

SOCIAL INCLUSION, HOUSING AND VOLUNTARY SECTOR COMMITTEE

Wednesday 6 October 1999
(*Morning*)

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SOCIAL INCLUSION, HOUSING AND VOLUNTARY SECTOR COMMITTEE 5th 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

THE FOLLOWING MEMBER ALSO ATTENDED :

Johann Lamont (Glasgow Pollok) (Lab)

PRESENTATION :

Heather Koronka (Scottish European Structural Fund Objective 3 Partnership)
David Chalmers (Development Department, Scottish Executive)

COMMITTEE CLERK :

Martin Verity

ASSISTANT CLERK :

Rodger Evans

Scottish Parliament

Social Inclusion, Housing and Voluntary Sector Committee

Wednesday 6 October 1999

(Morning)

[THE CONVENER *opened the meeting at 10:33*]

The Convener (Ms Margaret Curran): I welcome Johann Lamont of the Equal Opportunities Committee to the meeting.

Objective 3

The Convener: I move straight to the presentation on the European structural fund objective 3 partnership—I have tried to learn that off by heart.

Thank you for agreeing to give us a presentation, Heather—I will not even attempt your second name—and David. We will ask you to give your presentation and then the members will ask questions.

David Chalmers (Development Department, Scottish Executive): Good morning everyone.

First, I will introduce my colleague and myself. Heather Koronka is the programme director for objective 3 and a member of the plan team that has prepared the document that you have today. I am from the European social fund branch of the Scottish Executive development department and I have been convener of the plan team that prepared the plan. I am aware that we have only a limited time for this presentation. I propose to provide the committee with a brief outline of the plan and its strategic context. Afterwards, Heather will discuss how the plan will address social inclusion.

The plan is not at this stage an Executive document. It has been prepared by, and remains in the ownership of, the Scottish objective 3 plan team. The plan team contains representatives of the key partners, including the Convention of Scottish Local Authorities, the Scottish Enterprise network, the voluntary sector, the Scottish Council of National Training Organisations, the further and higher education sectors and the Equal Opportunities Commission. We have also had the benefit of the occasional participation of the Scottish Trades Union Congress, the Confederation of British Industry Scotland and the Scottish Council for Development and Industry.

The plan team has been meeting since February, mostly fortnightly. That has entailed a

massive commitment of time and effort on the part of the people involved. I would like to record my appreciation for the diligence of the plan team staff and the constructive way in which the team has engaged with its task. In the next month, ownership of the plan will transfer to the Scottish Executive before it is formally submitted to the European Commission. The plan is a draft and is incomplete. I appreciate that the committee would have preferred to have seen a complete version, but the plan team's timetable meant that that was not possible.

When the plan team got to the stage of thrashing out priorities and the measures in the plan, it considered it appropriate to seek the views of the wider partnership, even though we had not developed the financial tables or the performance targets that will accompany the plan. I am satisfied that the main strategy of the plan is right. If we wanted meaningful consultation with the wider partnership, the plan had to be brought into the light of day.

I offer a caveat. The draft plan has been written with one audience in mind—director-general V of the European Commission. It has not been written with a view to telling a general audience or even the wider partnership what we propose to do with European social fund assistance. The composition and structure of the plan follow the guidance that we have had from DG V and the result is not particularly reader-friendly.

I should perhaps pre-empt one of the committee's first questions by saying something about the financial value of the proposed programme. The amount to be allocated to the new programme has yet to be finalised. Scottish Executive ministers and Scotland Office ministers, acting in co-operation, are still discussing with their Whitehall counterparts the Scottish share of the UK allocation under objective 3. Whatever the outcome of the negotiations between ministers, it is clear that we will have less European social fund expenditure under the new programme than is available through existing programmes. That reflects the overall reductions in structural funds expenditure. As a result, we need to maximise the impact of ESF in the new programme, which is why we have put so much effort into designing and developing the plan.

On the strategic context of the plan, I should explain that the European social fund is increasingly being seen as a mechanism to reinforce the European Union's employment strategy. That strategy is based on the so-called four pillars: employability, adaptability, entrepreneurship and equal opportunities. However, the strategy may better be seen as a process whereby, each year, the member states produce national action plans for employment in

response to EU employment guidelines.

Last year, for the first time, and largely at the insistence of the UK, the employment guidelines included a requirement to address social exclusion from labour markets. Accordingly, this year, the UK's national employment action plan provides us with specific cover to use the social fund to address social exclusion.

The new European social fund regulation also reflects the importance of social exclusion. The plan that we have prepared for the Scottish objective 3 operational programme is consistent with the EU employment strategy and guidelines, the national employment action plan and the ESF regulation. That policy superstructure has effectively dictated the main priorities of the programme, which correspond fairly closely with the five policy fields that are set out in the regulation.

The main priorities of the programme are: first, the development of active labour markets to promote employment, in particular by offering training suitable to the needs of the unemployed; secondly, to address social exclusion from labour markets—Heather will expand on that in a moment; thirdly, to promote employability skills and mobility through lifelong learning, particularly by modernising the training sector and by developing online content and associated soft infrastructure; fourthly, to develop adaptability, particularly in the context of retraining the existing work force and by encouraging entrepreneurship; and finally, to take positive action to assist women in the labour market and, more widely, to address gender imbalance in the labour market.

I should add that there are a number of cross-cutting priorities, including equal opportunities and lifelong learning, which we are required to build into the plan horizontally. I hope that I have provided the committee with sufficient context to appreciate what we intend to do about social exclusion. I will now ask Heather to present that aspect of the plan.

Heather Koronka (Scottish European Structural Fund Objective 3 Partnership): Good morning. I have not brought slides because I know that time is tight, but I am giving out a handout, the last page of which gives a useful overview of the structure of the plan. I will take the committee through the second priority—which deals with social exclusion—in detail.

The second priority of the new objective 3 plan for 2000-06 focuses support on disadvantaged groups, including black and ethnic minorities, people with disabilities, the homeless, former drug users, the educationally disadvantaged and workless households. We are also trying to support those excluded on the basis of gender,

which links into the equal opportunities priority in the plan.

The priority complements current policy direction and addresses exclusion on different levels. Area-concentrated exclusion will be tackled in defined urban and rural communities. Thematic groups—those that are not normally spatially concentrated—will be addressed Scotland-wide.

In parallel with the strong focus on meaningful partnerships, which is a theme in the Scottish social inclusion strategy, all project sponsors involved in delivering projects through that priority will be expected to demonstrate integrated activities within the project. Across that pattern are agencies that will be involved to demonstrate genuine co-ordination and joint working.

The plan team recognised that some disadvantaged groups tend to be geographically concentrated. To take account of the different needs of urban and rural areas, separate measures have been developed to support them. Those measures are detailed in the handout under priority 2.

The measure dealing with capacity building takes account of the fact that the organisations that are involved in community economic development in Scotland, and that deliver training and support to those excluded groups on which we want to focus, are often community and voluntary based. That raises issues of organisational and managerial capacity, which can constrain the effectiveness of such organisations in delivering targeted training and support.

I am going to take the measures one by one and say more about their rationale in terms of development and the action that we propose to take. The non-geographically targeted measure, which addresses the exclusion of thematic groups, is designed to engage excluded individuals and to focus on raising aspirations and changing perceptions of training. The measure will focus support on ethnic minorities, people with disabilities and the other groups that I mentioned, as well as on those with literacy and numeracy difficulties, young people leaving care, ex-offenders and the older unemployed. Common barriers for those groups are individual skills deficits and negative perceptions on the part of employers and the wider community.

The activities that we will cover are guidance and counselling, pre-vocational training, vocational training in relation to core skills, information technology and work-related activities. The theme of aftercare runs through all the measures; we need to support people in training or employment and to maintain their momentum. Overall, we are aiming to reduce the level of exclusion of those groups by supporting access to training and

employment and by incrementing the number of opportunities. That is the case for all the measures.

10:45

I shall now describe the two geographically targeted measures, the first of which addresses urban exclusion. The Scottish social inclusion strategy recognised that, in some cases, whole communities suffer from exclusion. There is also strong evidence to suggest that most of those communities are located in urban areas. A recent Scottish Executive study found that 77 per cent of multiply deprived households are located in predominantly urban areas. That is a brief explanation of why we have adopted this measure, whose purpose is to develop effective links between the excluded individuals and employment opportunities.

We aim to deliver better quality and more relevant support and training and to engage employers in designing and delivering activities that will help to combat negative perceptions. The types of activities are the same as before, but they also include awareness raising and good-practice training for employers and organisations that are involved in delivering projects to those groups. There is also scope, under this measure, for innovative pilot projects for different approaches. Any jobless person who is resident in the designated urban areas will be eligible for support. Although this measure is targeted geographically, it is expected that projects will address those groups that tend to be concentrated in urban areas—for example, those who live in workless households, the older long-term unemployed and those who are recovering from substance abuse.

Social exclusion of communities is not necessarily an urban phenomenon. A recent study found that there were 46,000 multiply deprived households in rural areas, which is 8 per cent of all rural households. The second measure is targeted on rural areas. It is designed to increase access to appropriate training and assistance for targeted groups, to improve access to employment and to engage employers. Support for guidance and counselling, and additional support, such as assistance with transport, are particularly rural issues. Because of low critical mass in rural areas, there will be flexibility in putting together projects to deal with a variety of the target client groups. We recognise that the lists in the plan are not exhaustive; projects may take guidance from rural development strategies or from their own experience to identify other relevant target client groups.

The objectives of the capacity-building measure are to increase the number of organisations that receive support for activities. Its purpose is to

address social exclusion, to improve the quality of funding bids to support such projects and primarily to increase the quality of support that those organisations provide. Activities would include organisation and management audits, training and project development, management and financial issues and the research and dissemination of best practice, so that the impact will be on-going.

The measure is targeted on those organisations and intermediary bodies that provide European structural fund support to the groups. The partners are likely to be the voluntary sector, further education and local development organisations. The overall aim is to increase the organisational capacity of those bodies to deliver more effective and efficient support to the target groups throughout the programme area, which is lowland Scotland.

That has been a brief, but I hope useful, overview of the approach to social exclusion in the plan. If there are any more detailed points, please ask and I hope that we can answer your questions.

The Convener: Thank you—you did a very good job of summarising all that difficult paperwork.

We have some time to discuss this broadly before perhaps homing in on one or two themes. I think everybody would like to ask questions. Keith, you lead us off.

Mr Keith Raffan (Mid Scotland and Fife) (LD): I do not want to discuss this too broadly. The trouble with going through all European Union documents is that it is like reading a foreign language. I would like to translate this one down to ground level, taking a territorial example and a specific thematic example, to use the jargon.

Clackmannanshire in my constituency has high unemployment and has suffered a lot of redundancies recently. I presume that, to maximise the impact of objective 3, the local authorities and the local enterprise network would be the lead applicants.

This committee will be holding an inquiry into substance abuse, and I want to know how we can help substance abusers. You spoke about people in recovery—can objective 3 funding be used in any way for rehabilitation or treatment? Can it be used for aftercare or is it for getting recovering addicts back into jobs?

David Chalmers: Provided that there is a satisfactory partnership involved in the delivery, it does not matter too much who is the lead applicant. I know that Clackmannan College for Further Education has done especially well, under the existing objective 3, in pulling together the efforts of the voluntary sector, the local authorities

and the local enterprise company. In general, Clackmannanshire Council and Forth Valley Enterprise are especially well organised in terms of accessing ESF. Mr McConnell recently visited the private sector new deal contractor in the Forth valley, which recently received about £400,000 of ESF grant following an additional call for applications under the existing programme. I think that you can be reasonably satisfied with the local infrastructure in Clackmannanshire and the Forth valley.

Mr Raffan: I was just using Clackmannanshire as an example.

David Chalmers: On the rehabilitation and treatment of substance abusers, we are restricted by the scope of ESF regulations, which are concerned with training and skills development. Rather than directly funding rehabilitation or treatment, ESF assists the recovery of ex-substance abusers, helping them back into the labour market by providing them with training, mentoring and aftercare.

Mr Raffan: You said aftercare, so—

David Chalmers: I mean aftercare in terms of jobs.

The Convener: So it is related only to work?

David Chalmers: Yes. The plan team has laid special stress on the fact that, although it is all very well providing the young unemployed with training to help them to get a job, they also need continuing support after they have got a job to ensure that they do not fall back into unemployment.

The Convener: Have you put some thought into the mechanisms for aftercare?

David Chalmers: Indeed we have.

Heather Koronka: One of the key mechanisms, which the consultation process keeps identifying, is mentoring schemes. There is now a lot of tried and tested experience with mentoring schemes, and that is something that we want to pick up on. It is beneficiary-specific—it is specific to the individual and considers what continuing training or employment support will work for that individual. It is important to have flexibility within the plan, but we will fund the activities that the project promoters assure us will be appropriate.

Alex Neil (Central Scotland) (SNP): My first point relates to flexible labour markets, which could contribute to better job opportunities. It was announced this morning that there is a major crisis at Cadence Design Systems, which is the software centre of excellence in Livingston, and that 1,000 jobs might not be created because people cannot be found in Scotland to fill them. A mainstream programme such as this, which has the

appropriate funding, should be able to deal with such a problem. The example of Continental Tyres and various other employers showed the need for a rapid response—this is just the latest example. There was a real problem in getting retraining and so on for Continental workers. How will the strategy fit in with crises such as those at Continental Tyres or Cadence Design Systems?

Secondly, you did not mention the Department for Education and Employment among the organisations that have been involved in planning this programme. As you know, the DFEE is still the main employment agency in Scotland. It shares responsibility in Scotland with Scottish Enterprise for programmes such as the new deal. Obviously, this programme has to tie in with the Employment Service. One of the main criticisms of recent training programmes is that we have done an awful lot of training, but there have not been many jobs at the end of the training. What will this programme do to establish a better link between training and employment and to ensure that training for unemployed people does not just take people off the dole, but offers the prospect of a job? Where is the additionality in the programme to do that?

The third point is on the relationship with other organisations and schemes such as the new deal, skillseekers, adult training programmes and other previous European-funded programmes on training and employment. There has been a substantial cut in Scottish Enterprise's adult training budget. I know that you do not yet have the financial plans, but it would be useful to consider this matter in the context of the overall training spend in Scotland in recent years and to establish whether overall training spend is going up or down.

My fourth point is on the background analysis—I know that you will not have the answers to this now, as you do not know what the financial inputs will be. Your SWOT—strengths-weaknesses-opportunities-threats—analysis was very good, but you did not tell us what you hope that the programme will achieve in addressing weaknesses and so on. What impact do you expect it to have over, say, three years?

Finally, will you guarantee that the amount that will be spent on delivery and the multitude of agencies that will be involved in delivery will be kept to a minimum, so that the benefit of the programme will go to those who are unemployed and need training and not to those who tend to cream off a chunk of the expenditure in fairly high salaries?

The Convener: Those are your woolly-jumper professionals again, Alex.

Alex Neil: Absolutely.

The Convener: Those were a few minor points. Do David and Heather want to have a shot at answering them? I will then take questions from other members.

David Chalmers: There are a number of difficult issues there, to say the least. I cannot comment on Cadence Design Systems, as I am not up to date on precisely what has happened there, but I am happy to talk about crisis situations generally. There are two possibilities of ESF support in crisis situations. The first is that we can assist work forces that are threatened with redundancy. That sometimes happens when closures are announced, but it is intended that the redundancies will happen some way down the track. In such circumstances, ESF can help by providing retraining for the work force. The other possibility is that once redundancies have been made, ESF can, in certain circumstances, assist with training redundant employees and helping them back into jobs.

11:00

However, the complexities associated with applying to the European social fund and difficulties related to the timing of rounds of applications mean that the fund has not been particularly helpful in such crisis situations. Bearing in mind that there is nothing that ESF can do that the Scottish Enterprise network cannot, it might be preferable to allow the network to react to closure situations without the added complication of ESF. I am not necessarily advocating that as a specific role, but it could be argued that in those circumstances the enterprise network can respond more swiftly and flexibly than the European social fund.

Having said that, we need to make some form of provision in the new plan to cover such circumstances. The intention of the plan team is that resources would be available for retraining existing work forces and dealing with employees in large-scale redundancies. We recognise that the Department for Education and Employment is one of the main players in the employment and unemployment field, particularly in the implementation of such measures as the new deal. In general, we maintain close touch with the department.

Alex Neil: Has it commented on your proposal?

David Chalmers: Not as such. We would not normally expect it to comment in the same way as other partners, given that it is part of the UK Government. There will be an opportunity for it to make its input once the plan comes to government.

You were concerned about training and employment links and outputs from the plan. That

ties in with the impact of the programme. We have yet to establish a system of performance targets for each of the measures in the plan, which we are required to do before the plan is formally submitted to the Scottish Executive. We will do that once we know what resources will be available for the plan, since that determines the kind of outputs that we can assess.

There was also a point about overall training expenditure in Scotland—I cannot confirm anything at this stage. I am conscious that while the European social fund is a player in the training market, if I can use such a term, it is not the most important player. We are there to provide additional value. The main role of training will continue to fall to the existing organisations in the field, particularly the local enterprise company network, the further and higher education colleges, the Department for Education and Employment and the voluntary sector. The collective resources that they are putting in greatly exceeds anything that the European social fund can contribute.

Robert Brown (Glasgow) (LD): I have two points. The draft plan sets five objectives and five priorities, which are interlinked. Is objective 1 more important than objective 5, or are they all equally important?

My second point relates to the disabled. I appreciate that there is a specific objective relating to the gender barrier, and that that is high up on your agenda. However, when I read the document I was struck by the fact that there is relatively little emphasis on the disabled, as far as one can judge. For example, the document states that 312,850 people currently claim invalidity benefit or severe disabled allowance, and that in Glasgow the incidence of claims is almost twice as high as in other comparable UK cities. That indicates that the place of the disabled in employment is a major Scottish issue. I should have thought that it would have been emphasised more in the draft report. Can you give me any comfort on that or suggest how tackling the problems of the disabled might be given a higher profile?

Heather Koronka: We must consult with all disadvantaged groups. Instead of including in the plan the mechanisms and approaches that we as a plan team feel would be appropriate, we must take on board the views of those groups. Yesterday we met some groups dealing with visually impaired people who had sent us queries about the plan. Much of our material is already available in audio form.

This document is an initial draft, in which we have sketched out the first stages of the strategy. We need to investigate what support mechanisms we can put in place. We have started the process, which will be on-going. This affects not only the disabled, but groups right across the board, and

we as a plan team need to consider how we can take it forward. However, Robert Brown is right about what the statistics indicate.

The Convener: We will need to keep an eye on this issue.

Robert Brown: What about the priorities?

David Chalmers: In theory, no one priority is more important than any other, but much will depend on the allocation of finance to priorities. As the committee will appreciate, it is difficult for the plan team to complete its discussions on the allocation of resources within the programme without knowing the total value of that allocation. However, I can give you a flavour of the team's thinking, if that would be helpful.

First, we have acknowledged that priority 5, equal opportunities, and priority 3, lifelong learning, will be horizontal priorities throughout the programme as well as vertical priorities in the programme. For that reason, there is perhaps less need to devote substantial resources to the relevant vertical priorities. We will need to put more resources into priority 4, on a competitive work force and entrepreneurship, but the priorities that require most expenditure are likely to be priority 1, the active labour market, and priority 2, social exclusion. In finalising the proposed allocation of resources to the individual priorities—and, indeed, to individual measures—we need to take account of need and opportunity, in addition to the strategic and policy context that I outlined earlier.

Fiona Hyslop (Lothians) (SNP): Obviously, some initiatives will hit each of the priorities, and I am assuming that you will want to weight them accordingly. In the Lothians, a number of job losses have been announced, but so have new jobs. However, the women at Levi Strauss, for example, will have a problem with transport. I would like to know what priority has been given to identifying some of the cross-priorities. If West Lothian and Clackmannanshire are stripped of assisted area status, people will have to travel and transport will be the key factor in addressing the social exclusion that is linked to employability. Money could be invested in the A801 to help people travel from the Armadale area up to Falkirk, for example. When you talk about measures, I assume that you mean initiatives that can be measured. What measurements would you take?

I am glad that you have identified mentoring as a key area, but we should look at the experience of the new deal, where mentoring has been an afterthought. The voluntary sector has picked it up. If you want to engage with, for example, the employment service, you should do so prior to going to the UK Government. There should be

close consultation on this subject.

David Chalmers: I should admit that I am guilty of using rather a lot of euro-jargon. In euro-jargon, the plan can be described as being categorised into priorities, which are the main divisions of the plan. Each priority consists of several measures. Applicants will apply for their projects under particular measures. The projects might vary in nature from the wider initiatives to which Fiona Hyslop was referring, down to individual training projects.

I will ask Heather to pick up the point about—I am losing my place here.

Heather Koronka: Transport and accessibility?

David Chalmers: Transport and accessibility. On that, the problem is that the regulation requires us to be involved in training, education and skills development. While we can insist that adequate transport arrangements are put in place while individuals are being trained, we cannot assist with the transport of workers to their place of work.

Fiona Hyslop: Which is key.

David Chalmers: I acknowledge the importance of that, but the European social fund cannot help with it.

Heather Koronka: I think that you were asking about equality of opportunity. All project sponsors will need to demonstrate flexibility about training hours, access for people with disabilities, work environment, including transport, and child care, which is key. The plan team recognises that women and men have different experiences of exclusion. Women in rural areas might experience attitudinal barriers to work, for instance.

I emphasise that the after-care aspect has been taken on board by the team and it will be in at the beginning. We will learn from the experience of the new deal and from other initiatives. As Fiona Hyslop said, the voluntary sector has experience of building systems into projects for measuring the progression of individuals. Throughout the exclusion priority, and all the priorities, a key factor will be an assessment of the experience of each of the projects in relation to the relevant client group.

Karen Whitefield (Airdrie and Shotts) (Lab): I will keep my question short. I am sure that you appreciate how important the voluntary sector is as an employer, David. What impact do you think the new operational programme will have on the ability of voluntary organisations to access funding? Will there be new opportunities for voluntary organisations to access new funding?

11:15

Heather Koronka: I will answer that. I think that this is linked to the capacity building issue. Many

of the discussions that the plan team had, led us to include the capacity building measure in the priority. We aim to build the capacity of those organisations involved in community economic development. We measure impact in relation to capacity building work, which we do under the current objective 3 programme. That part of the programme did not kick in until late 1998.

Overall, there is an assessment that the take-up of ESF by voluntary organisations increased from approximately 20 per cent to 37 or 38 per cent as a result of that measure. The capacity building measure is key to continuing the take-up of funds; there is scope for that within the new programme. There is also a capacity building measure under the lifelong learning priority and it is recognised that the voluntary sector will be a key partner across the programme, as is currently the case.

Mr John McAllion (Dundee East) (Lab): The draft makes it very clear that the Scottish work force is aging; the number of over-40s—like me—is increasing, and the number of under-25-year-olds is decreasing. You say that you want to give a high priority to raising the employability of older people, because long-term levels of unemployment are significantly higher among the older unemployed than in any other group. However, that does not seem to tie in with the current programmes for tackling unemployment in Scotland. In particular, the new deal has only pilot projects for the over-50s, whereas £300 million is allocated for the 18 to 25 age group and nothing like that is allocated for over-25s who have been unemployed for more than two years. What are you doing to tell the Department for Education and Employment that it is focusing spending on the wrong areas in the Scottish work force?

David Chalmers: The plan team has recognised that there is a particular problem with older male workers. The extent to which the team can influence UK policy in relation to the new deal is fairly limited. I mentioned earlier that we had an additional call for new applications under the existing objective 3, which was specifically tied into the adult new deal for over-25s. That was to demonstrate that ESF could work in close co-operation with the adult new deal to make it work, and that has been modestly successful. I hope that the Department for Education and Employment and my colleagues in the Scottish Executive enterprise and lifelong learning department will pursue that in the long term.

Mr McAllion: Do you think that there should be a concordat between them? [*Laughter.*]

The whole programme to tackle poverty and deprivation was geographically concentrated. Glasgow, Dundee and west Dunbartonshire, for example have social inclusion partnership areas, but they are very narrowly defined. There is a

large amount of people who need help who are left outside the set areas for the SIPs. What plans do you have to help those people?

Heather Koronka: As you will notice from the current priority structure, not all the funds being focused on social exclusion will be geographically targeted. Geographical targeting was introduced in recognition of the fact that certain groups were concentrated. Workless households, for example, tend to be concentrated in urban areas. Funds are available under the priority, across lowland Scotland, to tackle social exclusion. Does that answer your question?

Mr McAllion: There are areas in Dundee that are not SIP areas, but which are only slightly better.

Heather Koronka: Not all the funds within the addressing social exclusion priority will be focused on specific areas.

The Convener: That is a huge issue that we will be coming back to.

Johann Lamont (Glasgow Pollok) (Lab): I suppose that, in your work, you must be sensitive in the way that you focus on particular geographical areas, and in the way that you deal with the fact that exclusion affects different groups in different ways. A woman in a deprived area, in a workless household or in a one-parent family is more likely to suffer from exclusion.

Heather Koronka: Yes.

Johann Lamont: I hope that you will forgive me if I ask a couple of things that may have obvious answers. You talked about child care, which, when considering gender barriers, is an obvious subject to address. For a lot of women help with child care is all that they need. They need support to be able to go and work and, while they are there, they need their children to be somewhere safe. But the child care needs to be very secure. I wonder whether there is a gap: while they are training, women are offered a lot of child care support, but at a later stage, either the child care project is not there any more or they are not able to access it. As women move into secure work, are efforts being made to ensure that their child care remains secure so that they can stay in work? That would be difficult if their support was withdrawn.

I find this whole issue very complex. I know that expertise is being built up in a lot of areas so that people are able to bid for or apply for funding. Is there any evidence that groups that are less organised, and more likely to be marginalised or deprived, are not accessing funds because they do not have access to professional bidders? There is a hierarchy within the excluded. If you are fortunate enough to have a strong voluntary organisation that has been built up over a long

time, you are more likely to access funds than marginal groups. A group that lobbied us early on was a group of people with multiple sensory impairments. I do not know what its success rate is for accessing funds, but that group strikes me as one that may be excluded simply because it does not have access to people who can bid on their behalf.

David Chalmers: The ESF has always been able to help to meet the cost of providing child care while the parent is undergoing training, and we are trying to reinforce that. In the new programme, we will expect applicants for funds to provide child care for single parents or for parents who are at work. In the longer term, we want to encourage employers to provide adequate child care facilities. One of the aims of the programme, especially in priority 5, is to assist companies to change their culture with regard to family-friendly policies.

Fiona Hyslop: Does that include the Parliament?

The Convener: Do not use us as your model.

David Chalmers: It is a big task, but we are going to try to encourage that change. We will help to finance gender audits and so on, to see how far we can get. But I concede that it will be a difficult task.

Ensuring better access for especially excluded groups has exercised us in recent years. We have always been concerned that there are individuals and groups that have not been able to access ESF **moneys** in the way that people who are better organised are able to. That is why, in 1998, we introduced the capacity building measure. Its purpose was to enable us to reach individuals and groups that we had not been reaching before, and to improve the capacity of those individuals and groups to access the ESF. We intend to carry on with that in the new programme. Preliminary evaluation of that capacity building activity has shown that it has been reasonably successful in helping people who did not access ESF before to get at it now.

Bill Aitken (Glasgow) (Con): One of the images that is presented of Europe, rightly or wrongly, is that it is bureaucratic and slow to react. Once the plan is committed, will it have the flexibility to change? We live in a rapidly changing industrial environment that has its own dynamic. Certain basic skills will always be relevant; the emphasis on other skills can change quite rapidly. I am concerned that a programme that is not put into action for months or years may lose some relevance. Is there the facility to change it, or do we require to go through the process again until Brussels agrees that we can change a programme that is costing £3 million or £4 million?

David Chalmers: We would like to build as much flexibility as we can into the original plan. I recognise that it will last for seven years. After three years, we have to conduct a mid-term assessment, which will enable us to make adjustments to the plan. As you say, that will require the agreement of the Commission. In the meantime, we have to rely on the flexibility that we will have built into the priorities and measures.

Bill Aitken: Once we have measured the success or otherwise of a project, can we go back, through the Executive, to the Commission and say, "Sorry, it might not be working. We should perhaps change the emphasis"?

David Chalmers: Yes, we can always do that.

Cathie Craigie (Cumbernauld and Kilsyth) (Lab): One of the conclusions of the draft document is that opportunity counts. Johann made the point about whether people will know how to properly fill in the forms. How will you ensure that organisations and individuals get the opportunity to take part in this? How will you reach out to people?

Mr Raffan: It is really the same point as Cathie, which follows on from Johann. You said that the crucial thing is not lead applicants but working partnerships. What worries me is how small-scale those applications can be. Do those small organisations, which may have a good objective and a good idea about what they want to do, have to get involved with bigger organisations to make their application feasible?

Heather Koronka: That is not necessarily the case, although a project can often be delivered through a partnership, either of smaller organisations only or of smaller organisations working with an umbrella body. On the related subject of access, as a programme executive performing tasks on behalf of the Scottish Executive in relation to the management of the programme, we have many awareness-raising activities. We run seminars and meet groups from various sectors on a regular basis. Those are some of our key tasks and our intention is to continue that.

I hope that that aspect of programme management—improving accessibility, combined with the capacity building measures that we have discussed this morning—will be sufficient. The applicants always have access, whether through the internet, newsletters or the exchange of best practice. Those mechanisms will continue. There is no minimum project size. All projects are taken on their merits.

The Convener: I am sorry, but I seem to spend my life rushing things forward. On behalf of the committee, thank you very much—that was extremely informative and you responded well to

the hard questions that were put to you.

We have been asked if we want to send two members to the European Committee. In light of the discussion that we have had, I do not think that it is necessary to summarise a committee view; any member will be capable of taking forward the points that we have raised and we can refer to the *Official Report* if we need to be reminded.

Do we want to take up the European Committee's offer?

Alex Neil: We should. The social inclusion agenda is a key part of the proposal. European funding is an important source for training and employment measures, even if it is not the biggest.

The Convener: Yes, and members of the committee have things to say on the subject.

Could two people volunteer to go?

Mr Raffan: I will go.

Alex Neil: I will go.

The Convener: Thanks very much. You can keep us informed.

Keith has to leave now. Bye, Keith. Bye, Johann.

Voluntary Sector

11:30

The Convener: We agreed at the last meeting, after we had had an informative presentation from the Scottish Council for Voluntary Organisations, that we had to have a structure for taking forward the points that were raised, some of which are short term, some of which are long term.

We have the paperwork in front of us.

Mr McAllion: I do not.

Cathie Craigie: Neither do I.

The Convener: Oh, sorry. I have it in front of me. That must be the privilege of being convener. It was circulated, apparently. Perhaps people who are not comfortable with information technology do not get these things.

The paperwork is a useful reminder of what was raised at the last meeting. The feeling is that some points need to be pursued, particularly some of the more substantial points, such as charity law—we need to take a view on that.

Alex Neil: Some of my points will be fairly obvious. The SCVO representatives outlined five priorities. The first was charity law reform. It is clear that the current investigation that is being undertaken by the University of Abertay Dundee charity law reform unit will be the main part of the

Executive's plans for reform. I suggest that we ask Martin Verity, the committee clerk, to find out when that report will be available and that any discussions that we have on charity law reform should flow from the report.

The Convener: We will put that as a standing item on the agenda.

Alex Neil: Another priority that was mentioned was the financial impact on the voluntary organisation of criminal record checks. I think the figure was £3 million—or was it £10 million?

Karen Whitefield: It was £3 million.

Alex Neil: Thank you, Karen. The matter will be debated in the Parliament tomorrow afternoon as a result of Andrew Wilson's motion. If the minister responds positively, the issue might take care of itself.

Cathie Craigie: The minister raised that issue when we had a debate in the Chamber on the voluntary sector. She said that she was going to monitor the situation closely; £3 million is an awful lot of money for voluntary organisations to pay.

Karen Whitefield: What is important is not just the initial £3 million cost, but how long those checks remain relevant. How often will organisations have to conduct the tests? Alex is right: we might get some detail on the matter in tomorrow's debate.

The Convener: Alex has given us a helpful suggestion. We will come back to the specifics.

Karen Whitefield: Last week's meeting was constructive and the SCVO gave us helpful suggestions about what we should consider.

How would other members of the committee feel about setting up a sub-group to do work on the voluntary sector? I am conscious that we have a heavy work load, but many members have a great deal of interest and expertise in the voluntary sector and may want to continue with that work, alongside the work of the committee. They could do in-depth, detailed work on matters such as Scottish Criminal Record Office checks and charity law. That would help to take the work of the committee forward.

Mr Lloyd Quinan (West of Scotland) (SNP): The Executive considers SCRO checks to be a matter for the Minister for Justice, rather than for the Minister for Communities, so anything Jackie or Wendy say on them is fairly irrelevant.

Robert Brown: Karen's suggestion is very good. I want to highlight two issues that came up in the discussion, apart from those that have been mentioned. The first relates to the practicalities of longer-term funding and the red tape that people have to negotiate to obtain it. We could look at what we can do to help. The second issue

concerns the new deal and the effectiveness of some of the training programmes. That is a rather more esoteric matter, but we could come up with ways of exploring it.

The Convener: Do you see this as a longer-term project?

Fiona Hyslop: It seems to be my role to bring us back to what we have already agreed. There are many issues that we want to consider, and once we have agreed a programme on the key areas and priorities—as we have—we should stick to it. There is a danger that setting up a number of working groups outwith our key priority areas will dilute the work that is taking place elsewhere.

I think that we can deal with some of the voluntary sector issues by having the convener write to ministers and by keeping a watching brief. However, to do those issues justice, we should probably set up a sub-group as part of our programme for next year, once we have heard more about the charity law situation. In the meantime the convener could write to the Executive about, for example, the new opportunities fund, to ascertain the Scottish perspective on that. I know that people have many interests and a great deal of experience to bring to the debate, but that will not take the committee forward in the way that we would like, if it detracts from our priorities.

Mr McAllion: I disagree. It would be helpful for us to set up a sub-group on the voluntary sector, as that would be one way in which to progress work that cannot be progressed at meetings of the full committee because of the pressure on our agenda. When the sub-group is established, I hope that it will focus on the central issue—bringing stability to voluntary organisations' funding. They are reft with instability at the moment, and this committee should address that as a matter of priority. The sub-group could take the issue on and report back to the committee on what has been achieved.

The Convener: We have a number of options. Far be it from me to try to broker a compromise—

Alex Neil: That is usually my role.

The Convener: It is not usually mine, I can assure the committee. We could appoint a reporter, as we have done for housing, to co-ordinate the different aspects of the issue. That would have the advantage of getting round the technical difficulty of formally establishing a sub-committee. I am not necessarily against that, but if we choose that course we will have to make a formal submission to the Parliamentary Bureau and obtain its approval. John might still favour our embarking on that process, as it would not prohibit our doing work in the short term. However, as Fiona said, it would take us a while to get started. I

have an open mind.

Karen Whitefield: I agree with Fiona: the committee has some important priorities, but SCVO gave us an excellent presentation and is now looking to us to act. The committee cannot at the moment concentrate on the issues that SCVO raised, but we could make progress by setting up a sub-group, which people could feed into from time to time.

Fiona Hyslop: There are technical difficulties with setting up a sub-group. Some members may be talking themselves into this, but we could appoint a reporter to do what is necessary in the short term to keep track of the issue. In the longer term, we may have time to address it properly. That is most likely to be the case after Christmas.

The Convener: Again, I will take on Alex's mantle and negotiate here. We should appoint a reporter today to pursue short-term issues in particular. It might be that I will write to people and that we will wait for the results of the investigation by the University of Abertay Dundee. We may have to come back to some of the bigger issues—long-term funding is a huge issue. We should certainly flag up at the conveners committee that we are beginning to think along these lines. We should bear in mind that we may get refused by the Parliamentary Bureau. Appointing a reporter will at least get us started. Is that okay?

Members indicated agreement.

Cathie Craigie: Karen has just talked herself into a job.

The Convener: I am sure that Robert and others have experience as well.

Alex Neil: Lloyd will lead for us.

The Convener: Yes—sorry, Lloyd. It is understood that reporters will always consult committee colleagues.

Robert Brown: In short, there will be a sub-group.

The Convener: I know—we have ad hoc groups, sub-groups and all sorts of groups.

I will summarise what we have agreed to do at the end of the meeting. Karen, you will consider the short term and the long term and keep us right about what needs to be done.

Action Points

The Convener: I have been asked by members to raise again the issue of ministers making statements publicly without bringing them to the attention of the committee. Again, we request—insist, as I was told to say last time—that ministers, as a matter of courtesy and of routine, send us copies of all statements that are relevant

to this committee.

Alex Neil: I suggest that if this continues to fall on deaf ears, we should write to the First Minister, as it is an important issue.

The Convener: Can we give the Parliamentary Bureau one more shot? I am expecting a response to my earlier letter. I will write again following this meeting. If we do not get an appropriate response we will come back to the matter.

Alex Neil: Yes.

Mr Quinan: When we met the minister, she agreed that she would not do this. In fact, both Wendy and Frank agreed in the chamber that they would not make announcements without informing us first. So, where are we at?

The Convener: We need to pursue this.

Mr McAllion: I am totally in favour of the idea that we should be consulted before announcements. However, the responsibility then falls on this committee not to rush into the press to pre-empt ministerial announcements. SNP announcements in advance of those of ministers will kibosh the whole thing.

The Convener: I am assuming that we will be responsible.

Alex Neil: The usual procedure is that early warning is given a couple of hours before the press hears an announcement. It might be enough to get press releases at the same time as the press did, even if they were then embargoed for a couple of hours. We will never be in the position in which ministers give us all advance warning of a day or more.

The Convener: That is the new politics.

Mr McAllion: A rapid response before the minister even speaks.

Cathie Craigie: I missed the previous meeting—I hope my apologies were tendered—so I am out of kilter on where the committee is on this. I understood from the discussions that we had before the ministers came that we were rightly annoyed that an announcement had been made just hours before they came before the committee.

As we are independent of the Executive, do we have the right to demand early warning? Will we always be looking for notice of ministers' announcements? We are here to scrutinise the Executive, but if we receive information before it becomes public, we become part of that establishment.

The Convener: I hope that that will not happen. We are only asking for notice of a couple of hours. It is only for information.

Robert Brown: The same courtesy has been

offered to Opposition spokespeople on various matters from an early stage.

The Convener: Ministers will not bring us into discussions or decision making, so we will remain independent.

Alex Neil: An example of what we want to happen occurred before the emergency debate on the Beattie Media affair: Donald's statement was made available to Alex Salmond a couple of hours before Donald made the statement to the Parliament. It is a fair request.

The Convener: That is the type of thing that we are looking for.

Bill Aitken: We should bear in mind that the ministerial statement is press embargoed. The press will not use that story and break the embargo. They may well have got the Opposition quotes lined up, but that obviates the problem that John anticipates.

The Convener: Can I run through this quickly, because we are running over time. I am sure that members will keep me right if I get anything wrong. I want to go through the draft timetable. We are meeting on the morning of 25 October to consider issues of housing finance. On 27 October, following our informal briefing on the drugs inquiry and some feedback from the ad hoc anti-poverty group, we will finalise the programme. On 27 October, we will have a much more detailed programme, because we will be able to feed more into it.

11:45

Alex Neil: Martin is updating the timetable; we will have a report from the sub-group under the heading of social inclusion.

The Convener: Yes. We must bear in mind that that will be an interim report; the ad hoc group can bring us only an update.

I have been asked by the committee to liaise with Roseanna Cunningham, the convener of the Justice and Home Affairs Committee, about making a contribution to the proposed warrant sales legislation. The committee is keen to express its views on that.

I am summarising our decisions. Have I missed anything out?

Alex Neil and Keith Raffan will represent the committee at the meeting of the European Committee on 19 October to discuss objective 3.

Alex Neil: We agreed to meet for a briefing session on the Friday or Monday of the last week of each month. I do not think that that has been built into the timetable until the end of November, but I am expecting that it will not happen until the

end of December.

The Convener: That will all be finalised.

I remind members that particular issues about timetabling or concerns that matters have fallen off the agenda should be brought to the briefing session on 25 October. We will then prepare the formal timetable for 27 October. That will help matters.

Alex Neil: In the private session, the committee charged you, convener, with reviewing the issue of public and private sessions. I think that that should be recorded.

The Convener: Thank you, Alex.

We have private sessions mainly to address housekeeping issues and to speed up the formal session. The general feeling is that that works well. However, we do not wish to give the impression that those sessions are in any way exclusive, or that we are hiding issues.

We need to think through the differences between private meetings, informal meetings and public meetings. The view of the committee is that we should meet in public as much as possible. I will seek clarification on that and make a recommendation to the committee at the next meeting, which will probably be on 27 October.

Meeting closed at 11:48.

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