

SOCIAL INCLUSION, HOUSING AND VOLUNTARY SECTOR COMMITTEE

Wednesday 29 September 1999
(*Morning*)

© Parliamentary copyright. Scottish Parliamentary Corporate Body 1999.

Applications for reproduction should be made in writing to the Copyright Unit,
Her Majesty's Stationery Office, St Clements House, 2-16 Colegate, Norwich NR3 1BQ
Fax 01603 723000, which is administering the copyright on behalf of the Scottish Parliamentary Corporate
Body.

Produced and published in Scotland on behalf of the Scottish Parliamentary Corporate Body by The
Stationery Office Ltd.

Her Majesty's Stationery Office is independent of and separate from the company now
trading as The Stationery Office Ltd, which is responsible for printing and publishing
Scottish Parliamentary Corporate Body publications.

CONTENTS

Wednesday 29 September 1999

	Col.
SCOTTISH COUNCIL FOR VOLUNTARY ORGANISATIONS	101
ACTION POINTS.....	118
DRUGS INQUIRY	120
TIMETABLE.....	125

SOCIAL INCLUSION, HOUSING AND VOLUNTARY SECTOR COMMITTEE 4th Meeting

CONVENER :

*Ms Margaret Curran (Glasgow Baillieston) (Lab)

COMMITTEE MEMBERS :

*Bill Aitken (Glasgow) (Con)
*Robert Brown (Glasgow) (LD)
Cathie Craigie (Cumbernauld and Kilsyth) (Lab)
*Fiona Hyslop (Lothians) (SNP)
*Mr John McAllion (Dundee East) (Lab)
*Alex Neil (Central Scotland) (SNP)
*Mr Lloyd Quinan (West of Scotland) (SNP)
*Mr Keith Raffan (Mid Scotland and Fife) (LD)
*Mike Watson (Glasgow Cathcart) (Lab)
*Karen Whitefield (Airdrie and Shotts) (Lab)

*attended

PRESENTATION :

Martin Sime (Director, Scottish Council for Voluntary Organisations)
Stephen Maxwell (Assistant Director, SCVO)
Connie Smith (Senior Policy and Research Officer, SCVO)

COMMITTEE CLERK :

Martin Verity

ASSISTANT CLERK :

Rodger Evans

Scottish Parliament

Social Inclusion, Housing and Voluntary Sector Committee

Wednesday 29 September 1999

(Morning)

[THE CONVENER *opened the public meeting at 10:34*]

The Convener (Ms Margaret Curran): I welcome everyone to the very formal surroundings of the chamber. Most people here will know me, but I would like to begin by introducing myself to the members of the public in the gallery who are here to listen to our proceedings. My name is Margaret Curran and I am the convener of the Social Inclusion, Housing and Voluntary Sector Committee.

Scottish Council for Voluntary Organisations

The Convener: We are very pleased this morning to welcome representatives of the Scottish Council for Voluntary Organisations. We will hear a short presentation and then move on to a discussion—I hope that the meeting will be as interactive as possible. The Parliament had a full debate on the voluntary sector last week and SCVO will have no complaints about the support that it received and the positive statements that were made. We are thankful for the material that SCVO has sent to us—the information is full and impressive, but I am sure that members will pick up on some of the points in it. I now hand over to SCVO.

Martin Sime (Director, Scottish Council for Voluntary Organisations): We are very pleased to be able to participate in this meeting. I will introduce our team. I am Martin Sime, the director of the Scottish Council for Voluntary Organisations. On my right are Connie Smith, our policy and research officer, and Stephen Maxwell, our assistant director. We are pleased to have been invited here today—it is an honour to sit in this chamber. I hope that the meeting can be as interactive as possible in the circumstances.

Our primary purpose in being here is to provide an orientation guide to the voluntary sector. Our experience is that most people recognise only the part of the voluntary sector with which they are familiar, but SCVO seeks to represent directly and indirectly the interests of voluntary organisations working in many different fields of activity.

The debate in Parliament last week reflected the

huge interest in and cross-party support for the voluntary sector in Scotland. It is SCVO's belief that we need to build on that good will and to develop the sector's contribution to Scottish public life.

In our memorandum, we have offered the committee a rough guide. It contains evidence about the size and shape of the sector and about current issues and areas of interest. As the committee will see, the sector works in all areas of public policy. It would be invidious of us to highlight one area at the expense of others—diversity and pluralism are the sector's strengths, but they are also sometimes its weakness. There are many different voices and points of view on priorities and needs. It is in that context that we offer the following general themes for consideration, which might form the basis of our discussion.

As a starting point, I should say that SCVO congratulates the Scottish Executive on its work in addressing some of the issues of structure and domestic matters relating to its relationship with the voluntary sector. We have been seeking progress on some of those issues for decades and they have at last been addressed—and addressed well.

We now have the right structures for the establishment of a good relationship and good dialogue with the Government in Scotland. The next phase is to use those structures to make a difference on the ground—that is an objective that we all share.

One of the committee's roles is to scrutinise the Executive's actions in the voluntary sector and to ensure that the practice matches the rhetoric. The Executive says that the sector is a good thing and should be encouraged—a continuing review is needed of whether the practice matches the good intentions.

Joined-up thinking is another issue. We want to look at cross-cutting agendas and at what falls between the cracks of departmental interests. This committee has a wide range of responsibilities. Social inclusion and housing are huge agendas and the committee could spend all its time on those. Our being invited here is evidence that the committee will not forget the voluntary sector and its interests and that the committee is not focused only on social inclusion and housing, although those are important areas of activity.

Another suggestion is for the committee to focus, in the longer term, on ways in which the third sector adds value—the reasons why it is different from the public and private sectors—including, for example, the role of donations or volunteer leadership. We want to ensure that as much as possible is being done to bolster and

support ways in which the sector adds value to public services.

As was said in the debate last week, there is a need to safeguard the independence of voluntary organisations—we must ensure that voluntary organisations have a reserved space in which to contribute to public policy debate. In many areas in which the sector is working, non-departmental public bodies and Government agencies seem to spend an enormous amount of time talking to each other. We must ensure that there is room for the voluntary sector, with its independent, outside perspective, to contribute to those debates.

Beyond this general list, organisations will want to present the committee with competing priorities. One of your dilemmas is how to deal with that. As I said earlier, I have been struck—particularly in last week's debate—by the depth of positive feeling for the voluntary sector.

We need an outline of the Executive's intentions to translate the support for the voluntary sector into a real strategy for helping the sector and for helping us to develop our work. How will we know whether such a strategy will work? Do we have any benchmarks? It may be decided to listen to what people feel should be the benchmarks against which the Executive's programme of action is to be measured.

I now bring Stephen into the discussion. He has five specific areas that the committee might want to address.

Stephen Maxwell (Assistant Director, Scottish Council for Voluntary Organisations): We were asked whether, in today's meeting, we could suggest some areas of interest in the voluntary sector that the committee might want to consider in the medium term rather than the long term. We would like to suggest five areas in which the voluntary sector would appreciate the committee's interest.

The first is charity law review and reform. In the elections, the majority party in the Scottish Parliament made a commitment to review and reform charity law. Anything that this committee could do to keep the Executive's attention firmly focused on that commitment, and the urgency with which it must be delivered, would be much appreciated by the voluntary sector. We are obviously interested in the timing and process of that review, and we are keen that it should be opened out for as much participation as possible by the wider voluntary sector and the public.

The second area is the implementation and monitoring of the Scottish compact—the agreement between the voluntary sector and the Scottish Office that has been carried forward by the Scottish Executive. From next April, the Scottish Executive departments, the non-

departmental public bodies and Government agencies in Scotland will pursue implementation plans for the compact, which has a wide-ranging remit. The voluntary sector would appreciate anything that the committee can do to ensure that the broad principles of the compact are applied in practice, particularly in relation to the non-departmental public bodies and agencies.

A practical concern that will arise in the shorter term is the financial impact on the voluntary sector of police checks that have been imposed following the events in Dunblane. If the full weight of police checks is imposed on the voluntary organisations involved with the relevant vulnerable groups, there will be an estimated £3 million cost to the voluntary sector, which is very sensitive to cost. Under the current proposals, the cost would fall heavily on a number of voluntary organisations that have wide-ranging activities with vulnerable groups.

10:45

The fourth area to which the committee might want to turn its attention is the Scottish Parliament's relationship with the lottery and, in particular, with the new opportunities fund, which disposes of considerable sums of money in Scotland. The First Minister made a commitment to issue an order under the Scotland Act 1998 to give the Scottish Parliament powers of policy direction for distribution bodies in Scotland. The committee might wish to pursue the question of that order and take a close interest in how it is used when implemented.

Finally, I would like to suggest an initiative for this committee: an inquiry, perhaps jointly with the Enterprise and Lifelong Learning Committee and the Rural Affairs Committee, into how the economic role of the voluntary sector can be promoted. The briefing paper gives some figures about the scale of the voluntary sector's activity, from a base of 40,000 organisations that employ 100,000 people and that are active in many areas. The sector is now one of the fastest growing, in terms of job creation, in Europe's post-industrial economy. It is a matter of great interest and concern to the voluntary sector that its potential to contribute to economic development should be fully realised. There may be scope for an imaginative piece of joined-up inquiry and policy making by those three committees.

The Convener: Connie, would you like to comment?

Connie Smith (Senior Policy and Research Officer, Scottish Council for Voluntary Organisations): Not at this point.

The Convener: Thank you very much indeed—that was extremely interesting and helpful. We will

consider your comments, although I find it hard to have this discussion when members are sitting behind me—it makes me nervous. I ask members to put general questions before we come back to specific points. We have quite a lot of information and I assume that, after last week's debate, members are relatively well informed.

Alex Neil (Central Scotland) (SNP): I have general questions, but one arises from your comments, Stephen. On the proposed reforms to charity law, where do you think that the priorities will lie? How urgent is the reform? Are some points of a higher priority than others?

You did not mention European structural funds, which are undergoing fairly radical change, but many voluntary organisations depend on them. The emphasis is now on capacity building in local communities and it is difficult for voluntary organisations and community-based organisations to access those funds unless they have the proactive support of local authorities and, indeed, matched funding from local authorities or similar organisations. Would you like to comment on the way forward, as you see it, for structural funds—how their limitations could be relaxed and how they could be used more effectively at community level?

Stephen Maxwell: I will comment on charity law and pass the question on European structural funds to Martin.

For many years, the sector has pursued the case for reform of charity law and regulation in Scotland on two or three grounds, one of which is that the regulation in Scotland is looser in some important aspects than it is south of the border. That gives rise to the cases that are reported in the media every so often of rogue charities from south of the border coming to the wild lands of Scotland to pursue activities that they cannot get away with in England. It is in the interests of the credibility of the sector in Scotland that the loopholes are closed.

We are also interested in reform in order to ensure that the charities in Scotland have the full range of professional and expert advice on how they should operate under the law, as we have not been confident that that has been available in Scotland in the past. There is a case for providing some methods of relatively cheap appeal against the award or withholding of tax privilege status—charitable status—to organisations, which, at the moment, can be pursued only through fairly expensive legal processes. We think that there is a case for exploring the possibility of introducing a cheap appeal against those decisions—a quick and easy appeal rather than the current complicated process. Behind that, there are wider issues about what sort of activities should merit tax privilege status.

Those are just some of the issues that are in the minds of those in the voluntary sector. They are not so urgent that they should foreclose the option of a proper public debate and review, and we want a debate on some of the issues before the Executive comes to a conclusion about what form the review should take. However, those issues are certainly at the top of the voluntary sector's agenda.

Martin Sime: Alex Neil is right in saying that there are real difficulties with the European structural funds. Assisting local groups to gain access to those funds can be a very bureaucratic process. Each time the funds are reformed—and they are being reformed at the moment—we are promised simpler processes, but in practice an extra layer is added and the system becomes more complicated.

The transition from the old funds to the new always creates difficulties, particularly for voluntary sector recipients, who often do not have the resources and reserves to manage their way through the transition. There is always a delay in starting the new programme and we are now optimistically looking at June next year as a starting point. Some steps have been taken to minimise the impact for all current participating agencies and we do not think that the situation this year will be as difficult as it was last time the priorities were changed. This year, however, there is a considerable reduction in the overall funds that are coming to Scotland, and I have no doubt that some voluntary organisations will find it difficult to sustain their operations.

The European Commission has been active in exploring the issue of getting funds to local community groups, and is launching a series of social capital pilots, with the objective of giving small grants to local groups. SCVO will be running one of the three UK social capital pilot grant schemes to test the methods for making small sums of structural fund money more easily available without groups having to become the principal applicants. We hope that we can encourage the Commission to continue that strand of work.

The real dilemma for the voluntary sector lies in the big debate on how far the structural funds should target existing businesses as opposed to targeting unemployed people and communities facing exclusion. I do not need to tell members on which side of that debate the voluntary sector stands.

There is debate in Scotland about the different priorities to be accorded to proportions of the elements of the funds. Those are the micro-economic issues that are currently under consideration by the Scottish Executive, and I think that this committee should have a legitimate

interest in them.

Bill Aitken (Glasgow) (Con): When we were undertaking research into this subject, we were greatly encouraged by the fact that some 300,000 people in Scotland were prepared to give so willingly of their time and money to run organisations. It is also significant that the sector now employs 100,000 people. Given that between £450 million and £500 million of public money goes into the voluntary sector, we clearly have to ensure not only that we get value for money, but that that money is used to the maximum possible effect.

Across the sector, one full-time employee supervises the work of three volunteers. We must bear in mind the fact that we are dealing with volunteers—who all, understandably, want to be involved in their own charity or organisation—but I wonder whether the evidence suggests that the voluntary sector could be better focused. As I go through the list of organisations, I notice that often two or three of them are, in effect, doing the same thing. One does not wish to exclude anyone from doing good work—far from it—but we must ensure that the good work provides the maximum possible benefit to the community.

Martin Sime: I recognise that as one of the themes that ran through last week's debate. Those who work in the sector face a dilemma: on the one hand, if you see a list of organisations that are all doing the same thing at the same time, it is right to consider how their work could be streamlined and made more effective; on the other hand, the right of people to come together to pursue their own interests in their own way ought to be protected. In the current climate, marriages in the voluntary sector have been rather difficult to establish, although there have been one or two good examples of organisations merging. Perhaps an incentive scheme should be established to enable that to happen more effectively. However, the motivation of individuals is at the heart of the voluntary sector, and sometimes those individuals see things differently, as is their right.

Every working day, four new charities are formed in Scotland. That figure never ceased to stagger me. From one perspective, it indicates the vibrancy of the sector, although that is looking at it from a business perspective. However, we are not like businesses—we do not have a Bank of Scotland taking over another big business. We tend to have different motivations, which have to be respected, although I would not deny that there is added value to be had from organisations coming together.

Connie Smith: I would like to add a couple of points that touch on what Stephen said about charity law. Without a statutory register in Scotland, it can be difficult to find out what

charities exist. The Inland Revenue does not have the resources to provide information that might help a new organisation to avoid duplicating the work of another organisation. As Martin said, we know about all the new charities, but there is no incentive for anyone to deregister and say that their charity has closed down. We have no picture of the dynamics, so it is difficult to get an honest and holistic view.

Mr Keith Raffan (Mid Scotland and Fife) (LD): I profoundly disagree with Bill. Although there is obviously a need for co-ordination and an umbrella organisation, we are dealing with the voluntary sector. The deputy chief constable of Lothian and Borders Police recently called for the drugs agencies to be streamlined. I get very worried about the word streamlining—it usually means culling. In other words, to reduce the number of agencies, some of them have to be killed off.

I know a bit about the drugs agencies. An enormous number of highly experienced people are dealing with the drugs issue on the front line. If agencies are culled, we might lose those people permanently, which would be an irreparable loss. We face a drugs crisis, but it would be infinitely worse if those people in those agencies were not doing the excellent work that they do. Would Martin like to comment on that, as he, too, mentioned streamlining?

11:00

Martin Sime: As I said in my introduction, in principle, the diversity and pluralism of the voluntary sector is one of its strengths. In some circumstances, it can be a weakness. There is no doubt that the public think that there are too many charities—that is suggested by our opinion poll research. Nobody has yet come up with a scheme that retains the pluralism but reduces the number of organisations, and I am not sure whether that would be a desirable outcome.

The Convener: I do not know whether the committee can tackle that either.

Mr John McAllion (Dundee East) (Lab): I refer to a table—I presume that it comes from you—that shows the sources of your funding in 1997-98. As I work it out, about 40 per cent of the funding comes from Government-type sources—grants from non-departmental public bodies, the national lottery, local authorities, central Government and Europe. The problem with that funding—you can probably tell us more about it—is that it is usually time-limited for about two or three years; at the end of the period voluntary organisations have to put together a jigsaw of different sources of funding to survive. You said that the Scottish Parliament should consider the operation of the new opportunities fund and the national lottery; could it

not be argued that voluntary organisations should be offered the stability of three-year funding, which could be renewed at the end of the period if they are doing a good job in their area of expertise?

Stephen Maxwell: There certainly is a case for that. The Scottish Office and, I think, the Scottish Executive accepted in principle the case for three-year funding. It is honoured by public funding bodies as much in the breach as in the observance. We hope that, as the compact is implemented, the practice of three-year funding will be applied more widely.

Three years should be the minimum period of funding. Some organisations—including, it must be said, some parts of the lottery—make funding available for longer periods. Longer-term funding is clearly desirable when funding is for sport and infrastructure, or for work in areas of particular disadvantage. Urban programme funding and funding under social inclusion partnerships are usually for more than three years.

We come back to the point that, although we are dependent on public sources for about 35 per cent or 40 per cent of our total funding, the fact that the voluntary sector can draw in funding from many different sources helps to underpin the sector's independence. Of course we want to expand public funding for the sector and get funding on better terms, which allows for better planning, but we are keen to develop alternative sources of funding, as they are the guarantee of the autonomy of voluntary organisations.

Mr McAllion: I have a direct interest, as politicians always do in raising questions. In Mid Craigie and Linlathen, a deprived area of my constituency in Dundee, an under-12s project is coming to the end of its urban programme funding and is now faced with the dilemma of how to put together a package to keep going. When it turns to the new opportunities fund—the project provides homework classes—it is told that that fund is only for the generation of new places. Trying to access Government money is a nightmare for voluntary organisations. In poor areas of Dundee, such organisations do not have the option of getting big handouts from private sector organisations, so they need Government support. The Government must recognise that in some types of voluntary sector projects, particularly in poor areas, there has to be steady support from Government.

Martin Sime: We could not agree more—that is one of the key issues. It is hugely inappropriate that new opportunities funding for out-of-school activities is for one year. Everybody, including Government and Government agencies, wants to fund the front end and not the continuation of work. That is the principal problem with statutory funding.

The Convener: I am sure that those issues will be on our agenda.

Robert Brown (Glasgow) (LD): I want to come back on two points. First, I confess that I am unenthusiastic about the charities law review. Is there clear evidence that the relatively unregulated system in Scotland causes problems other than those that exist in England, with its panoply of charity commissioners and so forth?

I am conscious that charities range from a whip-round in the pub upwards. Many come and go. There are also the long-standing institutional ones. Was there any evidence of the existing, wider laws on fraud not dealing with the problem?

My second point follows that of John McAllion on long-term funding. I am interested in the bridge-to-work angle, and in the number of people on placement. From my own, little, experience in citizens advice bureaux, I can say that a number of people were placed from time to time: it was often a halfway house to longer-term employment. It worked well.

Are there bureaucratic difficulties in the way of charities of whatever sort accessing such placements, with welfare-to-work arrangements for example? Are there things that we can do in that regard which will make life easier and make the take-up more effective?

My final point—I am sorry to go on a wee bit—also relates to funding. Would the models that you would recommend, in terms of local devolution, local voluntary organisations and umbrella organisations, assist with expertise, professionalism and access to funding, which is a key element?

The Convener: As the time goes on, I will ask that we speed up, but we still have a wee bit of time.

Stephen Maxwell: Perhaps Connie can say something on the first question: on research evidence.

Connie Smith: Charity fraud is difficult to measure because there is so little regulation. The Scottish Charities Office has a responsive role. It does not proactively investigate in the same way that the Charity Commission does in England. Essentially, we have no measure.

As members might be aware, the SCVO runs a register of charities in Scotland. In the absence of a statutory register, and legally, under **the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990**, any member of the public can ask for a copy of the annual accounts and the memorandum of a charity. We have been doing that on a rolling basis for four years. We still have around a 40 per cent non-response rate from recognised charities in Scotland. We would suggest that that is mostly

accounted for by dormant charities, which no longer exist, or by people who are unaware of the legislation that obliges them to return those requests. Included in that figure are probably some fraudulent charities.

It is a chicken-and-egg situation: until we have tighter regulation, it is hard to assess how bad things are.

Martin Sime: On your second question, Robert, about the bridge to work, the voluntary sector has a long, honourable history of trying to work with disadvantaged people to reconnect them to the labour market. I worked in a community programme in the 1980s—many people remember those experiences.

The current raft of initiatives includes the new deal, which is a much better funded programme than its predecessors. The voluntary sector is significantly involved in delivering one of the options of the new deal—the voluntary sector option—which has turned out to be a reasonable success in Scotland, compared with elsewhere in the UK, partly because the sector has produced a more coherent infrastructure to support that. At any time, around 1,000 young people are on placement with voluntary organisations, getting work experience and training. That is but one of a confusing number of initiatives. Structural funds have already been mentioned. There is also training for work, the enterprise network programme and skillseekers. Overall, the whole thing lacks coherence. There is a need for investigation into that lack of coherence and for an overview to see whether there is synergy between the different programmes.

As we indicated in our evidence, there are some difficulties with the new deal because the policy is not tailored to Scotland. It is difficult to influence the policy direction that the new deal is taking. That is a big fault line; some of the experience of groups is not reflected in the design of the network programme. Overall however, the new deal has been a success for the voluntary sector in Scotland.

The answer to Robert's last question is to examine the voluntary sector infrastructure at local level. A review of the role of councils in voluntary service has been commissioned. We welcome that very much, because we think that councils have a critical role in supporting local organisations that are seeking resources. That is the core service which councils need to provide to the many groups that need such support.

Fiona Hyslop (Lothians) (SNP): I was interested in what you said about the new opportunities fund. Perhaps the committee could raise the matter with the Executive, to find out what distinctive Scottish policy making there is for

that fund.

My question concerns the relationship between the voluntary sector and the Parliament, and the two sides that there are to that relationship. This morning, a different committee is addressing the issue of lobbying. Voluntary sector organisations are not backwards in coming forwards in contacting us directly, and many of them have parliamentary officers. I am interested to know your view on that. Do you recommend that those officers join the Association of Scottish Public Affairs?

The second aspect of the relationship with the Parliament concerns the voluntary sector and the civic forum. I am sure that you were at last week's debate on that subject. I would like to hear your comments on the current position of the civic forum, how you think that should progress and the action that you think should be taken to get there.

Stephen Maxwell: I will respond to the first question. During the preparations for the Parliament, there were moves to set up an association of public affairs consultants in Scotland. The voluntary sector—the SCVO and a number of other organisations—was involved in discussions with the proposers of that initiative about whether it would be appropriate for voluntary organisations to join. The SCVO felt that there was a distinction between lobbying for profit and not for profit. Of course, by definition, voluntary organisations are not-for-profit lobbyists and campaigners.

The SCVO took the view that it would not join the association of public affairs consultants, and the great majority of voluntary organisations came to the same conclusion. One or two organisations might have joined, but generally, the voluntary sector was keen to distinguish its relationship with the Parliament from the commercial lobbyists' relationship. Events have probably proved that principle to be correct. The voluntary sector is keen to develop its role as a partner in policy making through the committee system of the Scottish Parliament and through direct contacts with individual MSPs, but our hope is that MSPs will recognise the difference between commercial lobbyists and voluntary organisation campaigners.

Martin Sime: On the civic forum, I was sitting in the gallery and I think that George Reid got it absolutely right. I recognise the different ways in which responsibility for that ball has been passed around. However, the minister's response was right: this is not just a voluntary sector agenda. In fact, it cannot be viewed as just a voluntary sector agenda. Voluntary organisations are hugely enthusiastic about the civic forum, and the sector has much to gain from participating in dialogue with other social partners and with the Government and Parliament on ways in which the

civic forum will work.

Unfortunately, we have locked ourselves into a set of issues about resourcing the activities of the civic forum without having the open debate that there should have been about the ways in which a structure such as the one that is proposed could add value to participation in the work of the Parliament. That is the debate that we ought to have, but we are discussing with officials how or whether and at what level the civic forum should be funded. That is unfortunate. We would have preferred all those resourcing issues to have been resolved, so that when the Parliament assumed its powers and responsibilities, the civic forum was there and able to undertake its many functions. There is great enthusiasm for it. I cannot give you a special insight because I have none, but there is still a hope that the funding issues can be resolved so that we can create a more participative culture and include voices in the debate that currently are not heard.

11:15

Mike Watson (Glasgow Cathcart) (Lab): I preface my remarks by registering an interest: I am a member of the board of management of the Volunteer Centre in Glasgow and have been for the past four years. That will not impact on either of the points that I want to make.

The first concerns the important issue—also raised by Fiona Hyslop—of the sector's relationship with the national lottery and the new opportunities fund. Before the legislation that introduced the new opportunities fund was passed, discussion took place on whether there should be a Scottish equivalent, for that fund, of the National Lottery Charities Board's Scottish committee. The view at the time was that account should be taken of Scottish interests. Many people thought that that was not an adequate response.

What has been the SCVO's experience of the new opportunities fund? Although the lottery is a reserved matter, how does Stephen Maxwell think the committee could try to advance the effect of funding from the new opportunities fund in Scotland? Stephen mentioned that a commitment had been made to try to "Scotticise" the fund as far as possible—to what extent has that happened?

My second point concerns something that Connie said about a register of charities and voluntary organisations in Scotland. I was astonished to hear that four such groups are set up every week.

Martin Sime: No, it is four every day.

Mike Watson: In that case, how many close down every day? Does the SCVO monitor that figure and does it, or any other body, give advice

to new charities or voluntary organisations to try to ensure that they have a longer shelf-life than the figures would suggest?

Stephen Maxwell: The case was made during the passage of the legislation that provision should be made for a Scottish committee or advisory group on the new opportunities fund. An advisory group exists for healthy living centres and there is a separate structure for the child care stream, but no Scottish advisory group for the new opportunities fund is capable of taking an overall view of fund allocations or identifying how adequate those allocations are for Scottish conditions and priorities. That dimension might be worth pursuing. In addition, Parliament might seek to have formal powers to issue policy directions to the new opportunities fund, to cover its Scottish operations. There is a commitment to do that from the First Minister, but it has not yet been carried out.

Mike Watson asked what evidence exists so far on how the lack of a Scottish structure has affected the operation of the new opportunities fund. Perhaps it is a little early to be sure—for example, the healthy living centres have only a limited number of applications—so it is difficult to generalise. On child care provision, there are certainly concerns that the allocations that are being made and the structures that are in place do not give sufficient support to the voluntary sector's contribution. In particular, the allocations and structures do not give sufficient support to the growth of the voluntary sector's capacity to contribute to the range of child care provision. However, these are relatively early days and the situation would be well worth monitoring, to ascertain whether firm evidence emerges on how the lack of a firm Scottish structure affects the operation of the fund in Scotland.

Connie Smith: The advice that organisations receive on establishing themselves as charities is the core business of the infrastructure organisations—such as the SCVO's information office and a number of the councils for voluntary service throughout Scotland—which spend a lot of time providing that support. I understand that the appropriate part of the Inland Revenue can also give some assistance and is preparing a booklet about how to become a charity. However, there is a weakness in the support that volunteers receive so that they can fully realise some of their legal obligations, and more could be done to help them.

In addition, if the provision of such support is the core business of infrastructure organisations, that work will come under threat if the organisations' core funding is threatened. I hope that a review of charity law would consider appropriate support and advice for voluntary organisations and charities.

There is no incentive for charities to de-register, although charities sometimes inform the Inland Revenue as a matter of good will. Our research suggests that there is at least 11 per cent dormancy—charities that are not active but whose names have not been removed from the Inland Revenue's charity index.

Martin Sime: The situation in England is that the Charity Commission publishes a wide range of booklets that provide quasi-judicial advice to organisations, and if organisations follow that advice, they are indemnified. Such advice is not available in Scotland. We can give out advice about best practice, but if a group of charity managers wanted to establish whether an action was charitable, they would have to go to the Court of Session. Many groups do not want to do that.

Mr Lloyd Quinan (West of Scotland) (SNP): Could you give me an idea of what is happening on the campaign for the waiver on water rates? What does the SCVO think that the committee could do to assist the campaign?

Could you give me an idea of what the current position is with regard to three-year funding from local authorities to the voluntary sector? What concerns do you have about the overall input of funding from local authorities, especially in light of some of the things that were said in the voluntary sector debate last week about developing closer, perhaps even statutory, links?

Martin Sime: It was clear that many organisations were taken by surprise when they received substantial water bills for the first time this year. Without any consultation, the water authorities decided to change their approach to relief for charities. They did so with a scheme that involved some difficult delineation between different types of charity—they seemed to be proposing a scheme whereby youth clubs and church halls were offered continued exemption while other charities were not. That did not seem to be viable.

The Minister for Transport and the Environment agreed that the water authorities had not consulted the sector as they were required to do by the compact. She said that organisations had not been given sufficient time to consider how they might raise the additional resources that would be needed to pay the new bills. The scheme has been cancelled for the current year and we are pleased that the Executive has taken that action. The SCVO will now enter discussions with the water authorities, to examine how charities are affected by water rates. The bottom line is that the water boards have a legal requirement to treat all their customers equally, and we need to explore what that means in terms of charity relief. If there are to be charges, they will have to be introduced with sufficient notice over a period of time and with

a coherent scheme to back them up.

Stephen Maxwell: The sector's relationship with local government is crucial. It covers much more than funding, but funding is the most important part. Local authorities provide about £110 million or £120 million a year to voluntary organisations and they also provide support in kind.

A stream of work with local authorities predates the compact and has resulted in policy guidance from COSLA on the funding of voluntary organisations. That policy guidance states the commitment of councils to extending three-year funding to voluntary organisations.

The funding relationship has been influenced by the financial problems that local authorities have faced. The evidence that we have—and it is not precise evidence—suggests that there has been a fall in the support that the voluntary sector has received from councils during the past two to four years. That is a matter of great concern and lies behind some of the difficulties that are faced by organisations that are, for example, coming out of seven-year urban programme funding.

We are greatly concerned that COSLA, on behalf of the councils, should take a supportive attitude to the funding issues faced by voluntary organisations. We are keen to develop further our relationship with COSLA and the councils.

Karen Whitefield (Airdrie and Shotts) (Lab): I want to ask two very different questions. The first concerns the operation of the SCVO and follows on from Fiona Hyslop's point about how important it is for the Parliament to engage with the voluntary sector. If the SCVO sees itself as one of the key players in interfacing with the Parliament, how will the organisation ensure that it liaises regularly with all voluntary and community organisations?

My second question touches on the point that was raised about the issues that the committee can examine, in particular Scottish Criminal Record Office checks. As someone who has been a volunteer in the voluntary sector—I was involved with the Girls Brigade—I appreciate what that will cost the brigade, never mind the entire voluntary sector. However, I also appreciate the importance of properly vetting all volunteers. The Girls Brigade is a unique organisation, in that its volunteers tend to come up through the ranks, which is not the case for most voluntary organisations. I would not want that to be the case, because it would exclude many people from taking part in the voluntary sector. Are there other ways of vetting people properly without the heavy cost implications of SCRO checks? Furthermore, are such checks effective in telling us whether people are suitable to be volunteers?

Martin Sime: It is difficult to give a short answer to both questions. Part of the answer to the first

question is that voluntary organisations will always find a way to the table to get their individual voices heard. The SCVO spends a lot of its time encouraging that process and enabling organisations to articulate their priorities instead of streamlining them into one organisation. The sector is too diverse and pluralistic to allow such streamlining.

The SCVO tends to focus on generic issues. Seventy per cent of the sector by turnover has direct or indirect membership of the organisation. Although there are 44,000 organisations in the field, only 1,100 are direct members of the SCVO, so it is important that those in the sector keep speaking to one another and that the networks and infrastructure, which are critical to the sector's health and success, function effectively. In Scotland, we have a much more coherent infrastructure than elsewhere in the UK, which means that, in practice, programmes such as the new deal are more effective.

Communications are never perfect. More always needs to be done to make sure that grass-roots organisations, in particular, can contribute their unique perspective to public policy. We welcome the commitment to a guaranteed place for a voluntary sector representative on bodies such as social inclusion partnerships. However, that puts added weight on those representatives, to make sure that they hear the many groups that want to speak in that debate. Although there are no simple answers, the sector appreciates the need to preserve diversity and pluralism and to allow organisations to express themselves directly to Parliament.

In answer to the second question, the sector by and large accepts that SCRO checks will happen. However, such checks will tell us only whether someone has a criminal record, not whether he or she is a suitable volunteer or whether something will go wrong in future. Now that criminal record checks have been accepted as inevitable, the debate has centred on how that process should be resourced.

In commercial terms, it makes no sense to issue an invoice for £10, because it probably costs more than that to process the payment. From our perspective, it is not sensible to have 60 to 100 cheques with a £10 bill attached to them. We do not want volunteers, who are a critical element of the voluntary sector, and organisations that work largely with volunteers to be hampered in their work by having to meet those costs. Nor do we think that the costs should be borne by individual volunteers, because that might deter them. The sums of money are relatively modest, but individual organisations such as the Girls Brigade and the Guide Association, to which I spoke recently, are hugely concerned about how those

costs will affect them.

11:30

Mr Raffan: If there is to be relief on the cost of cheques, that has to be implemented UK-wide. If not, organisations might simply move up north, as has already happened in the charity sector. Ministers have told me that if relief were given solely in Scotland, that could become a major problem.

The Convener: That is an issue that we will have to consider. It will be on our agenda again.

Martin Sime: I am not sure that I accept Mr Raffan's analysis.

The Convener: There is obviously disagreement about that.

There was no time for me to put my questions to the witnesses. I wanted to ask you about the difference between the community and voluntary sectors, but we will discuss that on another occasion.

I want to thank you on behalf of the committee for an excellent presentation. It was focused in an extremely helpful way. We will undoubtedly return to those themes. We are about to move on to other aspects of the problem. When we deal with them, we need to take account of the specific questions that you raised and to reflect on some of the issues relating to charity law.

Unfortunately, we did not have a chance to discuss with you in depth issues such as independence. I understand that you would be more than willing to meet us formally and informally to do that. I assure you that this matter will remain on our agenda and that we will return to it. Thank you for your presentation and for the work that you do. We look forward to having an on-going relationship with you.

Martin Sime: Thank you for your interest in our work. We look forward to hearing from you and continuing the dialogue.

Action Points

The Convener: I am sorry that I was so draconian about bringing that discussion to a conclusion, but it was necessary to ensure that we get through the rest of our agenda.

We now move to item 3. Paper HS/99/4/2 sets out the action points that were agreed at our previous meeting. I will work through it. Members should indicate whether they wish to raise other issues. The drugs paper is on today's agenda, so I will come back to that later.

I understand that the committee of conveners met yesterday to discuss public meetings outside

Edinburgh. Perhaps John could tell us about that.

Mr McAllion: It was explained that the travel funding available—which amounts to £170,000—while not enough for a whole year, is likely to be more than adequate for the remaining five months of this year. It is recommended that any committee that wishes to travel should now put in bids to the conveners liaison group and to the Parliamentary Bureau, which hopes to consider them favourably.

Fiona Hyslop: Can I make a suggestion? We had this seating arrangement today because the SCVO was coming to speak to us. Perhaps John could now move round, so that we can see him.

The Convener: I feel nervous about having John behind me anyway, given all his political experience.

As I understand it, we need to start planning the meetings that we intend to hold outside Edinburgh. That means that we must push on with finalising the details of our work programme. We will return to that at item 5 on the agenda, but I wanted to let the committee know that the matter is being pursued.

At some point today, we need to talk also about how to pursue the housing issues. I will let John McAllion get his breath and then ask for a short update. I know that many meetings on housing are planned, but it is a key priority and we want to keep moving on.

I want to make one final point on this agenda item. We can pick up on all the issues about our draft programme of work and how to manage our work load under the final agenda item.

Two points arose from our last meeting, attended by the Minister for Communities. First, I want to inform the committee that I have written to the minister—although I have not yet received a reply—to ask her to ensure that committee members are informed of any public announcements on issues related to the work of the committee and to ensure that we receive a copy of the appropriate paperwork, preferably in advance, but at latest at the same time.

Secondly, the minister indicated fairly strongly that her understanding, whether from her officials or not, was that she was required to provide papers to the committee only 24 hours in advance of a meeting. I have checked the matter out and that was not the case. Our clerks were quite clear about the need to get the papers and were very co-operative in trying to get them to us. I will ask the minister to withdraw the comments that she made at the previous meeting, because we feel that they were inappropriate, given the support that we get on this committee.

A lot of our work will be dealt with under the agenda item on the draft timetable. Am I missing

anything out?

Alex Neil: The paper on objective 3 is not on the agenda. We need to decide when that will be discussed.

The Convener: That will come up under the item on the draft timetable. The clerk has brought that to our attention.

Mike Watson: We were told in the e-mail that accompanied the objective 3 document that that issue will be on the agenda for 6 October.

Alex Neil: Does that give us enough time to get back to the European Committee?

The Convener: That is the date the clerk recommended.

Mike Watson: We will consider the paper next week then. I am glad, because it will take me until then to read it.

The Convener: We can return to that specific point when we come to discuss the draft timetable. There will be a number of points to raise on the programme that the clerk has suggested.

Drugs Inquiry

The Convener: I want to put on record my thanks to Sue Morris at the information centre who worked with me on this paper and who has been extremely helpful. I met her at a conference yesterday and we have come up with some recommendations for how some of the points that have been raised can be pursued. First, however, we need to work through this paper. Are there any general points about the paper, before we move on to discuss it section by section?

Alex Neil: It is important to be clear about the focus and remit of this inquiry. The focus needs to be reworded so that the remit is absolutely clear. I suggest that the focus should be changed to read that the committee intends to establish an inquiry into the links between drugs and poverty in Scotland. It is the link between drugs and poverty that is important.

There are other aspects of social exclusion, for example exclusion on the basis of ethnic group or sexual orientation, but they are not the issues that we want to examine. We want to examine the direct link between drugs and poverty and deprivation in Scotland. We need to be precise about that.

The Convener: I should point out that the paper recommends that we refocus once we have taken evidence and once members feel more fully briefed.

Mr Raffan: I am not happy with what Alex has just said, simply because the drugs issue is a crisis in Scotland that knows no boundaries,

whether of class or wealth. The drugs problem in oil-rich, cash-rich Aberdeen, for example, is severe. The city has been called the heroin capital of Europe. There would be a problem if we tied down the focus as Alex suggests.

I strongly agree, however, with the statement in the second paragraph—that

“Much of the political debate centres on crime and enforcement.”

We need to move things on. The debate is becoming bogged down in crime and enforcement. That is certainly how I have felt over the past three days, listening to the statements of the Prime Minister, the Home Secretary and, indeed, the First Minister. We must put the emphasis on the other side—treatment, rehabilitation, after care and what we can do to help drug addicts. The inquiry should focus on that.

Mike Watson: I agree with Keith that Alex's definition is a bit narrow. I know what Alex means, but the committee should investigate other aspects of social inclusion, such as the effects on families and people's ability to work. If someone is incapable of holding down a job, they are socially excluded. A lot of people who are in work suffer according to various indices of poverty. The addition of “the links between” would be helpful. Apart from adding those words, we should leave it at drugs and social exclusion. That would include what Alex is trying to do, but allow the scope to be a little wider.

Mr McAllion: I agree with Alex.

The Convener: Hang on.

Mr McAllion: We stressed that we are not examining drugs as a problem—that is not in our remit. It will be for the Health and Community Care Committee, or another committee, to examine how drugs interact across the whole of society. We must examine the impact of drugs on poor communities. It is important that we focus on that. Oil-rich Aberdeen has drug problems, but they are not the problems that concern this committee. If people from wealthy backgrounds are taking cocaine, that is not our concern. Our concern is the impact of drugs on people in poor, deprived areas

The Convener: Yes, that is the general focus, but when we examine drugs we will spill over into other issues. There is a huge gender dimension to drugs; consider prostitution in Glasgow, which has a huge connection with drugs.

If the wording is too narrow, we might miss out some of the added dimensions. There is no doubt that the effects spill outwith the heavily deprived areas. We must be focused, but I hoped that some of the ways we examine the issue—where we hear evidence from—might throw up some of

those connections. Talking to families and addicts might give us that. When I say the missing dimension, I mean the communities that have borne the worst. That is classically the deprived areas of Scotland, but I do not want to tie us down too much at this stage.

Mr Raffan: I am not disagreeing with Alex or John. What I am worried about is that when you say drugs and the impact on communities, it sounds like an academic thesis. This committee is not undertaking an academic thesis. We all know the devastating effect that drugs have had on communities. That will come out in the inquiry. We are considering what we can do to help those communities, the addicts in them and all those who are affected by addiction. We should be proactive in that sense. I think it is better to have a looser definition.

Fiona Hyslop: I want to address how we will go about our work. We have identified that we want to talk to drug users and their families. We are not the most user-friendly group to go around the country. We said that we wanted to go into communities, and I think that we should do so. We should go to Glasgow first. As I am a Lothian list MSP, I hope that you appreciate me saying that.

The Convener: That is generous of you.

Fiona Hyslop: I have concerns about how we can speak to individuals without putting them into an awkward situation. We must make people feel comfortable. We should consider breaking into smaller groups when we are talking to individuals and ensure that we are approachable. If this is meant to be the open, accessible, approachable Parliament, we should consider carefully how we go about this.

The Convener: I will let Keith speak in a second. I considered how we should do this before I drafted the paper. We have spoken to a number of organisations and users. We asked their views on whether they are prepared to give evidence. Some of the evidence that we hear about the services and experiences will be very strong.

People are willing to give evidence. We must ensure that we do it sensitively so that we get proper evidence and information. The organisations and groups with which I am familiar are up to speed and can help us on that.

11:45

Mr Raffan: Fiona's point is important. There are a number of drugs agencies close to the Parliament buildings, such as Crew 2000. I have been to very useful meetings with them, but that is not the same as going to housing estates or into the deprived areas where addiction has hit so hard. We will do that too, but it is good to meet the

voluntary agencies at their place of work. We can do a lot within a radius of about one mile of this building.

The Convener: Glasgow has been suggested.

Mr Raffan: Seeing a lot of the agencies may be an appropriate place to start—whether in small groups or the whole lot of us.

Alex Neil: I would like to raise a couple of points. First, if a group of people wants to give evidence to us but does not want to do that in the full glare of publicity, we should be prepared to be flexible enough to take some evidence in private. Secondly, it should be incumbent on us to look at this as both an urban and a rural problem. I am keen to go to Glasgow—I am always keen to go to Glasgow—but we should look at the rural aspects of this problem too. In a number of rural areas, including mine, drugs is just as big a problem—if not a bigger one—as it is in some parts of urban Scotland.

The Convener: I have written rural issues into the paper for that reason.

Karen Whitefield: The point that Alex made is very important. Poverty is not unique to Glasgow and the big cities—there are deprived rural communities too. It is an issue in the cities, but it is also an issue in places such as Plains and Caldercruix in my constituency. I am sure that Alex could list similar rural communities where drugs are a problem.

The Convener: I will recap on what I have in front of me so far, which might help us with the planning. This depends on what Martin says and on what we decide about the rest of the work, but I have asked Sue Morris if she would be prepared to attend next week's meeting. It would have to be an informal session, because it would be difficult to arrange a formal one, but she could give us an hour's input on what information is available to us. I would then recommend, in the lead-up to November, that we have two seminar days in that preliminary phase.

In those seminars we could address questions such as where we are at the moment, what the state of play is regarding research and information—because there are big gaps there—and what we know about health and social trends. Apparently one of the key agencies is the Executive's public health policy unit. It collates all the Government information. Other questions include the medical position and what the debate is on methadone prescribing and similar issues.

We need to look at the service providers—the agencies and what the voluntary and statutory sectors provide. There is also a big debate around what treatments are available. Finally, we will see what resources are available.

Perhaps we could take a Monday and a Friday out to have two seminar days on that and brief ourselves thoroughly in October and November. Once we are briefed, it might be worthwhile getting a minister to attend the committee. Given what we now know about questioning ministers, we should invite Angus MacKay to come along, as he heads up the drugs work in Scotland. We could question him about the Executive's strategy.

Mr Raffan: I made this point in the chamber last week. I am concerned about inviting Angus. It is nothing personal, but we always get these blooming cross-department groups. Drugs misuse is always chaired by a home affairs or justice minister. Jackie is the member of the ministry that we shadow and scrutinise. I am not saying that we should not have Angus, but if we do, the emphasis will once again be on enforcement.

The Convener: I take that point, but we do not need to question him on that. He is chairing the ministerial task force.

Mr Raffan: Does he know enough about the other—Jackie's field?

Alex Neil: I know that this flies in the face of what we discussed earlier, in private, but is there not a case, in this instance, for inviting the two ministers together if we have enough time?

Mr Raffan: A bit like Mike, I am averse to inviting more than one minister at a time unless that is absolutely necessary.

The Convener: I suggest that we should brief ourselves. During that briefing period, we could build up a reservoir of sources of public evidence and of groups that we would consult, and determine how we would organise that evidence. An official could perhaps brief us. We should get information, find out what the Executive is doing, then take public evidence and refocus it in the direction in which we want to go. Alternatively, we could get our information, listen to the ministers or whomever we invite to speak on Executive policy—undoubtedly, we will tighten the inquiry after that evidence—then take evidence, refocus the inquiry and come up with the short, sharp recommendations that we are hoping for. We do not need to decide that today.

Mr Raffan: We should invite both Angus and Jackie.

The Convener: We would need to give them warning. We want to ensure that what we want to ask them is clear.

Robert Brown: One thing that we should keep in focus is why people are getting into drugs at an ever younger age. We should look at the problem from that angle. If we can stop such behaviour in the first place, so much the better.

The Convener: We could find out what research has been done on that. We need to ask people directly what evidence they have.

Is it agreed that we could begin by asking Sue Morris to attend a meeting on 6 October? We could, from her lead, determine our seminar programme.

Members *indicated agreement.*

The Convener: Let us move on to discuss our draft timetable of work.

Timetable

The Convener: John, do you want to say anything about housing before we tie ourselves down to some of this?

Mr McAllion: When we discussed the matter last week, we agreed that we should have the briefing on housing finance and the session with Scottish Homes early on, because of the uncertainty surrounding that issue. Those are the first two briefings that are scheduled. I am not sure about the third one.

The Scottish Federation of Housing Associations is keen that, if we are to consider stock transfers, we should start quite soon. The time for making decisions is running out, and it will take time for the committee to reach a view on new housing partnerships and stock transfers. I would prefer to examine stock transfers in the session in the week beginning 3 November. We could invite **Glasgow** City Council, which is at the forefront, to come along at the same time as some of the organisations that are opposed to its proposals, so we can hear both sides of the argument.

The Convener: We could invite the minister on 10 November.

Bill Aitken: In the light of the uncertain future of Scottish Homes, is not the exercise that was proposed for 27 October redundant?

Mr McAllion: Nothing has been decided.

Mike Watson: I understand that Peter McKinlay will retire at the end of the year. I am not sure whether that will be this year or the end of March.

The Convener: It will be this year.

Mike Watson: It will be quite soon. There is no indication that Scottish Homes will be affected during that period. John Ward will be appointed temporary chief executive, after Peter McKinlay leaves, for a further year. It is expected that a decision will be arrived at in 2000. That is something on which we should seek clarification. We need up-to-date information on the review of Scottish Homes, as I do not have an answer.

Bill Aitken: That is a neutral response from the

minister to a parliamentary question.

Mike Watson: Surely not.

Fiona Hyslop: Once the committee has reached a decision on housing, we should move on from that rather than revisit the matter. John's recommendation to have the briefings on housing finance and Scottish Homes early on should be followed. We need to press on with examining urban and rural stock transfer issues. If we can tie our discussion in with rearranging when we intend to invite ministers to speak on drugs issues, we can move fairly quickly, at the beginning of November, to examine the urban issues. We could ask John to set up that meeting.

The Convener: We could undertake the drugs work on our seminar days and make progress on the housing work during our formal committee slots. That means taking up a bit of time, but I get the impression that members are willing to give that time. Martin, will you say a few words about our proposals?

Martin Verity (Committee Clerk): I want to clarify that the italicised items on the committee timetable are provisional—there are a lot of provisional items. In particular, it was not possible to arrange for a session from John Breslin and Albert Tait at the committee's next meeting. They asked for more time—more notice—if members wanted written material in advance. It may be possible to schedule informal briefing sessions from them, if members would prefer, which could take place during the recess. However, Peter McKinlay and John Ward will attend the committee meeting on 27 October.

Alex Neil: I think that we must make a decision about our modus operandi and our work pattern. It seems to me that we want to cover three or four strands of work: housing, anti-poverty strategies—on which we want to make a start—drugs and, possibly, warrant sales. We need to establish one of two patterns. We could rotate the subjects at each committee meeting, so this week we look at housing, next week we look at drugs, the following week we look at housing again and then the week after we look at warrant sales, or whatever.

Alternatively, as we have only two hours per week for public business, we could decide to spend one hour on, say, housing and one hour on drugs and then the next week we would spend one hour on housing and one hour on the anti-poverty strategy, and so on. We need to establish a pattern so that we are clear about where we are trying to go in order to ensure that we allocate time appropriately. At the moment, we are a wee bit all over the place.

Mike Watson: We could spend the last meeting of the month out on visits.

Mr Raffan: I am glad that Alex raised that point—I was going to raise it at the end of the meeting if no one else did. We are juggling a lot of issues in the air and I am concerned that we will end up not dealing with any of them as thoroughly or as well as we should. Furthermore, while I am happy to give the time, there is a problem for members who are members of other committees. Other members are affected, too—I am not using this as an excuse to be let off work—and we have other commitments.

We will have to consider our *modus operandi*, such as breaking into smaller groups on particular issues, which has been suggested, although I am not proposing it. An evidence session that lasts just an hour is not satisfactory—I do not think that it was particularly satisfactory this morning. We must consider carefully how we operate; otherwise it will look as if we are only skimming the surface.

Robert Brown: The hour that we had today with the witnesses from SCVO echoed our session with the minister: it was not quite long enough and a number of issues were not taken up.

It might be useful to have some sort of debriefing. What are we going to do about the information that we received this morning? How are we going to draw it together? There may be issues, such as charity law, or whatever, that we want to consider further. We must be able to make rational use, in terms of making decisions and progressing work, of the information that comes in and of the time that people give us.

Fiona Hyslop: I wish to make a suggestion. Each area that we are considering is at a different stage. There is the preliminary stage, when we are getting up to speed, and there is the inquiry stage which is, perhaps, more public. From our discussions, I think that the initial stage on the drugs inquiry will involve seminars and briefing. John suggested that we could move quickly on to hearing housing evidence during our public sessions.

We should consider using the week-about pattern, where one week we have more briefing sessions. We could use those for our drugs work and to bring ourselves up to speed on housing. We need to get a move on with the national anti-poverty strategy, which we have not started yet, but we could get updates on the preparation of the strategy from the sub-committee. That would give us a clear direction for the next three months.

The Convener: Does that answer some of the points that members have raised?

Alex Neil: I think that our *modus operandi* remains the basic issue. My inclination is to suggest that we pick only one issue—particularly when we are dealing with big issues such as housing and the anti-poverty strategy—if we have

only two hours at a time, rather than trying to deal with two in one day, as that would be impossible. I want to suggest a way forward, Margaret. We have already agreed that, initially, we will deal with our drugs work in the meetings that fall in the last week of the month, as that is when we will be going out and about. It would be logical for us to focus on that work in the last week of October and November, assuming that we will not be out on visits between Christmas and new year.

12:00

The Convener: I wanted to recommend the model that Fiona was suggesting for dealing with housing at formal committee meetings. We could use Mondays and Fridays to discuss drugs, even if we continue to meet on Wednesdays. People may find that a bit much, but perhaps we should keep either one of those days free to conduct our seminars so that, by the beginning of November, the briefing stage will be over and we can move to the public inquiry stage by the middle of the month.

We will lose our focus on housing if we are conducting a public inquiry on drugs at the same time. We should use the formal meetings to discuss housing and try to reorganise the inquiry and briefing sessions on drugs outwith that cycle, although we may have to encroach on it a bit. I know that that programme places great demands on people's time, but the arrangements for 27 October have already been made and we must deal with housing finance before we can go on to consider housing stock transfer in November.

Robert Brown: It is important to focus on the work that we are doing. Once we have heard evidence and discussed it, we must come up with a list of key action points. Otherwise, our work will be diffuse and we will come to no conclusions. Ten minutes at the end of each meeting summarising what we have learned and where we are going would be time well spent.

The Convener: That is an excellent suggestion. At the end of every meeting we should draw up a list of points on which we need to take action. We should probably take 15 minutes at the end of next week's meeting to reflect on the SCVO presentation that we have just heard.

Alex Neil: We must establish a pattern, and I agree with Keith and Robert about the need for debriefing sessions. This morning we finished in mid air, as it were, without knowing what we were going to do, although the SVCO gave us five action points to consider.

I have a number of suggestions. First, I suggest that we should devote each public meeting to one subject area rather than covering two or three. Secondly, we should concentrate either on

housing or on the anti-poverty strategy or on drugs. We should have a system for rotating subject areas unless something urgent comes up. Thirdly, our visitations—perhaps I should say days out instead of visitations—

The Convener: That is the worst word to use; it will get into the *Daily Record* tomorrow morning.

Alex Neil: Initially, we should devote our days out to the drugs inquiry. Once we get on to the anti-poverty strategy, we will become involved in other things. Would those suggestions set a sensible pattern?

Mr Quinan: We keep talking about an anti-poverty strategy, but I cannot see anything about it on the timetable.

Karen Whitefield: I wanted to make a similar point. We agreed at one of our early meetings to set up a group to draw up a remit for the committee to work to. We must formalise that today and agree a date at which the members who are to form that group will have their initial meeting. Alex is right in saying that, at the moment, we have no direction. That must be sorted out, otherwise we risk losing an important area of work such as the anti-poverty strategy. We must get that on to our agenda.

The Convener: I think that Martin Verity would agree that our social inclusion remit includes anti-poverty issues.

Mr Raffan: I agree with every point that Alex made—which is worrying.

I am not criticising anyone but I would add that we should have a minimum of two hours when we are taking evidence or being briefed—for example, when we discuss a drugs agency. We might want to hear evidence from two or three people in that time. We could easily have gone on for two hours today. We must be able to explore a number of issues and I, for one, had more questions to ask.

The Convener: I take your point. Are the principles that Alex mentioned broadly agreed to?

Members: Yes.

The Convener: It is acknowledged that there should be some flexibility. Legislation on warrant sales, for example, might come to this committee and other matters will be drawn to our attention.

On our anti-poverty work, I suggest that—as there have been hassles getting people together—the group meets during the recess. We are going to have problems with dates.

The committee must give attention to issues that relate to the broad strategy of social inclusion, which includes anti-poverty work. We need to get the anti-poverty group together but it is important that members understand that we cannot get all

the work done before Christmas. However, I congratulate members on their commitment and energy.

We must be thoughtful in our strategy. We cannot tackle all the issues in the next two weeks and there will inevitably be frustration and difficulties. We must be sensible—we have four years in which to tackle some of the issues. Some issues—such as the housing stock transfer—are pressing and we need to think them through. I intend no disrespect to the work of the anti-poverty group—please do not interpret it in that way, Keith—but the housing stock issue has crept ahead of that.

Mr Raffan: I would like to flag up another important issue. When I was on select committees in that other place down south, we did not timetable inquiries. Inquiries would drag on and on and, by the time we reached the end, we had forgotten about the evidence that we had taken.

Because we are running three different things at the same time there is a danger that, when we come to reporting and making recommendations, we will be doing too much at once. We must be careful. I do not want to set an artificial deadline of Christmas, but we must set a timetable to ensure that we do not go on for an inordinate length of time.

The Convener: Bearing in mind some of the comments that were made earlier, it would seem that a timetable is being shaped. We have a timetable for the drugs inquiry that I hope we can stick to—so far, it looks as though we will.

The housing work is running in parallel with the drugs work. We must strike a balance between briefings and public hearings and we must be ready to concentrate on responding to the work of the Executive early in the new year. We must think about that work, which will be fairly strenuous.

A small group should do the anti-poverty work in the background. That is not to say that that work will be neglected or that it is unimportant, but I do not think that it is likely that there will be legislation on that by February, although I might be wrong.

Karen Whitefield: I do not think that any of us expects to solve all the problems of social inclusion in the next few weeks. I am concerned that we need a firmer timetable. We need issues to be put on our agenda—we are all looking to make the work programme firm.

Fiona Hyslop: I suggest that we stress the work of the action teams on social inclusion, as that could tie in well with how we examine the national anti-poverty strategy. We do not necessarily need live reports to the committee from all the action teams. We should expect written reports, some of which will be of particular interest, such as the

evaluation framework for the national anti-poverty strategy.

The Convener: That is not the one that I would pull out.

Fiona Hyslop: It might not be. Unless we can take immediate action on something, we will have to be ruthless. We should put all the reports in the context of the work of the committee. Doing that might lighten the work load in November, when we hope to do other things.

The Convener: Items are on the committee timetable to let us know that they are available to us, not necessarily to tell us when we have to have them.

Alex Neil: Like Karen, I am concerned that the anti-poverty strategy will slip off the agenda or will slip back well into next year. Given what Fiona has said, I suggest that the sub-committee that has been delegated to consider the work programme for the anti-poverty strategy should present an outline work programme at the meeting after next. That can then be built into the longer-term work programme of the committee.

Secondly—this suggestion will not make me popular—given our work load and the need to get through a lot of it quickly, I suggest that we meet in at least one of the weeks of the October recess.

The Convener: I have no problem with that—there is certainly material for a meeting. The problem will be which week, as I have a commitment in the first week.

Mr Raffan: On the sub-committee on the anti-poverty strategy, one way forward could be for a small working group to present a paper to the committee, before each inquiry, on how it thinks that the inquiry should go. Margaret has borne the brunt of the work on the drugs inquiry. A group of two or three of us would share out the work load. It might be a good way of carrying out the work in the preparatory phase before the inquiry.

The Convener: I remind the committee that the establishment of formal sub-committees has to go to the Parliamentary Bureau. That is why I called the working group an ad hoc group. I do not know what the technical differences are, but we should avoid the term sub-committee.

Let us talk about next week's meeting. We have agreed that Sue Morris will attend. Martin, are there any other formal commitments?

Martin Verity: Volunteer Development Scotland has agreed to come next week.

Mike Watson: We are moving away from Alex's suggestion, which we agreed to, that we do only one thing each week.

Fiona Hyslop: We need to have the briefing on

housing finance.

Martin Verity: Unfortunately, it will not be possible to have the housing finance briefing next week.

Alex Neil: The other point is that, if we are to discuss objective 3 in time to pass our views on to the European Committee, we must do it next week or during the recess.

The Convener: We have to discuss objective 3 next week. I know that we broke the rules as soon as we made them, which sets a bad precedent, but next week will be more a business-type meeting than a formal investigation of a subject.

Mike Watson: That means that there are three items for next week: Sue Morris, objective 3 and Volunteer Development Scotland.

Martin Verity: Volunteer Development Scotland might be willing to come at another time.

The Convener: The problem is that we keep making decisions and then overturning them. If you look at the *Official Report* of our meetings, you will find us changing decisions week by week.

Mike Watson: The end justifies the means.

The Convener: We have agreed that we will follow up today's SCVO briefing and take 15 minutes to set some action points. How long has Volunteer Development Scotland been given?

Martin Verity: We usually say about an hour.

The Convener: We should go with the drugs paper and objective 3 funding and take 15 minutes—even if it is in our business session—to distil the points that SCVO raised.

Martin Verity: When would you like to hear the briefing on housing finance? Reasonable notice should be given.

The Convener: We want the briefing soon.

Fiona Hyslop: What is considered reasonable notice?

Martin Verity: We could say three weeks, but it can be quicker if you do not want a paper.

Karen Whitefield: What about 27 October?

The Convener: We decided that we needed two hours for Scottish Homes on 27 October.

12:15

Fiona Hyslop: As the Executive has already been notified that we want a briefing from civil servants—it was given three weeks' notice, of which one week has already passed—it is not unreasonable to suggest that we could have a briefing session on housing finance during the recess.

Martin Verity: The meeting does not have to be formal.

Fiona Hyslop: No, we just want an informal briefing.

Martin Verity: If committee members want a briefing session during the recess, I will see whether that can be arranged.

The Convener: What do you think, John?

Mr McAllion: I am happy with that.

The Convener: I am happy with it too, but finding a suitable date might be difficult because of the different holidays in different parts of the country. However, given that we are talking about a briefing session, and not a formal meeting with formal decisions, the paperwork should not be a problem.

Alex Neil: If it is difficult to organise a meeting during the recess, Margaret, would it be possible to meet on the Friday before the recess?

Martin Verity: That is next Friday.

The Convener: I think that we should try to arrange a briefing session during the recess, even if one or two members cannot make it, because no formal decisions would be taken. Alternatively, we could try to meet on a Friday or a Monday, but we would need to know who would be available.

Fiona Hyslop: What about Monday 25 October?

The Convener: Martin, will you check people's availability for 25 October?

Martin Verity: Yes.

The Convener: At the end of this meeting, we will get together and check all possible dates with the clerks. We need to feed all our decisions on subject areas, scheduling and meetings to the clerks, so that they can keep updating the committee's timetable. We need to bear in mind the fact that the issue of warrant sales may disrupt our planning, but we will keep you informed on that. Have I missed anything?

Martin Verity: If members want to discuss objective 3 funding next week, we can get a member of the planning team along to assist the committee.

Bill Aitken: That would be welcome.

Martin Verity: The Equal Opportunities Committee may also want to discuss an objective 3 paper at its meeting next Tuesday. It will not be possible for a member of the planning team to go to that meeting, so I have been asked to find out whether this committee would be happy if one or two members of the Equal Opportunities Committee attended our meeting next week and

asked questions about equal opportunities.

Members indicated agreement.

Mr Raffan: Martin, I know that papers on objective 3 funding are circulating—the European Committee has one—but are there any other relevant papers on the subject?

Martin Verity: All that we have—it is all that the European Committee is going to have, I think—is the paper itself. It is huge—it runs to 191 pages—and we have sent it to each of you. There is also a six or seven page summary, which the clerk of the European Committee has prepared. Other than that, I am not aware of any material that is specifically relevant to social inclusion. However, the paper itself has a lot to say about social inclusion issues.

The Convener: In future, we will have a private session of 15 minutes or half an hour at the beginning of meetings to deal with our housekeeping issues. We have to let the public know that those sessions are likely to last for half an hour, which unfortunately eats up a lot of our time.

Alex Neil: I am wondering about travel arrangements: would it be possible to have the private meeting at 9.30 am and the public meeting from 10 am till 12.30 pm?

The Convener: That would make my life difficult—I have to get children out to school. It is an awkward time. I am sure that in six month's time we will have a plan to solve all these problems; unfortunately we are not too good at it just now. We are making progress and getting down to work, however, so let us not be too hard on ourselves.

I thank everybody for attending, and I thank members of the public for their forbearance and interest. See you next week.

Meeting closed at 12:19.

Members who would like a printed copy of the Official Report to be forwarded to them should give notice at the Document Supply Centre.

Members who would like a copy of the bound volume should also give notice at the Document Supply Centre.

No proofs of the *Official Report* can be supplied. Members who want to suggest corrections for the bound volume should mark them clearly in the daily edition, and send it to the Official Report, Parliamentary Headquarters, George IV Bridge, Edinburgh EH99 1SP. Suggested corrections in any other form cannot be accepted.

The deadline for corrections to this edition is:

Friday 8 October 1999

Members who want reprints of their speeches (within one month of the date of publication) may obtain request forms and further details from the Central Distribution Office, the Document Supply Centre or the Official Report.

PRICES AND SUBSCRIPTION RATES

DAILY EDITIONS

Single copies: £5

Annual subscriptions: £640

BOUND VOLUMES OF DEBATES are issued periodically during the session.

Single copies: £70

Standing orders will be accepted at the Document Supply Centre.

WHAT'S HAPPENING IN THE SCOTTISH PARLIAMENT, compiled by the Scottish Parliament Information Centre, contains details of past and forthcoming business and of the work of committees and gives general information on legislation and other parliamentary activity.

Single copies: £2.50

Special issue price: £5

Annual subscriptions: £82.50

WRITTEN ANSWERS TO PARLIAMENTARY QUESTIONS weekly compilation

Single copies: £2.50

Annual subscriptions: £40

Published in Edinburgh by The Stationery Office Limited and available from:

The Stationery Office Bookshop
71 Lothian Road
Edinburgh EH3 9AZ
0131 228 4181 Fax 0131 622 7017

The Stationery Office Bookshops at:
123 Kings, London WC2B 6PQ
Tel 0171 242 6393 Fax 0171 242 6394
68-69 Bull Street, Birmingham B4 6AD
Tel 0121 236 9696 Fax 0121 236 9699
33 Wine Street, Bristol BS1 2BQ
Tel 01179 264306 Fax 01179 294515
9-21 Princess Street, Manchester M60 8AS
Tel 0161 834 7201 Fax 0161 833 0634
16 Arthur Street, Belfast BT1 4GD
Tel 01232 238451 Fax 01232 235401
The Stationery Office Oriol Bookshop,
18-19 High Street, Cardiff CF1 2BZ
Tel 01222 395548 Fax 01222 384347

The Stationery Office Scottish Parliament Documentation
Helpline may be able to assist with additional information
on publications of or about the Scottish Parliament,
their availability and cost:

Telephone orders and inquiries
0870 606 5566

Fax orders
0870 606 5588

The Scottish Parliament Shop
George IV Bridge
EH99 1SP
Telephone orders 0131 348 5412

sp.info@scottish.parliament.uk

www.scottish.parliament.uk

Accredited Agents
(see Yellow Pages)

and through good booksellers