the sake of argument, we have not considered how the German Länder present their budgets. That might be something that we should consider.

We have tended to take the original Scottish Office production and try to improve it, rather than going back to square one or trying something completely different. We would be willing to consider that issue, but have not done so yet.

**The Convener:** I am interested in one point in the section of your memorandum on accountability. You have asked that

"proposed legislation should be fully costed, with as much information as possible being provided in the memorandum".

If that were to be done, would not it restrict the scope of the legislation because it would be difficult to amend it to bring in additional expenditure? I am thinking specifically of the proposal that was added to the Transport (Scotland) Bill a year ago—Sarah Boyack proposed the national bus users tribunal, an organisation with expenditure powers. That was not originally envisaged in the financial memorandum. If, therefore, we are over-prescriptive, might we reduce the ability to amend legislation in a positive way?

**Mike Watson:** We are not seeking to cap the financial implications of any bill. We simply want the likely implications to be as clear as possible. I would not have a problem with an amendment being lodged at a later stage of a bill, as long as the cost implications were spelt out. The information should be available whenever an amendment is introduced. We are not trying to put any limit on that.

We believe that the financial memorandums for bills do not have the necessary level of detail to enable the best decisions to be made; hardly any bills that we have dealt with have not involved our needing to call for information from Executive officials or from other organisations. We felt that the committees are better able to do that. We still keep an eye on all the bills in progress and the committee clerks give copies of the bills to members. The Finance Committee retains the ability to consider any bills that we think it should. We have not done it since the change took place, but we have not entirely abdicated responsibility—we just felt that the subject committees could do that better.

**The Convener:** Thank you for that clarification.

There seem to be no other points to raise, so I will close the meeting. I thank Mike Watson for coming along to give us the benefit of his insight. As I indicated at the beginning, there might be some points that the clerks will write to you about, seeking clarification of elements of your statement and the presentation.

**Mike Watson:** Thank you. This inquiry is important. The consultative steering group and the financial issues advisory group were important building blocks for the Parliament and I, and other members of the Finance Committee, will be interested to read your conclusions.

**The Convener:** Thank you.

That concludes the meeting. Thank you for your attendance and contributions.

*Meeting closed at 12:02.*



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