

# **SOCIAL INCLUSION, HOUSING AND VOLUNTARY SECTOR COMMITTEE**

Wednesday 1 November 2000  
*(Morning)*

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### **SOCIAL INCLUSION, HOUSING AND VOLUNTARY SECTOR COMMITTEE**

† 33<sup>rd</sup> Meeting 2000, Session 1

#### **CONVENER**

Ms Margaret Curran (Glasgow Baillieston) (Lab)

#### **DEPUTY CONVENER**

\*Fiona Hyslop (Lothians) (SNP)

#### **COMMITTEE MEMBERS**

\*Bill Aitken (Glasgow) (Con)

\*Robert Brown (Glasgow) (LD)

\*Cathie Craigie (Cumbernauld and Kilsyth) (Lab)

\*Mr John McAllion (Dundee East) (Lab)

\*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

#### **WITNESSES**

Jackie Baillie (Deputy Minister for Communities)

John Breslin (Scottish Executive Development Department)

Geoff Huggins (Scottish Executive Development Department)

David Reid (Scottish Executive Finance Department)

Linda Sinclair (Scottish Executive Development Department)

#### **CLERK TO THE COMMITTEE**

Lee Bridges

#### **SENIOR ASSISTANT CLERK**

Mary Dinsdale

#### **ASSISTANT CLERK**

Rodger Evans

#### **LOCATION**

The Chamber

† 32<sup>nd</sup> Meeting 2000, Session 1—held in private.



## Scottish Parliament

### Social Inclusion, Housing and Voluntary Sector Committee

Wednesday 1 November 2000

(Morning)

[THE DEPUTY CONVENER *opened the meeting at 10:02*]

**The Deputy Convener (Fiona Hyslop):** I now open this meeting of the Social Inclusion, Housing and Voluntary Sector Committee. We have received apologies from Keith Raffan. Members will have noticed that I have taken the chair for this meeting; that is because Henry McLeish has nominated Margaret Curran as a deputy minister, subject to approval by the Parliament this afternoon. On behalf of the committee, I wish to put on record our thanks to Margaret for her convenership of the committee. At certain times this has been a difficult committee to convene, and we are grateful for her service.

Do members agree to take item 3, on questions to the minister on the budget, item 5, on members' bills, and item 6, on the drugs inquiry report, in private?

**Members indicated agreement.**

**The Deputy Convener:** Do we agree that at our next meeting, on 8 November, items on the stage 1 report on the Family Homes and Homelessness (Scotland) Bill, stage 2 of the budget process, and, if required, the drugs report that we are considering today, should be taken in private?

**Members indicated agreement.**

10:03

*Meeting continued in private.*

10:18

*Meeting resumed in public.*

### Budget Process

**The Deputy Convener:** I welcome the Deputy Minister for Communities to our meeting and congratulate her, on behalf of the committee, on her new appointment, which is subject to approval by the Parliament this afternoon. I invite her to introduce the officials who are with her and, if she wishes, to make a short statement.

**The Deputy Minister for Communities (Jackie Baillie):** Thank you for your kind comments. I must admit to feeling slightly out of place sitting on the SNP benches, as you must sitting on the Labour benches.

I am grateful to the committee for providing me with the opportunity to give evidence on the communities budget, for which the detail was announced on 20 September, when the Minister for Finance made his budget statement. As members know and as the convener has indicated, technically I am here in my capacity as Deputy Minister for Communities. Subject to Parliament's approval, tomorrow I will become Minister for Social Justice. However, as members will appreciate, my original brief covered only part of the social justice portfolio and did not include the meaty issues of housing and community ownership. For that reason, I ask the committee to bear with me today.

To assist me, I have brought along David Reid from the finance department, and John Breslin, Geoff Huggins and Linda Sinclair from the housing divisions of the development department. Between us, I hope that we can deal with most of the issues that members raise today. However, I may well come back to the committee in writing on some points of detail, if that meets the convener's approval.

I would like to spend 10 minutes setting out the priorities behind our spending plans for social justice, housing, the voluntary sector and equalities.

**The Deputy Convener:** Could you be briefer than that?

**Jackie Baillie:** Okay.

I want to say a little about the budget process, because I appreciate the difficulties for the committee of not having level III detail.

As members know, the total amount available to Scotland was agreed with the Treasury. The Scottish Executive proposes the allocation of the resources to the Scottish Parliament. It is a three-

stage process. Stage 1 involves consideration by the Parliament and the people of Scotland of the Executive's spending strategy for the following year and spending priorities. This year, we sought views on the process and priorities of "Investing in You" and took them on board before moving on to stage 2.

We are now at stage 2, which involves the publication of our expenditure proposals for 2001-02 to 2003-04. That has followed our spending review over the summer months. The Finance Committee, under the convenership of Mike Watson, will produce its report in consultation with committees such as this one, and may produce an alternative set of proposals. The Parliament will have the opportunity to consider the proposals of both the Executive and the Finance Committee. Stage 3—the next stage—is the formal finance bill process, which we expect to begin in January 2001.

With that timetable in mind, I stress that we have yet to finalise the details of the broad spending proposals that have been announced. We will not publish detailed figures for 2001-02 until stage 3, although we intend to roll out announcements on particular initiatives from now until Christmas as we finalise the details. I will, of course, ensure that the committee is kept fully in touch with developments.

Although we are unable to provide the detailed figures at present, we are keen to assist the committee in preparing its report on our spending plans for the Finance Committee. To that end, my colleague Linda Sinclair has written to the clerk and has provided a table with some of the detail that underpins the headings that have already been announced. I would be happy to discuss that with the committee today.

I will talk briefly about our spending proposals. Our proposals for housing provide an 18 per cent real-terms increase in the housing budget over this year's spending plans to help us deliver our three key housing policy priorities. The first priority is to tackle homelessness. We have focused our spending plans to help us to end the need for anyone to sleep rough by 2003; to provide more choices for women who are fleeing domestic violence; and to implement the recommendations of the homelessness task force.

Our second priority is to attract new investment and to empower tenants. We have earmarked resources over the coming years to continue our support for authorities that seek to achieve community ownership—a policy that puts tenants at the heart of decisions to do with their own homes. We want to attract new large-scale private investment.

The third priority is to reduce fuel poverty. We

want to tackle it as never before. We hope, during this Parliament and, indeed, the next, to have lifted at least 250,000 Scots out of fuel poverty. The flagship of our attack on fuel poverty is the offering of central heating, insulation and energy advice to 70,000 pensioners and 71,000 other council and housing association tenants. The housing bill will be the legislative underpinning for our new approach to housing. We have earmarked some resources to support the bill's implementation.

A 27 per cent increase in the spending plans for social inclusion will allow us to build on the work that is currently being done in social inclusion partnerships to regenerate some of our most hard-pressed communities. In addition, we want to introduce new initiatives to help to empower communities. We want to examine initiatives such as locality budgeting, which will allow decisions to be taken much closer to the communities. We also want to support a better provision of neighbourhood statistics, so that we can monitor what works well and can learn from that information.

I was pleased that we were able to direct more resources to the key area of the voluntary sector and equalities—an increase of 56 per cent. Those resources are to empower the third sector as a key social partner in Scotland, and to help to achieve an inclusive and just society. I hope that the increase in resources will achieve measurable success in our commitment to equalities and to the vital third sector.

I have tried to be brief; I am sure that committee members will have many questions.

**The Deputy Convener:** The committee's responsibility is to examine whether your proposed expenditure concurs with your policy commitments. Without the level III figures, it is extremely difficult to do so. It is important that you acknowledge that. You said that you would not release a finalised version until stage 3. Do you have any dates for when you will have that information? I know that you will have individual roll-outs, but when can we expect to have the information?

**Jackie Baillie:** I think that we will have finalised the details by January 2001, but I shall ensure that between now and the end of December the committee will be advised of all the announcements that will be made. I hope that you will be able to build a picture without having to wait until January, when full details should be available.

**The Deputy Convener:** It might be cynical of me to say this, but waiting for each announcement and building up the picture like a jigsaw might be problematic for this committee and for others. The budget is rolled out by announcement rather than by a process in which we expect to engage. That

is a general concern that should be reported.

You talked about the consultation process and referred specifically to the report that the committee submitted. What alterations did you make as a result of the committee's input and in more general terms?

**Jackie Baillie:** I shall ask Linda Sinclair to answer that, as she was most directly involved.

**Linda Sinclair (Scottish Executive Development Department):** We tried to break down the expenditure under more detailed headings that reflected the policy areas that we are considering, such as community ownership, and separated out areas such as homelessness under "Housing Other". David Reid will be able to tell you more about the continuing review. The Executive will be considering more detailed presentation of the expenditure, so how we split it down might be different from what we did in "Investing in You". For example, the Scottish Homes budget was split into capital and current expenditure, but we might prefer to split it down into programme expenditure on the rough sleepers initiative or the empty homes initiative.

10:30

**The Deputy Convener:** I am less interested in what you have decided to do than in why you have decided to do it and how much of it, if anything, has been influenced by the consultation process and recommendations, particularly in the committee's report.

**Linda Sinclair:** One of the recommendations was to split the expenditure into current and real terms, and we have certainly done that, so the real-terms increases are quite transparent. As I said, one of the other issues was to break down expenditure within those figures, and we tried to do that. More detail will emerge when we break down the level III figures.

**The Deputy Convener:** Our stage 1 report referred to the potential for underspend, particularly under the new housing partnerships budget line, which I understand is now called community ownership. We said that we were anxious that the impact of any underspend should be clearly highlighted and that any emerging underspend should be reported and discussed with the committee.

There seem to be some discrepancies and differences between what was in the level I budget line, particularly in relation to new housing partnerships, and what is here now. Was there any analysis of whether there might be an underspend, particularly in that line, and have you reallocated it? If so, can you share that information with us? As our report said, we wanted to hear

about it if that was the case.

**Jackie Baillie:** I shall talk briefly about that and then ask John Breslin to give you some more technical details. The difference that you mention has come about because the debt profile is now more accurate. Previously, it was always based on estimates, but they are now considerably more accurate, which is why we reprofiled the spend in that area.

**John Breslin (Scottish Executive Development Department):** The sum of £125 million that was set aside for debt was set aside in 1999, based on information from 1998. For example, Glasgow's debt at that stage was £915 million at an average rate of interest of about 8.8 per cent. Glasgow's debt is now £860 million at an average interest rate below 8 per cent. We have recalculated rather than underspent. That has been the most significant change.

The committee's comments on the previous budget mentioned slippage, asking whether figures for councils that had planned to do things one year but did not do them would move over. I know that members were interested in that. There are arrangements for co-ordinating a carry-forward. There is currently a 75 per cent carry-forward on slippage. We are discussing how to handle slippage and what the impact of different debt figures will be. We will decide how to move forward from here.

**The Deputy Convener:** I understand that there are recalculations, slippage and reprofiling of debt. However, the budget line makes it look as if you are spending less on one thing than on another. From the outside, it looks as if there is an underspend. Our stage 1 report asked about that because we want any differences to be brought to our attention.

**Cathie Craigie (Cumbernauld and Kilsyth) (Lab):** Jackie—or Minister for Social Justice elect—I congratulate you on your new role and I welcome you here today to answer questions after what must have been a frantic few days of briefing to get you up and running.

In a briefing from the Chartered Institute of Housing in Scotland, a claim is made that the comprehensive spending review is neither as comprehensive nor as generous as has been claimed. What changes in the communities budget have been made as a result of the comprehensive spending review and what benefits have been brought about?

**Jackie Baillie:** The expenditure on housing has increased overall by around 18 per cent in real terms. That is a significant increase. Over and above that, by the end of the comprehensive spending review period, there will have been a real-terms increase of 36 per cent from when we

came to power.

On the provision of detail at this stage, clearly, we have provided our proposals on expenditure for consultation. I welcome the views of the Chartered Institute of Housing. Like Cathie Craigie, I have been a recipient of an e-mail from it. I also welcome the views of the committee on the details of how the proposed resources should be spent.

The Chartered Institute of Housing has used a different basis to calculate the percentage increases. That can distort the figures. The committee might want to explore the institute's views with it. However, by 2003-04, our direct expenditure on housing will have increased by £18 for every person living in Scotland. That starts to make a difference. I take issue with the Chartered Institute of Housing but, in fairness to it, it has made assumptions that it would not have made if it had seen the level III detail.

**Cathie Craigie:** Fiona Hyslop touched on some of the issues that the committee had highlighted in the stage 1 process. The committee, like other committees, realised that the consultation on the budget was new and that it would take us at least this year to get to grips with the figures and to be able to understand them. Will the Executive ensure that future budget proposals are presented in a manner that will enable us to compare like with like? It would be useful if one year's budget were directly comparable with another year's budget.

**Jackie Baillie:** I would be keen to do that in respect of the social justice budget. I appreciate the difficulties that are caused to the committee by not having level III detailed expenditure. Perhaps something can be done with regard to time for consideration. Not only is the situation unsatisfactory for the committee, but it is unsatisfactory for us.

**Mr Lloyd Quinan (West of Scotland) (SNP):** Congratulations to Jackie Baillie—I hope that your appointment will be confirmed this afternoon.

According to the figures, the budget allocated originally for 2001-02 was £100 million. That is £20 million less than the figure that was published in "Investing in You" and "Making a Difference for Scotland: Spending Plans for Scotland 2001-02 to 2003-04". Strangely, it is also £60 million less than was forecast by the new housing partnership advisory group in February 1999 and £64 million less than the Minister for Communities informed the committee in a letter that she sent to us on 18 May. Which of those figures is the correct one? More important, why do the figures fluctuate wildly?

**Jackie Baillie:** I invite John Breslin to explain that.

**John Breslin:** We have already mentioned the impact of the changing amounts and rate of interest in debt. That is about £20 million of the difference. Some £44 million of national health service balances was included in the original figures but is not in the figures that are now being presented, which are accompanied by a note to that effect. The £64 million that you refer to is the sum of two figures. The £44 million of national health service cash balances was published on the first set of figures—the original, level I figures—but has been excluded.

We are back to the minister's point that we are not comparing like with like. As I say, we have put a note in to ensure that that is clear.

**Mr Quinan:** I appreciate that, but I refer to the £164 million, which includes the £44 million of savings from NHS trust money. It appears from the minister's reply to a written question from the committee that the NHS money was additional to existing resources, which were, at the time of the statement, £337 million. That is the figure in the minister's original letter. Did the Minister for Communities and the Minister for Finance find a bit of confusion over that figure? If that £44 million was reallocated, it would appear that it did not exist in the first place. Did it ever exist in real terms?

**Jackie Baillie:** I will deal with this. The £44 million did exist, and £164 million is accurate. As was explained earlier, the £20 million reduction is the result of better information on the debt, and the requirement to service debt. The £44 million in respect of NHS cash balances was included in the £164 million. It is shown separately as a note but effectively is the same pot of money.

**The Deputy Convener:** We need some clarification. After the stage 1 budget analysis, Wendy Alexander told us that £164 million was available for 2000-02 for new housing partnerships. She also said in her letter that an additional £44 million was allocated for NHPs from the NHS assets. Jack McConnell's statement in October also talked about additional moneys. We are trying to ask the \$64 million question: "Where has the £164 million gone?" You are saying that it includes the £44 million from the NHS assets, but that contradicts what we have heard previously from the minister. We want clarification: where has the £164 million gone and why has it gone? We will probably pursue where it has gone in subsequent lines. Do you have any comment on that?

**Jackie Baillie:** My understanding is that the £44 million is very much part of it, but I will write to the committee to clarify that.

**The Deputy Convener:** Absolutely, because that contradicts Jack McConnell's statement in the



chamber and Wendy Alexander's correspondence of 18 May.

**Mr John McAllion (Dundee East) (Lab):** Congratulations on your appointment.

You have said a couple of times this morning that the spend on housing to 2003-04 will increase by 18 per cent in real terms. I want to get that clear because the former Minister for Finance, Jack McConnell, issued guidance to all the committees, saying that the spending for the whole of the Scottish budget to 2003-04 will increase by 18 per cent, but by only 13.8 per cent in real terms. Can we be clear that the spending on housing is 5 per cent above the spending for the whole of the Scottish budget in real terms?

**Jackie Baillie:** Yes.

**Mr McAllion:** And the figure given to us by the Chartered Institute of Housing in Scotland of 6 per cent in real terms is wildly inaccurate?

**Jackie Baillie:** Yes. In fairness to the Chartered Institute of Housing, it has made a number of assumptions about where the spend is. It does not have the level III detail—the committee finds itself in a similar position. My understanding is that we are talking about an 18 per cent real-terms increase in our housing budget.

**Mr McAllion:** Which is a much higher increase than for any other department?

**Jackie Baillie:** I cannot comment on other departments—I can simply tell you where we are on the housing budget.

**Mr McAllion:** I refer to the £20 million that seems to have gone missing between the publication of "Investing in You" and that of "Making a Difference for Scotland: Spending Plans for Scotland 2001-02 to 2003-04". You have explained that you think that that is because of a reprofiling of the debt, but would it be right to say that the increase of £18 million in the warm deal this year is where the £20 million has gone?

**Jackie Baillie:** I invite Geoff Huggins, who works on the warm deal, to comment on that.

**Geoff Huggins (Scottish Executive Development Department):** We have not made a direct transfer from the figures for community ownership for this year to those for the warm deal.

**Mr McAllion:** So is that £20 million still swilling around unallocated somewhere?

**Geoff Huggins:** I suspect that it has been allocated.

**Mr McAllion:** But you cannot tell us where.

**Geoff Huggins:** No.

**Mr McAllion:** Is that the kind of figure that we

might get before Christmas?

**Geoff Huggins:** I am not sure. I think that before Christmas there will be a series of announcements about particular programmes. I think that you will have to wait to see the whole picture before you can draw conclusions about where money has gone.

**Jackie Baillie:** It is not about saying that a particular sum has gone from one budget to another. It is about saying what our priorities are and where we will invest. We will roll out announcements on that between now and Christmas.

**Mr McAllion:** So it is up to us to guess where that money goes. The Executive will not tell the committee to which budget head that £20 million has gone.

**Jackie Baillie:** No. Once we roll out the detail, I will be quite happy to tease that matter out.

**Mr McAllion:** Can I pursue the issue of the £44 million surplus of cash balances from national health service trusts? That is a matter which is dear to me, as I come from Tayside, where we have been forced to make cuts in the NHS because of deficits. In what year did those surpluses occur and when did the transfer take place?

**Jackie Baillie:** I will ask David Reid to respond.

10:45

**David Reid (Scottish Executive Finance Department):** The surpluses built up over a period of time. The way in which the NHS is financed means that the control figure was the external financing limit that is given to individual trust bodies. The balances arose because of additional income to trusts. They did not result in trusts spending any less than they were permitted to under their EFLs.

**Mr McAllion:** A decision was taken to take the surplus money that individual trusts could not spend and transfer it to the stock transfer budget rather than to other NHS trusts that were in deficit.

**David Reid:** There was no net impact on the health programme from that decision.

**Mr McAllion:** Money that was generated by the NHS could not be spent on the NHS, but had to be transferred to another budget.

**David Reid:** We had to find a use for it. Because of the particular way in which the public expenditure system works, we could not use the balances on direct public spending, but the balances were available to repay debt.

**Mr McAllion:** In what year was it decided to transfer the surpluses to the housing budget?

**David Reid:** I believe that the decision was taken in the year before last.

**Mr McAllion:** So that was in 1998, which was before the Scottish Parliament came into being.

**David Reid:** The decision was taken when Mr McConnell made his statement in October 1999.

**Mr McAllion:** Wendy Alexander told us that for this year and next, 2000-01, £125 million was originally earmarked to deal with the debt of the seven local authorities that were intending to pursue whole stock transfers, and that another £46 million had been earmarked for after 2002. You are now telling us that those figures have been reduced.

**John Breslin:** The £125 million has been recalculated. We have a new estimate that suggests that about £20 million less is required to cover the cost of repaying debt in the year of transfer. The on-going debt servicing has not been amended.

**Mr McAllion:** So instead of being £125 million, the figure is £105 million.

**John Breslin:** Roughly. We can give you details—

**Mr McAllion:** Of the £100 million for 2000-01, how much is for dealing with debt?

**John Breslin:** Which £100 million are you referring to?

**Mr McAllion:** For 2001-02, there is £100 million in the community ownership budget. How much of that is for servicing debt?

**John Breslin:** We have not yet calculated that amount. As we said earlier, we are in the process of calculating level III figures.

**Mr McAllion:** So you will not know that until and unless there is a successful ballot in Glasgow.

**John Breslin:** We will make a calculation now, as we did back in 1998.

**Mr McAllion:** It worries me that you are allocating money for servicing debt in the years ahead when no transfers have taken place. There is no need to service debt, because there are no agreements between the Scottish Executive and councils to do so. However, where will the money come from when such agreements have to be signed? That is not included in the figures. You are suggesting that there is no detailed amount to be spent on that specific purpose.

**Jackie Baillie:** There is. The £100 million is to service the debt in the transfer proposals for the seven councils that remain on course for whole-stock transfer and—over and above that—to fund regeneration and development partnerships. There will be a percentage split within the £100

million which will, I suspect, provide the bulk of the money for debt servicing. We are making arrangements such that, in the event that stock is transferred because the tenants choose it to be, the debt can be serviced.

**Mr McAllion:** The money is slipping from year to year because no decisions have been taken on stock transfers. The money is somewhere in the budget. You cannot pinpoint where it is and you cannot tell the committee how much it is, yet you have set a target of transferring one in four council houses by 2003. Given the slippage, given that no ballots have been successful, given that no contracts have been entered into and given that the Executive cannot tell us how much money it has for these purposes, how realistic is that target?

**Jackie Baillie:** We have laid out clearly how much money we have for those purposes.

**Mr McAllion:** It is not clear to me—I can assure non-Labour members of the committee that I do not have direct access to civil servants.

**Jackie Baillie:** The money for servicing debt for the seven councils that are on course for wholesale stock transfer and for others that are considering going down that road is shown on the expenditure line under the community ownership heading. It is likely that there will be not only a first wave, but second and third waves. We will need to have regard to the implications of that for servicing debt, which will be contained within the budget line.

**Mr McAllion:** I want to be clear about your last answer. Will the same debt servicing arrangements be made available to any council—whenever it chooses to go for stock transfer—outwith the seven councils that are currently on course for stock transfers? If 20 councils went for stock transfer in 2003-04, would the Scottish Executive service their debts?

**Jackie Baillie:** We are giving a commitment to ensure that all councils are treated in the same fashion—their debts will be serviced. Clearly, if every council decided to go for stock transfer in the same year, that would cause difficulties with regard to the expenditure profile and we would want to discuss and negotiate time scales with the councils. We are, however, encouraged by the fact that a number of local authorities have indicated their wish to be considered in the second wave of transfers and, beyond that, in the third wave. I invite John Breslin to add any technical points that I might have missed.

**John Breslin:** The situation is simpler than has been suggested—perhaps I did not get the message over. There have been two changes. First, we have recalculated the debt for councils that we have better information about—that has

resulted in a reduction of £20 million. That money is available elsewhere in the budget. The £44 million is different presentationally, but it is not right to say that it has gone missing.

The last question that I was asked was whether we can give details of how much has been set aside for individual councils. We have not published that level of information but, as the minister said, we have recalculated for the first seven councils. To enable ministers to make decisions, the civil service will prepare information on the councils that we believe will transfer stock next.

**Mr McAllion:** The real-terms difference in the community ownership budget between 2000-01 and 2003-04 is 1.9 per cent. Are you confident that that is enough to cover debt servicing and all the other obligations of stock transfers?

**John Breslin:** Yes.

**The Deputy Convener:** The committee is concerned about this budget line. You have admitted that you recalculated the figure from £120 million to £100 million. That £120 million has been allocated and announced. You will now have £20 million to use for other announcements, which is of concern.

**John Breslin:** It should not be. When the new housing partnership steering group published its report, it was made clear that the figure of £125 million was based on the information that was available at the time and that it was not earmarked for individual councils but would be set aside and recalculated.

**The Deputy Convener:** Will you provide the committee with some information about the £44 million, with reference to Wendy Alexander's letter of 18 May and Jack McConnell's statement in the chamber?

**John Breslin:** Yes.

**The Deputy Convener:** We have spent some time on community ownership, so we will move on to other aspects of the budget. Bill Aitken will address some of the other reference lines.

**Bill Aitken (Glasgow) (Con):** First, I add my congratulations to the minister on her elevation to her new position. I hope that she finds it extremely fulfilling. Now, can we get down to the nitty-gritty?

The "Housing Other" budget shows an increase from £5.7 million to £58 million, which is obviously considerable in percentage terms. I appreciate that we are at level II and that you are unlikely to want to change the habit of a lifetime of trailing, releasing and re-releasing expenditure in the years ahead. I appreciate also that some of the information might not be available. However, you state that the budget under that heading includes

funds for the homelessness task force, the supporting people fund, tenant participation and the housing and voluntary sector grants scheme. I find it surprising that, at this stage, you cannot give us ballpark figures on the split for those headings. I have no difficulty accepting that outlining the minutiae might be somewhat complicated at this stage, but I thought that you would be able to give us some idea of the planned expenditure for the years ahead.

**Jackie Baillie:** I thank Bill Aitken for his generous comments before his question and for his less generous comments about recycling announcements, which is not a habit that I have. We have ballpark figures, but they are at a higher level and they are not detailed. I want to get down to some of the detail before I release them and make announcements on them.

It would be safe to say that the money in the first round is concentrated on the homelessness task force recommendations, as it will be for the second, more comprehensive report, which will be presented for years two and three. Equally, on supporting people, we want to ensure that adequate resources go to local authorities to ensure that they and other agencies are able to support the elderly and the disabled with housing, equipment and adaptations. The money will be focused on those areas and on tenant participation. I cannot say more than that, but Bill Aitken is right to say that we will get down to sorting out the detail soon.

**Bill Aitken:** Let me pursue that a little and take the documentation that we have seen so far from the homelessness task force as an example—although I take the point that a more comprehensive report will follow. I would have thought that it was not exactly rocket science to be able to attach some sort of figure to the task force's recommendations, yet you have not done so. I would be surprised if, when the second paper came out, there was a significant change in the amount of that fairly substantial budget that was allocated under that heading.

**Jackie Baillie:** You are perhaps wrong in your assumption. The task of the homelessness task force—in the second stage of its work—is to think innovatively, to come up with radical solutions and possibly to change the system. To do that, the task force will need to come to far-reaching conclusions that will have far-reaching consequences. It is difficult to allocate an accurate figure to what those changes are likely to cost. We need to think for longer about the second stage of the homelessness task force's work.

**Bill Aitken:** Have you any policy plans on tenant participation for the next year or so? Is there anything in the policy pipeline that is likely to result in an increased financial commitment and, if so,

would you like to share it with the committee today?

**Jackie Baillie:** I would indeed, because it has been well trailed before. The housing bill introduces a new tenants' right to consultation and participation in the decision-making processes of their social landlords. We recognise that that needs to be adequately resourced if we are to make it happen.

**Bill Aitken:** Precisely. You have identified that, but I would have thought that you could as easily identify the financial commitment that might be necessary.

**Jackie Baillie:** I do not want to prejudge the amount that will be required to resource that tenants' right effectively. As you know, we have been keen to talk to interest groups in the context of the homelessness task force and through tenant participation organisations, so that soundings can be taken as to how we will get this right. Indeed, the whole process is one of consultation. I would be interested to hear the committee's views on the balance of priorities in the "Housing Other" spending line. We have invited other organisations to do likewise. We want to build on the experience and knowledge of tenant participation organisations in Scotland.

**Bill Aitken:** Finally, I note that there are headings for homelessness and the housing and voluntary grants scheme. The latter includes a provision for grant money to voluntary organisations that help the homeless. As a matter of accounting, should not that come under the homelessness heading?

**Jackie Baillie:** No. We provide direct grants to voluntary organisations, some of which address homelessness and some of which provide general advice and information services. I prefer to show voluntary sector grants as a separate budget line, because—wearing my other hat—I want to know what the Executive as a whole is contributing to the voluntary sector. That separation makes that more obvious. I would be interested in suggestions for tidying that up.

11:00

**Mike Watson (Glasgow Cathcart) (Lab):** I welcome the minister and congratulate her on her new appointment. We look forward to working with her on the broader social justice agenda.

I want to cover a couple of points about the additional figures that accompany the letter from Linda Sinclair. The housing support grant and housing revenue account have level III figures across the three years. Housing support grant provision remains constant over the four years at £12.7 million. Why is that? The housing revenue

account rises slightly this year and remains constant over the following three years. Why is that?

Following the questions that other members have posed on housing stock transfer, it seems that the extent to which stock transfer is approved would impact on the housing revenue account figures in terms of supporting capital investment in local authority housing stock, should that housing stock reduce. Why are those figures held constant and would they be subject to change, bearing in mind any activity on housing stock transfer?

**Jackie Baillie:** You are right that there is no increase in housing support grant. In real terms, that represents a 7.3 per cent decrease. Housing support grant is currently paid to two local authorities—Shetland Islands Council and Western Isles Council—so that they can maintain affordable rents. That is calculated through estimates of housing revenue income—as opposed to housing revenue expenditure—and the inability of such councils to balance their housing revenue accounts. Over and above that, 20 councils receive assistance for hostels under the housing support grant line. That is a direct contribution to the running costs of hostels for homeless people. That is calculated on the basis of a deficit in income over expenditure. This year, the requirement has decreased by £400,000.

Shetland Islands Council and Western Isles Council are able to maintain rents at a reasonable level. For example for next year, Shetland Islands Council is planning a 5 per cent increase and Western Isles Council is planning a 2.5 per cent increase. That reflects well on the housing market in both areas. Overall, we have kept the lines steady because that reflects the targeting of housing subsidies on individuals, through the housing benefit system, rather than on bricks and mortar. That subsidy element has changed. However, we are ensuring that neither area suffers as a consequence.

**Mike Watson:** I take your point on the housing support grant, but what about my questions on the housing revenue account and the effects of housing stock transfer?

**Jackie Baillie:** On the housing revenue account, we are continuing to support capital investment in local authority stock. We felt that we should maintain the "Housing Revenue Account" line, simply because it is important to do so.

We do not want to prejudge what tenants will say about stock transfer. That would be an unfortunate signal to send out when we have been clear about saying—

**Mike Watson:** I accept that fully. However, you have, in a sense, prejudged what will happen with the housing stock transfer by having straight

figures across the table—which obviously constitute a reduction in real terms. What was that decision based on?

**Jackie Baillie:** It is not a reduction in real terms because the number of council houses falls, and continues to fall, by about 2 to 3 per cent per year. Investment in the housing stock, as it stands, remains the same: when we take the straight line and consider it in the context of that decrease in the council housing stock, the investment remains broadly the same.

**Mike Watson:** It seems that it would still be difficult to maintain those figures, because you have no idea what pattern will emerge with regard to the housing stock transfer. Those figures must be subject to adjustment in the light of events.

**Jackie Baillie:** Those figures would be subject to adjustment in the light of events. We did not want to prejudge the outcome of any ballots of tenants.

**Mike Watson:** If housing stock transfer does not go ahead in certain areas, there may well be a requirement to maintain the capital investment. The committee touched on that in its stage 1 consideration in relation to the entry under "Equalities and Equality Development Programme". You say that you have not projected £500,000.

When Wendy Alexander, the then Minister for Communities, appeared before the committee at stage 1, the committee raised a point about the difficulty of getting disaggregated data on gender and equality and how those impact on policies. She told us that such information was not available. We asked her to ensure that more information would be available in future. That might not have been at the top of your list of priorities in the few days that you have been preparing for taking up your new post of Minister for Social Justice, but it is important—because £500,000 is involved—that we get more commitment on that and that we receive further information on it in next year's budget.

**Jackie Baillie:** As members will appreciate, that is not something that I have been able to catch up on over the past two days. I am very keen to have adequately disaggregated statistics on the basis not only of gender, but of disability and race and not only in the social justice portfolio, but across the Executive. We are considering the matter carefully and there will be an announcement on it in the equality strategy debate, which will be in about a week's time. We will consider how to ensure that data is disaggregated and that that is done with regard to both policy and budgetary requirements, so that people can accurately measure impacts.

The process is long and much of the data does

not exist. However, I hope that we will be able to roll out the disaggregation and that members will be able to see a difference next year, department by department. I am keen to do something on that in the proposed housing bill, which will come before Parliament soon.

**The Deputy Convener:** We might come back to that point—I am keen to move on.

**Mike Watson:** It is a matter not only of the data existing; there is the matter of collecting it—I accept that point.

We can see in the figures before us that £350 million will be spent over the next five years on the welcome central heating initiative. Is the warm deal budget that has been projected for those years included in that £350 million or is it separate from that sum?

**Geoff Huggins:** The warm deal budget currently provides insulation in houses that have central heating and in houses that do not. Its aim is to make houses more energy efficient and to reduce fuel bills. We have estimated the number of houses where we are putting in insulation, but which do not have central heating and those will benefit from the new scheme. We have reduced the overall budget line for the warm deal—which was, I think, going to be £14.5 million in the coming years—by £7 million each year. We will continue to offer insulation for houses that have central heating in cases where the occupant is a recipient of a passport benefit. However, people who qualify under the central heating scheme will receive their insulation as part of that scheme. We wanted to avoid double counting within the arrangements and we intend to make the process quite transparent.

**Mike Watson:** I am not clear about where the funds for the central heating initiative will come from. For example, how much will the private sector provide? Furthermore, there has been some talk of Scottish Homes making a contribution from its budget. Can the committee have a breakdown of those figures?

**Geoff Huggins:** We are discussing with several utilities that operate in Scotland how they will provide support for the project. We are very pleased to say that they have all indicated that they will provide support in kind. That reduces the overall cost of the project to the taxpayer.

**Mike Watson:** Are you able to tell the committee the extent of that support?

**Geoff Huggins:** I was going to address that question. We have agreed with the utilities that we will not disclose the exact quantum of that support.

We have taken a second element from our work with the utilities. We have had quite a lot of difficulty in persuading people in the private sector

to take up the warm deal. However, working with the utilities, we expect to increase take-up dramatically through a partnership arrangement. An effect of the energy efficiency regime under which the utilities work is that the utilities will sometimes be in competition with us to find people to take a benefit. We are now seeking to work in a joined-up way to provide the best benefits for everyone in the system.

On the question about Scottish Homes, no sum will be taken off the organisation's development programme for the central heating initiative. Instead, Scottish Homes will provide us with support in delivering the programme to the housing association sector. Indeed, we will—to progress that issue—provide that organisation with additional money that is not shown in its line. As a result, Scottish Homes will provide benefit in kind, rather than suffer a reduction in spend in other areas.

**Mike Watson:** We have noted that the Scottish Homes budget is scheduled to fall by 2.5 per cent over the next two years. Will the central heating initiative exacerbate that situation?

**Geoff Huggins:** There is £8 million in the central heating initiative for Scottish Homes to pay to housing associations. However, we could have shown that the other way around in the figures, which would have given a rising line over three years.

**Mike Watson:** So is Scottish Homes merely the conduit for that money?

**Geoff Huggins:** Yes. Scottish Homes will be our agent for the housing associations.

**Mike Watson:** Is that part of its regulatory role?

**Geoff Huggins:** No. It is more a part of its development role, in that it will offer grants to housing associations.

**Robert Brown (Glasgow) (LD):** I offer Jackie Baillie my warm congratulations on her appointment. At the risk of sounding grovelling, I say that it is one of the ministerial appointments that I most welcome.

I want to explore the implications of the central heating initiative for the new social landlords who will exist after housing stock transfer. As those landlords will be part of the central heating initiative, money will be spent on them. How will that affect their financing in respect of transfer receipts, residual debt and so on?

**Jackie Baillie:** Again, I invite Geoff Huggins to respond to that question.

**Geoff Huggins:** The current calculations on the value of the stock include the need for a series of repairs and improvements to the stock. The installation of central heating where it is not in

place has always been a required improvement. The policy will have a neutral effect on stock transfer valuations—and, as a consequence, on rents or debt repayments—which means that there will be in effect no change. Using such a system, all other council tenants in Scotland will not need to be asked to wait until stock transfers happen throughout the country before they can take up the benefit. That has health, economic and other benefits for all council tenants and pensioners.

**Robert Brown:** I am not sure that I follow that argument. Are you saying that the valuations that you carried out assumed that the central heating initiative would have happened?

**Geoff Huggins:** The stock in any transfer requires a series of improvements and repairs. That requirement is part of the calculation to determine stock value. It has always been a requirement that transferred stock should be improved by the installation of central heating. Over the next five years, our programme will extend that improvement to all council stock and the position has not changed for transfer stock.

**Robert Brown:** I would like clarification on that. Are you saying that the programme will not roll out to transfer stock until transfer decisions are made? In other words, is it the case that the central heating initiative will not be implemented before the stock transfer takes place, and that its implementation will be part of the arrangements for improving properties after transfer?

**Geoff Huggins:** That is correct, but we expect the process to continue to benefit the groups that we are targeting, among which elderly people are the priority group. We do not expect local authorities that are proceeding towards stock transfer to use transfer as a reason not to continue to install central heating systems in their stock. That programme is funded through the housing revenue account, which includes a component for funding 20,000 central heating systems a year in council stock in Scotland. Therefore, that programme should continue.

I have discussed with Glasgow City Council its continuing programme, which might dovetail with the programme for elderly people who are owner-occupiers. It is not the case that central heating systems are not being installed.

**Robert Brown:** You said that the amount of finance or goods that were contributed by the private utilities could not be revealed at this stage. I assume that a calculation will have to be made at some point to identify how much funding will be input from public sources—such as the Scottish Executive—and from other sources, such as the stock transfer arrangements or whatever. When will that information be available to the committee?

11:15

**Geoff Huggins:** It is quite difficult to answer that question, because the utilities will provide their commitment through their energy efficiency requirement, which is calculated as a fixed charge on each customer. Their liability changes because customer numbers fluctuate from year to year.

We have a rough idea of their liabilities for Scotland under the current energy efficiency requirement. That is, I think, the energy efficiency standard of performance 3. Under EESOP 4 there are proposals to change the calculations. Those proposals are being progressed as part of a UK-wide energy policy.

We expect the overall amount of money that will be released by the energy companies through EESOP 4 to rise, although we do not know yet by how much. We also do not expect the energy companies to commit all of that money to the central heating initiative, because there is a wider range of energy efficiency programmes in Scotland and elsewhere that we would welcome.

The answer to Robert Brown's question is, "It depends".

**Robert Brown:** Under which line do improvement and repair grants come? Do they come under housing revenue account or some other line?

**Geoff Huggins:** Improvement and repair grants are paid as part of local authorities' overall grant-aided expenditure. In 1995, the system was changed so that those grants now come under the overall allocation to local authorities, rather than under a separate housing line.

**Robert Brown:** The implication of your answer is that—given the onward march of the right to buy, divided ownership of properties and so on—moves towards an increase in resources should be built into the grants. That would deal with what will become, if we are not careful, long-term tenemental repair, or disrepair, problems. Is that issue being taken on board?

**Jackie Baillie:** We are mindful of the desire to increase the level of improvement and repair grants. We are addressing some of those issues and have taken those comments on board.

**Cathie Craigie:** Does the minister recognise the important role that will be played by improvement and repair grants when the Executive becomes involved in large-scale stock transfers? Does she also acknowledge that the Executive should involve owners in those grants? Is the minister willing to share with the committee information that she might have on whether the level of grant that is being paid out to owner-occupiers is as high now as it was when the grant was ring-fenced within local authority housing budgets?

**Jackie Baillie:** My understanding—it is only my understanding, so if I am wrong, I will write to you through the convener and provide the details—is that when budgets were ring-fenced, more money was spent on improvement and repair grants than is spent now. It is for local authorities to make decisions about their spending priorities. Given the amount of below-tolerable-standard housing in Scotland, we are mindful of the need to ensure that the level of improvement and repair grants increases. We are considering that in the context of the proposed housing bill and of budgets.

**The Deputy Convener:** Before Karen Whitefield asks her questions on Scottish Homes, I have some final comments on the points that Mike Watson made about central heating. We are examining the policy commitments and the expenditure, and there is a big difference between the £350 million that was announced and the information that has been provided to the committee. I realise that we have had some explanation, but hearing only the words "It depends" makes analysis of whether the policy can deliver a bit shaky for us. Central heating is a big policy initiative, and the information on public expenditure does not make clear how the commitments will be met. A great deal depends on what the utilities and private companies supply. We would appreciate having the information as soon as possible.

**Karen Whitefield (Airdrie and Shotts) (Lab):** I congratulate Jackie Baillie on her new post. I said so yesterday, but I did not want to be left out of the public applause.

The Comptroller and Auditor General has suggested that Scottish Homes will owe an outstanding debt of about £80 million to the national loans fund on its conversion to an executive agency. How is it intended that that debt will be paid?

**Jackie Baillie:** We estimate the debt to be about £100 million, but the issue is not the figure, but what we do about it. I take that point. We are examining ways of dealing with the debt. The simplest method may be for the Executive to take on the debt servicing, and we are considering that. Once a decision has been made, I will be happy to respond to the committee in writing.

**Geoff Huggins:** The debt will not impact on the Scottish Homes development programme, because we do not intend to rob the development programme to pay the debt. The debt will be addressed in other ways. We are considering how to handle the debt under resource accounting and under wider relations that affect how the Executive can take on or manage debts. At the moment, we are examining those issues in consultation with the Treasury and others, to decide how we can best deal with the problem.

**Karen Whitefield:** I am sure you appreciate that committee members are keen to receive assurances that the Scottish Homes development budget will not be affected in any way by the servicing of the debt or by a decision on that. We would appreciate receiving such information and assurances as early as possible.

The conversion of Scottish Homes to an executive agency will involve transferring some of its functions to local authorities and some to the new executive agency. Has the Scottish Homes budget been drafted to take account of those changes?

**Jackie Baillie:** At this stage, I assume that you are referring in part to the administration costs. As you know, the development funding will eventually transfer to local authorities, allied to the development of their own housing plans. Some administration costs are direct running costs and salary costs, and others are interest-free payments on debt. It may be expected that those costs will decrease, but I think that it is too early to reach a conclusion, especially as, although the agency is losing some functions, it is gaining a much more enhanced regulatory role, not just over registered social landlords, but over local authorities. We are also asking the agency to regulate the homelessness function of local authorities, so it is too early to say what will happen.

We have ensured that lines are maintained; indeed, with the additional £8 million that will be put in to cover the central heating programme that we discussed earlier, that line is not decreasing, but increasing.

**Karen Whitefield:** The community spending plans indicate that administration costs for Scottish Homes are quite high, if not excessively high, especially if we consider that, in 2000-01, they were £34 million, as opposed to the £10 million being spent on the rough sleepers initiative and the £5 million being spent on the empty homes initiative. I appreciate what you are saying, but will the administration costs be monitored closely to ensure that we get value for money and that money is not wasted?

**Jackie Baillie:** I assure Karen Whitefield that that will be the case. As I said earlier, the £34 million figure perhaps hides the fact that £12 million goes towards meeting interest payments on debt. The remaining £22 million goes towards running costs. I accept entirely that that seems a large figure. Something like £15 million goes on salaries and something like £3 million goes on accommodation. I assure Karen that I will keep an extremely close eye on those costs to ensure that best value is achieved.

**Cathie Craigie:** The social inclusion budget

increases significantly between 2001 and 2003-04. In light of that, how does the Executive see the role of social inclusion partnerships developing?

**Jackie Baillie:** SIPs are key delivery mechanisms on the ground in the most excluded areas in Scotland; they cover 85 per cent of the worst postcode areas. We are keen to work with them, but we are equally keen to work with other agencies to promote social inclusion in our communities and across a variety of groups of people who may be excluded from society. We will continue to use SIPs as the main vehicle. We do not intend to develop any new partnerships; we want to stabilise what already exists and measure progress. To do so, as members know, we have put in place a monitoring and evaluation framework.

Another area on which we will spend some of the new resources—I welcome the committee's views on this—is the empowering of communities. We must ask how we can build the skills of communities, how we can extend engagement in SIPs, and how we can get service-led delivery right. In disadvantaged areas, services have, by and large, failed people. We must ask how we can make services work. We have 13 working for communities pathfinders. Is that the way forward? Should we consider more closely locality budgeting? As I mentioned, we must also consider neighbourhood statistics, so that we understand the differences better. Some social inclusion issues have a much wider resonance—outwith SIPs—and lessons can be learned for the whole of Scotland.

**Cathie Craigie:** I appreciate and welcome the monitoring and evaluation framework that has been introduced. Communities have to see not only that they are getting value for money, but that the projects are actually working to deliver a better lifestyle for them. SIPs are non-statutory organisations. They are not open to review or appeal. They are exempt from scrutiny by the ombudsman or the judicial system. The individual member organisations that make up SIPs are subject only to their own review or appeal mechanisms. Given the importance of SIPs in delivering a social inclusion agenda, delivering improvements where they have been set up, and delivering for the people whom they were set up to serve, does the Executive intend to introduce any review or appeal mechanism specifically for SIPs?

**Jackie Baillie:** That issue has been raised before and I will consider it. We feel that the current mechanisms are quite robust. The Scottish Executive provides guidelines on how money should be spent and how procedures should be followed. The grant recipient in the case of, I think, all SIPs is the local authority, which puts in place grant conditions that SIPs need to sign up to.



There is a standard monitoring framework, and SIPs are subject to the council's internal audit procedures. If there are financial problems, which people often report either to the police or to the council's internal audit section, issues of accountability fall to the Accounts Commission.

I am happy to ensure that some accountability is built in, and I shall consider the matter in more detail.

**The Deputy Convener:** The committee will return to the accountability of SIPs at some point.

**Cathie Craigie:** I look forward to that.

In her opening remarks, the minister spoke about the importance of tackling the scourge of domestic abuse and violence. She said that the aim was to provide more choices for women who are fleeing domestic abuse. How do the spending plans reflect that aim? What wider choices will be available for women who are trying to escape violence?

**Jackie Baillie:** The member will forgive me if I do not delve too far into details, as that is one of the forthcoming announcements. I shall be as candid as possible.

We are dreadfully short of refuge places in Scotland, and I am aware—as I go around promoting awareness—of the need for women to be able to come forward without feeling fear. However, in some places, the resources do not exist to cope with the women who need help. I am keen to fix that problem. Some of the resources are in the social justice budget; others have been bid for out of the justice budget, and we will introduce a package to Parliament in due course.

11:30

**The Deputy Convener:** We look forward to that announcement. Karen Whitefield has a question on the voluntary sector, and John McAllion has a final, brief question. We must then finish.

**Karen Whitefield:** I know that the minister is interested in the voluntary sector. Like her, I appreciate the real-terms increase in funding for the voluntary sector and the equality strategy. Can she give us a breakdown of the expenditure that there will be in each of the areas of the voluntary sector and the equality strategy?

I would also like the minister to comment on the implications of Scottish Criminal Record Office checks for the voluntary sector. She will know that I am keen to pursue that issue on behalf of the voluntary sector, which continues to experience concerns over the financial implications of those checks. What consideration will be given to that matter in future budgeting?

The committee indicated its concerns, in its

stage 1 report, about the implications of challenge funding for the long-term stability of voluntary organisations. Has that been addressed in the budget?

**Jackie Baillie:** I shall deal with the first point first. I cannot give the exact breakdown. You will know that we have announced some of the level III detail for the voluntary sector—the additional £1.2 million for councils for voluntary service and the additional £500,000 for IT initiatives in the sector. We intend to be in a position quite soon to announce the rest of the funding. I hope that we will be able to provide that breakdown.

SCRO checks are another matter on which Jim Wallace and I have regular discussions. I hope that money will be secured to establish a central registered body, for which there is broad support in the voluntary sector, and to look afresh at the issue of SCRO checks. We expect to reach conclusions on that in the next few weeks, after which an announcement will be made.

Karen Whitefield's final question is critical. We have just begun a strategic review of voluntary sector funding. That review will engage the voluntary sector, but will consider specifically how we can move from project funding to core funding, where appropriate, and how we can reduce the challenge funding element that means that projects spend two months of every year chasing money to be able to budget for the next year. That point has been taken into account, and we are addressing it.

**Mr McAllion:** During stage 1 deliberations, we asked Wendy Alexander to give us a breakdown, on a geographical basis, of the department's civil service and quango jobs as well as the costs that are involved in supporting the jobs, the administration and the buildings. In May, she replied that that was a matter for the Minister for Finance and asked him to respond to us directly, which he has not done. Would the social justice department have any problem in providing that information to this committee?

**Jackie Baillie:** I do not think that we would have a problem in principle, but the civil service establishment is rightly within the responsibility of the Minister for Finance. If you have not received that information, I am happy to pursue the matter with the prospective Minister for Finance and Local Government and to address the points that you raise.

**Mr McAllion:** We would like every department to produce figures to show where their jobs are, and what their costs are, on a geographical basis across Scotland. There should be no practical problem in providing that information.

**Jackie Baillie:** I do not foresee a practical problem, but the matter is not in my portfolio. I

shall consult my colleague and get back to you.

**The Deputy Convener:** I thank the prospective Minister for Social Justice and her officials for attending the committee at short notice. We appreciate that.

As you have been a minister before, we expect you will be familiar with some of the issues. We asked you to get back to us on several points. We will be considering our report next Wednesday, so there is not much time. First, we asked you for clarification of the difference between the statements of Jack McConnell and Wendy Alexander on the NHS assets, regarding NHP figures. Secondly, we asked you to provide some information on the utilities investment in the energy efficiency programme—or whatever information you can provide on that. Thirdly, we want to know how Scottish Homes's outstanding debt is likely to be paid. Finally, it would be helpful if you could provide the geographical breakdown that John McAllion asked for, although I do not necessarily expect that within the coming week.

**Jackie Baillie:** We will provide that information before Wednesday.

**The Deputy Convener:** Thank you. We expect to see some of the officials again, and we look forward to welcoming you back to the committee.

**Jackie Baillie:** Thank you, convener.

**The Deputy Convener:** We now move into private session.

11:35

*Meeting continued in private until 12:36.*

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