# SOCIAL INCLUSION, HOUSING AND VOLUNTARY SECTOR COMMITTEE

Wednesday 6 December 2000 (*Morning*)

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# SOCIAL INCLUSION, HOUSING AND VOLUNTARY SECTOR COMMITTEE 38<sup>th</sup> Meeting 2000, Session 1

#### **DEPUTY CONVENER**

\*Fiona Hyslop (Lothians) (SNP)

#### **COMMITTEE MEMBERS**

\*Brian Adam (North-East Scotland) (SNP) Bill Aitken (Glasgow) (Con) \*Robert Brown (Glasgow) (LD) \*Cathie Craigie (Cumbernauld and Kilsyth) (Lab) Johann Lamont (Glasgow Pollok) (Lab) \*Mr John McAllion (Dundee East) (Lab) \*Mr Keith Raffan (Mid Scotland and Fife) (LD) Mike Watson (Glasgow Cathcart) (Lab) Karen Whitefield (Airdrie and Shotts) (Lab) \*Ms Sandra White (Glasgow) (SNP)

\*attended

#### WITNESSES

Eleanor Campbell (Cumbernauld YMCA) Stew art McCrae (Cumbernauld YMCA) Lucy McTernan (Scottish Council for Voluntary Organisations) Ken Milroy (Foyer Federation Foyer) Dave Simmers (Foyer Federation) Kerry Wright (Aberdeen Foyer)

**C**LERK TO THE COMMITTEE

Lee Bridges

SENIOR ASSISTANT CLERK

Mary Dinsdale

**ASSISTANT CLERK** 

Rodger Evans

Loc ATION Committee Room 1

### **Scottish Parliament**

# Social Inclusion, Housing and Voluntary Sector Committee

Wednesday 6 December 2000

(Morning)

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

The Deputy Convener (Fiona Hyslop): I open this meeting of the Social Inclusion, Housing and Voluntary Sector Committee. We have received apologies from Karen Whitefield, Johann Lamont, Mike Watson and Bill Aitken.

Is it agreed that we take item 5, which is the committee's work programme, in private?

#### Members indicated agreement.

The Deputy Convener: I remind members that this is the last formal meeting of the committee before the recess because the Parliament will meet on the next two Wednesday mornings and committees cannot meet at the same time as the Parliament. We will have an informal session when we visit Glasgow on Monday to follow up the evidence that we heard on asylum seekers.

It is likely that the next formal meeting of the committee will take place in January. As we have yet to hear when the housing bill will be launched, it is very difficult for us to schedule our work. We cleared our diaries in the autumn in expectation of the bill, and we have done some preparatory work, but we cannot plan our business and schedule stage 1 evidence until we know when we will receive the bill. We hope to know shortly when that will happen.

I welcome Keith Raffan back to the committee. He was greatly missed and we are pleased to have him back.

10:03

Meeting continued in private.

10:15

Meeting resumed in public.

### **Charity Law Review**

**The Deputy Convener:** At its meeting on 4 September, the committee agreed that it should plan to conduct an inquiry into charity law at an appropriate point in the committee's work programme. The Scottish Council for Voluntary Organisations has agreed to give evidence to start the inquiry.

Lucy McTernan (Scottish Council for Voluntary Organisations): Thank you for your invitation to talk to you about charity law. I hope that you will have received some background material that was prepared by the SCVO and a copy of our submission to the Scottish Charity Law Review Commission, which is meeting under the convenership of Jean McFadden with a view to reform.

I do not intend to dwell on the detail of those documents, but I am more than happy to take questions on that matter. Instead, I will explain why the SCVO believes that the review and potential reform are so important. You will be aware that the voluntary sector in Scotland is large and dynamic. There are 44,000 organisations, which employ more than 100,000 people and deploy more than 600,000 people as volunteers. The sector is growing and has the potential to grow much further and to engage people in all geographical areas of Scotland and in all walks of life, including in particular those in disadvantaged communities.

The growth of the sector has been hampered for years by some fundamental obstacles. One clear obstacle is the absence of sustained funding that is accessible from diverse sources and in ways that keep bureaucracy to a minimum. I know that the committee is considering that issue separately. The second obstacle is the absence of infrastructure that underpins greater ambition in the sector. The SCVO has made a range of recommendations to the Scottish Executive about how the sector can be better supported to do more, some of which, such as the recent welcome investment in the councils for voluntary service network, are being acted on.

The third and, in many ways, most intractable obstacle has been the complex and confining set of legal structures within which voluntary organisations have to live. The review commission gives a once-in-several-generations opportunity to reshape the law as it affects the organisations with which and for which we work, with the ultimate aim of benefiting the communities they serve. That is why I will begin by considering the issue from the perspective of a community activist who gives their time to manage a voluntary organisation that provides services to the local community, rather than from that of someone who has spent the past eight years rummaging around in the minutiae of charity law.

From the perspective of the activist, the law can be a huge obstacle to development. It is a big business for everyone in the sector to ensure that our organisations comply with every relevant law. There are many laws, many of which are relevant to most organisations. Charities are governed by charity law: part I of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and the related regulations on accountancy, measures in the Charity Act 1993, and Charity Commission for England and Wales rules, which are used in Scotland by the Inland Revenue and the Scottish charities office.

If you are a company, there is company law and the requirement for returns to Companies House. If you are involved in a housing association or a credit union, the relevant legislation is different again. There is tax law and VAT. VAT in particular is a complete nightmare to administer, even before you consider the actual cost to the organisation of VAT on supplies, which cannot, contrary to popular belief, be recouped. If you employ staff, there are rafts of employment legislation and the new set of rules that recently came into force with the fairness at work initiatives of the UK Government.

If you have premises, there are building regulations, local planning rules and health and safety regulations, and if you serve refreshments there are food safety rules. If you work with kids there are protection issues and the prospect of criminal record checks. If you have any kind of publicity role, there are copyright, libel and publishing laws. If you keep any records as part of your work there is data protection and the impact of freedom of information laws. Now there is also the need to observe the European convention on human rights. I could go on and on.

Imagine—perhaps you do not need to—if you are involved with more than one organisation. The complexity of laws that you must be aware of multiplies. In fact, it is a surprise that any of us gets involved in voluntary organisations at all. Once folk do, it is amazing that they get involved in others or set up new ones. What may seem like a logical development, say using a room in your housing association building for a pre-school playgroup to meet twice a week, can involve learning about a whole new set of constitutional issues in order to set up the charity. As well as being a tremendous headache, and the origin of a huge amount of bureaucracy, legal issues can constrain an organisation, or encourage developments down a particular route, which is not necessarily the best one.

The legal structure of an organisation often defines it, or gives it a particular identity or culture, in practice as well as in law. That is particularly the case with charities. The very word "charity" persuades people to think in a particular way. For instance, there is no specific law in Scotland on political activities for charities, but we are persuaded by rumour and received wisdom that campaigning is an inappropriate activity for organisations with charitable status.

In addition, housing associations and credit unions-identified as they are by specific legislation and sponsored by different parts of government-see the differences between themselves and other third sector organisations more often than the similarities. That is a shame when they exist within and for the same communities. If we are to increase the ways in which voluntary organisations of all types benefit communities, we have to be imaginative, entrepreneurial and creative. We have to be aware of other organisations' roles and activities and network effectively with them.

At the same time, due attention and care has to be given to supervising charities' activities to ensure that, whether inadvertently or deliberately, the public interest and trust is not harmed. It is in the voluntary sector's own interest that the Scottish public continue to support it. Income to the sector each year from public donations is in the region of £315 million but, unfortunately, that level of giving is static, if not in decline.

All those issues and more provide the context to the current review of charity law and to the issues that we raised in our submission to the review commission. In summary, the first is the definition of a charity—which organisations doing what should be recognised by the state and receive benefits as a result. We prefer an outcomeoriented definition based on the principle of public benefit, rather than something defined by the organisation's legal structure. We were delighted to hear at a recent conference that the Minister for Social Justice, Jackie Baillie, shares that radical vision.

The need for a register of charities also is important, because it would provide a framework for sensible accountability of charities' activities and finances. For the past six years, the SCVO has run its own database register of charities in the absence of a statutory register, and voluntary organisations as well as those with charitable status are included in it.

There is a need for limited legal liability for people involved in the management of charities. At

the moment, voluntary organisations have to borrow the clothes of private companies and become incorporated to protect the interests of individuals who take responsibility within them. That is clumsy and expensive.

There also is a need to rationalise the institutions that are involved in regulating voluntary organisations. There are simply too many of them. Despite that, not all the elements of a sensible regulatory system exist, which has led to buck-passing and confusion.

There is also a need for advice and guidance in compliance with the law. The voluntary sector has developed excellent ways of sharing information and best practice, but we need some definitive guidance on matters of law, which is not currently provided. Special attention must be given to the regulation of fundraising. Can rattling and fundraising directly from the public is the most obvious and visible aspect of the voluntary sector's work and it is vital that it is carried out appropriately, with those who would abuse the public's generosity being prevented from doing so.

Above all, we hope that the review will produce recommendations that, when implemented, will enhance the Scottish public's faith in charities and help to ensure their continued support and involvement. I am very glad of the interest that the committee has shown in charity law and look forward to your continued watchfulness over its progress. I am happy to answer questions on our submissions and what I have said.

**The Deputy Convener:** Thank you very much, Lucy, for the information that you have provided us with. What consultation did you undertake, in compiling the SCVO submission, to reach your conclusions?

McTernan: The SCVO has Lucy been campaigning on charity law for some eight years. On numerous occasions, we have consulted our membership broadly-most extensively over the role of the Commission on the Future of the Voluntary Sector in Scotland, which was chaired by Arnold Kemp. That developed an in-principle position of our view on charity law. To update that and confirm that that position was still recognised in the voluntary sector-given the many changes that there have been in Scotland since that commission met-this summer, in parallel with Jean McFadden's commission's consultation, we conducted a consultation exercise of our own, which involved seminars and a consultation document that was sent to our members.

**The Deputy Convener:** What were the strongest points of agreement that came out of that consultation?

Lucy McTernan: Fundamentally, that something radical must be done and that the

situation cannot continue as it is.

The issue of definition struck a chord with people and initiated a lot of debate. When people had got beyond thinking in the box of the current legislative system, they were excited at the prospect of being able to link more with other voluntary organisations of different types, to share the benefits of the word charity and the state and tax benefits of being a charity.

**The Deputy Convener:** Where are the areas of potential disagreement and dispute within organisations that are campaigning for reform?

Lucy McTernan: Possibly in determining what structure should supervise the system. In a sense, that involves a secondary set of issues. When we know exactly what the system is supposed to do, the institutions can be designed around it. People are familiar with the existing institutions and want to know what is going to happen to them in future. They have different views on what might be the better system in the long run.

**The Deputy Convener:** Does SCVO have a view on the time scale for implementation? What is your view on the way in which Jean McFadden's commission has been operating? Is it proceeding satisfactorily?

Lucy McTernan: We were assured by Jackie Baillie and Jim Wallace, in their initial announcement, that the commission hoped to complete its work by next spring, with a view to its recommendations being drafted into legislation before the end of the Parliament's first session. We are still hopeful and would like that timetable to be adhered to. Jean McFadden spoke at the conference that I mentioned. She was confident that the commission will meet its deadline and report in April.

**The Deputy Convener:** Let us move on to the Scottish Criminal Record Office checks. There is speculation that an announcement may be made that the situation may be alleviated. What is your understanding of the current situation and what do you expect to happen?

Lucy McTernan: In the same speech to which I referred, Jackie Baillie told us that a decision would be made by Christmas on the prospect of criminal record checks. The review group that has been examining the issue—which contains representatives of the voluntary sector—met last week and had a further discussion on the issues surrounding charging for criminal record checks. That group also was told that a decision would be made by Christmas. We would like there to be no charges for criminal record checks for voluntary organisations, as that would be a barrier to increasing the level of volunteering in the sector.

The Deputy Convener: That report is to be

produced in time for the commission to acknowledge its recommendations, if it chooses to do so. I take it that we must wait and see what the report recommends.

Lucy McTernan: Absolutely. We hope that we do not have to wait much longer.

**Mr Keith Raffan (Mid Scotland and Fife) (LD):** On the specific point about criminal record checks, I pressed for the review group. Furthermore, we had Jackie Baillie's statement earlier in the year. You said that a decision will be reached by Christmas. I understood that the group might reach a common position. Is your organisation represented on the group?

Lucy McTernan: Yes.

**Mr Raffan:** Is there a question of what will happen following the committee's agreed position, as any legislation has to be co-ordinated with Westminster?

#### 10:30

**Lucy McTernan:** The review group is not in a position to decide on that matter; it can only make recommendations to the Executive. We are sure that the Executive will decide on its proposed way forward by Christmas.

**Mr Raffan:** Are you aware of the Executive's concern on this matter? Am I wrong in saying that legislation has to be co-ordinated with Westminster? The Minister for Justice is worried that if the Scottish Parliament goes ahead unilaterally, an influx of people could try to register up here.

Lucy McTernan: We are aware that the time scale is a problem. The implementation in Scotland has already been put back for several reasons and if it is to go ahead to the current time scale, voluntary organisations should be registering for access to checks in April with a view to implementation in the summer. That means that, from our perspective as well as any Government perspective, the time scale is getting very short.

**Mr Raffan:** The review group has already been set up to consider the matter and suggest proposals to the Executive. Is there any real need for the commission to consider the matter independently? Obviously, it will need to take into consideration the review group's recommendations and the Executive's decision on those recommendations.

Lucy McTernan: Do you mean the Scottish Charity Law Review Commission?

Mr Raffan: Yes.

Lucy McTernan: The commission does not

need to consider the matter specifically, but when it examines the broader charity law framework, it needs such contextual information on the obligations that voluntary organisations are under.

**The Deputy Convener:** A key point that you raise and that we want to pursue is the definition of charitable status.

**Robert Brown (Glasgow) (LD):** A hierarchy of difficult complications surrounds this matter. For example, there are differences between English and Scottish systems. You have proposed a three-tier system in which some organisations qualify for such status under UK legislation, some qualify for Scottish tax reliefs and others qualify for both or neither. What might be the difficulties if the English and Scottish definitions were different?

Lucy McTernan: We would prefer the definition of a Scottish charity to carry all the same benefits as the definition of an English charity, involving the UK Inland Revenue and Treasury as well as the institutions over which the Scottish Parliament has control. In our submission to the Charity Law Review Commission, we included a proposal for a three-tier arrangement as a fall-back position, in which a Scottish public benefit organisation, a Scottish charity overlapping with English charity law and an English charity would be clearly defined.

There is a debate to be had between Edinburgh and Westminster about whether the definition of a Scottish charity can carry all the benefits of an English charity. My view is that that is a political decision, rather than one with constitutional implications. We still hope that we reach that ideal position. If that cannot be the case, we would want as broad-based a definition of a Scottish charity as possible, to achieve all our aims of bringing down barriers between different sections of the voluntary sector and to confer the benefits that are available in Scotland, such as water rates and local domestic rates.

**Robert Brown:** You are suggesting a concept of public benefit within a framework that limits personal benefit or advantage, but the fact that housing associations are tenant controlled has raised problems of compliance with existing charity definitions. Am I right in identifying that as an issue?

Lucy McTernan: That is right. At the moment, mutual organisations are excluded from the definition of a charity because it is perceived that the individuals who are members receive benefit. Our argument is that that can be overcome if there is a public benefit definition. It should be quite clear that a broader public benefit is accruing to the activity of the organisation than simply the benefit that goes to its members. For example, one could not argue that an exclusive golf club that operates on a mutual basis has wider public benefit, but a credit union with a mutual status that is relieving poverty clearly does.

**Robert Brown:** What about a fee-paying educational establishment? It would be very difficult to distinguish that in principle from a housing association because a benefit is extended to a defined public group of one sort or another in both cases.

**Lucy McTernan:** The issue would be exclusivity. The fees involved in public schools mean that they are exclusive and cannot provide benefit to anyone who would want to access them. That is why fee-paying schools would breach the public benefit definition, as we understand it.

**The Deputy Convener:** Would the public benefit definition that you propose mean that all housing associations could be defined as charitable?

Lucy McTernan: Yes.

**Mr John McAllion (Dundee East) (Lab):** Would that apply only to community-based housing associations? The big English-style housing associations that have 40,000 houses under their control would not qualify.

**Lucy McTernan:** The principles that we are proposing for the definition of charitable status and public benefit involve very clear criteria about community ownership and accountability to the users in the community.

**Robert Brown:** The cut-off point is rather important and has many implications. You say that a private school would not qualify because it is exclusive and charges fees, but housing association tenants pay rent. Where is the cut off? I appreciate what you are getting at, but I cannot see a difference in principle and I am concerned about how one would define that in practice.

**Lucy McTernan:** The principle is that of public benefit. Can one argue that providing an exclusive form of education has wider public benefit? No. Can one argue that providing people with accommodation at acceptable rent levels has wider public benefit? Yes.

Brian Adam (North-East Scotland) (SNP): On another technical point, the proposed housing bill is likely to contain provisions that would allow the right to buy. How would that fit in with your definition? Presumably you assume that everyone can get access to the public benefit of low-cost housing, but not everyone will have access to buy that accommodation. The right-to-buy legislation might cause problems.

Lucy McTernan: That might be taking the principle and the argument a step too far. At the moment we are putting principles to the Scottish

Charity Law Review Commission and asking it to review them. Those are the principles that we would like to apply to non-profit-making independent organisations with wider public benefit.

**Brian Adam:** Anyone who had a housing association house who had the right to buy it would gain personal benefit to a significant extent.

**Lucy McTernan:** That implication would have to be considered.

**Robert Brown:** The point that I was trying to get at is that the concept of public benefit is a bit like motherhood and apple pie—it is extremely difficult to pin down.

You mention the problems that relate to campaigning voluntary sector organisations, which have a political—although not party political purpose. There is a distinction to be made between those organisations and party political organisations. Some people might argue that party political organisations should enjoy the same benefits because there is an issue of public benefit. How would you distinguish between a campaigning organisation such as Shelter and a front organisation for the Conservative party—I will just check that Bill Aitken is not here—where money is used for "research purposes" which it could be argued fall within the same criteria?

Lucy McTernan: You are absolutely right—it is a delicate line. My view is that, in principle, if political parties are seen to be a crucial part of democracy, there is a wider public benefit. The position that we have submitted to the commission is drawn from our consultation exercise. It was felt by the people whom we consulted that extending the principles of public benefit and the advantages of charitable status to political parties was a step too far. Some attention will have to be given to the distinctions that were mentioned but, at the moment, we are a long way from having to make distinctions. The vast majority of those organisations that have charitable status are extremely reluctant to campaign in any way, because they fear for their charitable status. However, there is no reason why they should not campaign. In the new democracy in our modern would actively Scotland, we encourage organisations that involve comm unities to advocate on behalf of those communities.

**Robert Brown:** Your view is that we should define public benefit as widely as we can to try to incorporate as many areas as we can into the organisations that achieve the benefits of charitable status.

Do you have any difficulty with the word "charity"? You touched on that earlier. Are you happy for it to be used as a catch-all term? Lucy McTernan: The word has a number of connotations, some positive and some negative. The negative connotations come from the impression of old-style philanthropy that the word conjures up. That is especially the case south of the border, where charity has a heritage that is different to that in Scotland. We know that organisations that are called charities south of the border have a different make-up and style to those that are found in Scotland, whose origins are in the community and in a self-help ethos. They are mutual in the loose sense, rather than having the top-down, Lady Bountiful style that is found elsewhere. I hope that we can leave behind that negative connotation of the word.

On the other hand, members will be aware that the word "charity" conjures up positive feelings in the public at large, which is useful for support and public donations. We would not want to lose that creating a new title might do that.

Robert Brown: I think that that goes to the heart the matter. I must challenge you on your statement. A lot of organisations that operate in Scotland and that deal with major public issuessuch as the Cancer Research Campaign and the Royal Society for the Protection of Birds-must fall within the context of charities. They do not, however, have the community-based ethos that you mention. Is there a difference between voluntary-sector organisations and the organisations that are not principally funded by the state, but which are charities in the more traditional sense?

Lucy McTernan: The voluntary sector is a broad church. Our research has helped us understand better the various parts of it. We know-in a fairly crude fashion-that there is a small handful of large organisations that have staff and wealth; that there is a medium-sized raft of middle-sized organisations, many of which are Scotland-wide but have few staff; and that there is a plethora of small organisations that have one or two people working for them. Added to that are organisations that are the Scottish end of UK-wide organisations, such as the two examples that Robert Brown just gave. They are run differently from the other organisations that I have mentioned, but they would still be included in our consideration of voluntary-sector activity in Scotland. However, the Scottish-based voluntary organisations have the dominant culture.

**Robert Brown:** Do you have any research paperwork on that that would give us an inkling into the context of the voluntary sector in Scotland? I must say that, despite what you say, the operations of the large charities in Scotland must be regulated—any charity legislation should be comprehensive enough to cover them.

Lucy McTernan: Robert Brown is right that, in

theory at least, Scottish operations of UK charities are supposed to be recognised separately in Scotland under the current system. Our understanding is that that does not happen. There is a clear overlap between the situation in Scotland and that in the rest of the UK. How those organisations would relate to a new or revised set of Scottish regulations would need to be examined.

We have lots of research about the voluntary sector. In the first instance, I recommend the SCVO's website. If members need further information, our research unit can provide it.

#### 10:45

# Ms Sandra White (Glasgow) (SNP): Good morning.

I am interested in registration, which you touched on in response to Robert Brown's questions. We know the difference between recognition in Scotland and registration in England and Wales. You said that you would like a register of charities and that it should be free. Costs would be involved in setting up registration of charities. Who do you envisage paying for that?

Lucy McTernan: The register that the Charities Commission for England and Wales runs is a major operation. It has a turnover of more than £2 million a year. We are not suggesting anything like even the Scottish proportion of that figure for an operation in Scotland. The bare minimum that is required to make a new system of charity law run effectively is shared information, so that all the institutions in the sector and the public know who or what is a charity. They would also know whether it was a legal entity and whether those who were involved were bona fide people who should be involved in such organisations.

There is an Inland Revenue index of organisations-or a long list-that are recognised as charitable for tax purposes. It is not updated beyond the addition of recently recognised organisations. The SCVO has put that information other information about non-charitable and voluntary organisations into a complex database, which is updated as regularly as we have the resources to do so. From that work, we know that a good number of the organisations are dormantalmost 5,000 of those listed on the index. They exist in law, but not in practice. We know that and we do our best to advise the public about it, but that system is not secure in the long run. The bare minimum that is required to make the system run is to have a register. It does not have to be particularly expensive.

**Ms White:** You have said that a register would not be particularly expensive, but you have not elaborated on how you would set the register up. Would it involve voluntary registration by each charity into a main website, or would it be a register for tax purposes?

Lucy McTernan: It would have to be a statutory register, if it were to carry authority. It would have to be a requirement of the law that annual reports and accounts were submitted in the form of an annual return, as is expected in England in Wales and as is expected of companies. In this age of information technology there are many ways in which we can do that with simplicity and transparency to make it accountable and accessible to the public.

**Ms White:** The Scottish Charity Law Review Commission says that the existing structure of registration, with two or three different roles, is the best structure. You suggest that the roles should be under the remit of one organisation. Will you expand on that?

Lucy McTernan: The system is patchy. The Scottish charities office is part of the Crown Office, which has—theoretically—the job of supervising organisations. However, without a register it cannot supervise organisations other than those about which it receives complaints. The Scottish Executive also has a role, especially in respect of accounting regulations. There is no source of clear advice and guidance beyond the financial intermediaries and claims office of the Inland Revenue, which has the indexing role and advises charities on tax matters.

The SCVO and our colleagues in the other infrastructure bodies in the sector share and promote good practice as far as we are able. The SCVO is not a statutory body and therefore cannot give definitive advice on the law. I have phoned the Scottish charities office to ask for advice on a newly implemented law only to be referred back to the SCVO. That situation is not sustainable matters are falling between stools.

**Ms White:** I understand that. You are saying that a one-stop shop would be easier than different contact points.

Lucy McTernan: There is one caveat, which is the issue of being both friend and policeman of the charitable sector. The Charities Commission for England and Wales has a supportive advice and guidance role as well as being the supervisor and the accountable body for registration of charitable status. We do not think that that is the best way in which to develop support for the charitable sector in Scotland. We would prefer the bulk of advising and giving guidance to remain within the sector, because that would be more appropriate and accessible. However, we would like the stopgap of being able to refer people on matters—

**Ms White:** Yes—when somebody phones one organisation, they are told to phone another.

**The Deputy Convener:** I am conscious of the time, Sandra, so do you have any more questions?

**Ms White:** My last question is about people who are disqualified from involvement in the management of charities and public benefits. Are there problems in setting up and maintaining a register of those people? Should that be the responsibility of somebody else?

Lucy McTernan: The registrar would have to have that responsibility—it is quite a sensitive area. The Scottish charities office has the authority to provide waivers to people who, in law, are exempt from managing or controlling charities. The process is completely non-transparent. We do not know the circumstances in which waivers are given and we are not able to give advice to people who, following the letter of the law, might be exempt but who in every other way would be perfectly able and who would be good members of management committees. We cannot advise them simply because we do not know the circumstances in which waivers are granted. We are looking for a better and more transparent system.

**Mr McAllion:** I have a couple of questions to follow up answers that you gave earlier.

You mentioned that your ambition was to have the same definition of a charity-and of the entitlement to the benefits of a charity-in Scotland as in England and Wales. I am sure that it would be right to have the same definition in Scotland, but is there a problem about the absence of a dedicated charity act in Scotland? That might have been down to the inability of Westminster to find time to pass such legislation for Scotland, although time was found to pass equivalent legislation to cover England and Wales. Scotland was always in a catch-up position and any new rights that are introduced in a new charity act for Scotland are likely to go further than those that exist in England and Wales. That will mean that England and Wales will try to catch up with Scotland-but perhaps Westminster might not find time to legislate for England and Wales. There will always be an inconsistency between those two parts of the United Kingdom.

Lucy McTernan: The existing charity law in Scotland is part I of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 that says it all: it was snuck through as part of a catch-all bag of legislation in 1989-90. That provision is a pale imitation of the charity legislation that existed even then in England and Wales. Since then, there has been further charity legislation in England and Wales, but the definition still hinges on the four heads of charity, which dates back to 1601. In Scotland, we would like to leave all that behind and to leapfrog—if you like— England and Wales and to devise a modern definition of charity that would be fit for the 21<sup>st</sup> century. There is a lot of quiet interest from policy makers in the voluntary sector south of the border, because what we do in Scotland might reflect back to what happens in England and Wales.

**Mr McAllion:** So, the devolved Scottish Parliament would be leading the way for the rest of the United Kingdom.

Lucy McTernan: Absolutely.

**Mr McAllion:** I was sympathetic to your idea of giving charitable status to mutually organised housing associations. The problem is with the right to buy, which Brian Adam referred to. Charitable housing associations are exempt already from the right to buy, and under the new proposals, they will continue to be exempt. Would you be concerned if the Executive resisted the extension of charitable status to mutually organised housing associations on the ground that that would interfere with the Executive's intention to extend the right to buy to those organisations?

Lucy McTernan: I hope that that will not happen.

Mr McAllion: So do l.

Lucy McTernan: Looking at the situation from a housing perspective, it is anomalous that charitable housing associations are—rightly exempt from the right to buy. I do not understand why that exemption should not be extended further to co-operative housing associations which, to all intents and purposes, perform the same public benefit role within their communities and sit beside other forms of voluntary activity.

**Mr McAllion:** I am supposed to be asking you about the eligibility for benefits of organisations that have registered status. You said that you hoped that funders would amend their eligibility criteria in order to reflect the new public benefit regime that would come into being following the enactment of a dedicated charities act for Scotland. Many of those funders are Westminsterbased organisations, for example the National Lottery Charities Board; HM Customs and Excise, which grants VAT exemption; and the Inland Revenue, which deals with national insurance contributions. Has anybody contacted those organisations to find out their attitude to a change in the law in Scotland?

Lucy McTernan: The relevant passage in our submission refers to grant-making trusts, which are charities that have in their constitutions conditions to the effect that they will fund only charities. We want to be clear that they should be able to extend that to the Scottish definition of charities. However, the point that Mr McAllion made about the statutory funders is important. The NLCB is not the only funder; the new opport unities fund, the Arts Council, the Sports Council and so on are key funders of the voluntary sector. The NLCB can fund only charitable, benevolent and philanthropic organisations. We hope that the committee of the board in Scotland will recognise the Scottish definition of charitable rather than the English one—the Scottish definition would need to be tested with that committee.

HM Customs and Excise provides only partial relief to charities. It is a popular misconception that charities receive relief from VAT. The Inland Revenue is the crucial body on income tax and capital gains tax. To my knowledge, no one has contacted the Inland Revenue directly, but as I said, whether it would observe the Scottish definition of a charity is more of a political issue than a constitutional one.

**Mr McAllion:** Would you argue that it is not for Jean McFadden's commission to take up the issue with the UK Government, but the Parliament or the Executive?

**Lucy McTernan:** That would be the best way forward. I hope that Jean McFadden's commission will consider those issues and that she gives some steer on them. However, it is not her responsibility to approach—

**Mr McAllion:** There are a number of joint ministerial committees between the Scottish Executive and the Westminster Government. Is there one on charity law?

Lucy McTernan: There is not, to my knowledge.

Mr McAllion: Should there be such a link?

Lucy McTernan: Yes.

**Mr McAllion:** We are talking about ensuring that eligibility for current benefits would be available to all the new organisations under the new definition of a charity. What additional benefits does the SCVO think should be available to charities, beyond what is currently available?

Lucy McTernan: An area that needs to be properly defined is the benefits that can be accrued by charitable organisations from local authorities. As members are probably aware, one benefit that is under debate at the moment is water rates relief. That used to accrue to charities but, now that responsibility for it has passed from the local authorities to the water authorities, it does not. The Transport and the Environment Committee will consider the matter next week. Our position is that that relief should continue to be given to charities. Equally, we hope that nondomestic rates relief will continue to be given to charities in the extended definition. It might be worth considering other benefits at a local level.

Cathie Craigie (Cumbernauld and Kilsyth) (Lab): I want to ask about the information, advice

and guidance services that the SCVO provides we touched on that earlier. You advocate that much of the legal advice and guidance should be sought from a registrar, perhaps working on the same basis as the body that exists in England and Wales, which has the role of supportive advice and guidance. What role do you see for the SCVO in relation to legal guidance in particular?

Lucy McTernan: You may have misunderstood me—our proposition is that shared good practice and general advice and guidance on understood positions are best delivered by and kept within the voluntary sector. We see a continued role for the SCVO—and, indeed, for our colleagues in the councils for voluntary service network—in providing that direct support to new and existing voluntary organisations. We would like to see the registrar having the authority to come up with definitive advice and guidance on particular issues as they arise, so that we can carry that forward and disseminate it to the sector.

**Cathie Craigie:** Would that guidance come from the registrar to the SCVO?

**Lucy McTernan:** It would be on matters relating to the new circumstances in the law.

**Cathie Craigie:** Would you still expect people who work in the voluntary and charitable fields to come to the SCVO for guidance and information?

**Lucy McTernan:** Yes—for information on the day-to-day business of voluntary organisations, which we are in a position to disseminate.

**Cathie Craigie:** The SCVO and people who are involved in the voluntary sector are often involved in community learning and training. Should a minimum level of training be required for those people?

#### 11:00

Lucy McTernan: It is required for people who are involved in the management committees of housing associations and credit unions—partly because they manage extensive assets. We strongly recommend basic training and support for people who join management committees in a wide range of other voluntary organisations. It is good practice to provide such training, but I do not think that it is a legal requirement. However, we should support it and provide the resources to ensure that it happens.

**Brian Adam:** I would like to ask about fundraising and accounting. You talk about the licensing practice for public fundraising and you recommend advisory guidance to achieve a gradual standardisation of practice and licensing across local authorities. You also recommend advisory guidance—such as a code of conduct for street collectors, which at the moment does not form part of the regulatory system of supervision. How well would such guidance work in practice? Should there be monitoring?

Lucy McTernan: Yes, there certainly should be monitoring. At the moment, rules for fundraising are patchy. There are different rules for different aspects-indeed, there are no rules at all for some of the more modern forms of fundraising, such as telephone solicitation, big broadcast solicitation, or the solicitation of direct debits by people in tabards on the streets of Glasgow and Edinburgh in particular. None of that activity is regulated in Scotland and we would like a framework for all those forms of fundraising. A light touch should be used, which would encourage people to develop of reaching the ways innovative public. Accountability should be built in, so that people have a means of recourse if they feel that matters are beyond their control or that they are being inappropriately approached.

Brian Adam: How should monitoring be done?

**Lucy McTernan:** Do you mean for street collections?

**Brian Adam:** You have highlighted a number of areas that have no regulation, supervision or monitoring. How can that change?

Lucy McTernan: Local authorities clearly have a role in regulating fundraising in the street—such as can rattling and non-financial transactions, for example. Voluntary organisations also have a role in setting up good practice and internal monitoring for telephone solicitation. Ultimately, there has to be a legal framework for the authority and the registrar, to whom I presume complaints could be made.

**Brian Adam:** Are you suggesting an extension of the role of local authorities to allow that? What financial implications might that have? You have also talked about the removal of some of the exemptions for the licences that are required for street collections. What effect would that have?

Lucy McTernan: Local authorities already monitor street collections, but they do not operate in a legislative context that is flexible enough to let them pick up on all the different methods of collection. For example, there is uncertainty over non-financial transactions and the definition of a public place. It is possible to conduct fundraising in a shopping mall, which is a public place to you and me, but which is not a public place according to the law. The law should be made more flexible for local authorities so that their role is easier and their relationship with the police, where an issue of law arises—for example, where someone causes a public nuisance—becomes easier to control.

Mr Raffan: It is important to have uniformity among local authorities, so that local authorities do

not apply the law differently. Different application of the law leads to confusion and great difficulty, particularly for nationally based charities, which must deal with many local authorities. I do not want to become bogged down in the subject of street collection, which is the traditional form of fundraising. Much more important in recent years has been raising money from the industrial and commercial sector. More multinationals and smaller companies are becoming involved in the community through contributions to voluntary organisations. Is not there a need for more guidance on that?

Lucy McTernan: Guidance—yes; law—no. The position is different for corporate donations. It is quite rare these days for companies to hand over cash to voluntary organisations. We are glad that support from the private sector is increasing again, after it almost disappeared in the 1980s. However, that support is now being given in different forms, such as secondment and sponsorship. Such arrangements are controlled by agreements—an exchange of letters at the very least—and quite often conditions will be attached so that the arrangements are less vulnerable to abuse. A person who rattles a can in the street is asking for cash from people who simply have to take them at face value.

**The Deputy Convener:** We are all excited by the prospect of a new system that will take the voluntary sector into the 21<sup>st</sup> century and, obviously, we will expect best practice in that system. If people do not comply with requirements on aspects such as accounting scrutiny, what sanctions—if any—should be applied to maintain the system?

Lucy McTernan: There must be a sensible framework and a light-touch approach to working within the framework. At the moment, if somebody finds out about a breach of charity law and knows enough about the system to make a complaint to the Scottish charities office, there is a secretive process until the case arrives in the court. That is heavy-handed. The vast majority of breaches of good practice or the law are inadvertent-perhaps because of lack of training or understanding. Such cases should be addressed supportively and with a light touch, by putting the relevant people in organisations in touch with infrastructure bodies in the voluntary sector that can nurse them through the process. We assume that there is a handful of people who wish to abuse charity; they should be dealt with by the courts.

The Deputy Convener: We expect to have information on Scottish Criminal Record Office checks by Christmas and we expect the review of charity law to be completed by spring. What role should the committee play in the process? What do you and the organisations that you represent expect from us in relation to the work of the McFadden commission?

Lucy McTernan: We would like the committee to have an eye to the bigger picture. As we have found in the past few minutes, it is very easy to become bogged down in the detail of the current charity law system and the potential new system. The committee should oversee the whole process to ensure that we arrive at a modern system for the 21<sup>st</sup> century—a system that is concerned with the realities of organisations operating in our communities, rather than something that we have inherited from several hundred years of English case law. It is beyond the scope of the committee to get into the nitty-gritty-that is what the independent commission is for. I recommend that the committee should consider the relationship between Scotland and Westminster, the ambition of the Executive to implement a modern system and its relationships with voluntary organisations and, through them, communities.

**The Deputy Convener:** Thank you for that clear indication of what you expect from the committee. I hope that we can provide that. No doubt we will be in contact with the SCVO on this issue in future.

### Housing Bill

The Deputy Convener: We now move to item 4. which is evidence on the housing bill from Cumbernauld YMCA. I welcome our witnesses. Stewart McCrae is the executive director and Eleanor Campbell is the deputy executive director of Cumbernauld YMCA. We have been taking initial evidence on the proposals for the housing bill. Unfortunately, we still await the bill, but we are keen to take perspectives on what we expect to be in the bill. We have taken evidence from women's organisations and from Age Concern and we also want to consider the impact of the proposals from the perspective of young people and children. We would like the witnesses to make some introductory remarks, after which we will move to questions.

**Stewart McCrae (Cumbernauld YMCA):** It is pleasing to be given this opportunity to give evidence on the issues in the housing bill proposals that will affect young people. As members will have seen from our submission, Cumbernauld YMCA and YWCA has been developing supported accommodation for young people, in partnership with the local authority, since 1987. That partnership has been positive for both organisations. We take a positive, holistic approach to the support of young people, which fits in well with the Executive's inclusion strategy and the work in which this committee is interested.

Young people regard us as being fairly trustworthy. Our interest in them as whole people who have individual needs enhances greatly our ability to engage productively with them. That is a key element of the work that we do. Our foyer service—I know that the committee will take evidence later from the Foyer Federation—was added in 1995 and has integrated well into our supported accommodation work and with developments such as the new deal and the new futures objectives. More recently, we have found close links with the community learning strategies that are being developed locally.

I will not go through our submission in detail, but I will highlight one or two particularly important points, on which members may wish to ask questions. It remains our conviction that an occupancy agreement that is based on best practice is necessary in working with young people in supported accommodation. The time constraints that are applied to occupancy agreements need to be fairly flexible and it should be possible to arrange a move on, sometimes within our range of accommodation. As members will see, the integrated accommodation service allows for progressive move-on. We are convinced that the only way to work with young people is through an occupancy agreement. Our work has demonstrated that organisations that have appropriate experience should be encouraged in the management of youth housing. The resource implications of maintaining the best level of added value need to be addressed. That point raises a range of issues.

The committee needs to provide encouragement to ensure that voluntary organisations in the housing sector have their place at the table. Those organisations should not include only those that happen to be registered social landlords, because it might not be appropriate in all cases for organisations to become RSLs.

Many more opportunities for single occupancy need to be developed for young people. Like many providers in the field, we work within the constraints of shared accommodation. That is not the best arrangement, particularly in terms of moves on. It is not easy to arrange moves to affordable single-occupancy accommodation—that area needs to be examined. More singleoccupancy units at affordable rent levels should be supported through the appropriate agencies.

#### 11:15

Attention should be paid to the lack of support that is provided by the benefits system to young people who are taking up training opportunities, for example. As a result of that lack of support, organisations such as ours face the prospect of having to move young people out of accommodation because they cannot afford to pay their rent and, except in particular cases, there is no support that enables them to stay in that accommodation. That state of affairs does not seem appropriate, given the inclusion strategy and the need to allow young people to progress, to develop their skills and take advantage of training and employment opportunities.

We recommend the foyer approach, as the committee would expect. That approach is worthy of further development—it lends itself as a model of best practice and it emphasises the holistic approach to meeting the needs of young folk.

I mentioned benefit entitlement a moment ago. The supporting people proposals—and the targeting of support at those who are determined by local authority assessment to need support should consider carefully the young people who will miss the preferred criteria. Our experience shows that there is still a substantial number of young folk who miss out, for example, on care in the community funding and who are not provided with the support that they deserve. That issue has not been fully addressed by the supporting people proposals and there is still a danger that young people will fall through the gaps. We ask the committee to consider what will happen to such people.

The Scottish Executive has achieved notable success in ensuring that there is dialogue with the agencies and the authorities and between national and local levels, and that there is a better understanding of the roles of different partners in the development of supported accommodation. That dialogue needs to be maintained and cannot be left behind. There should be full accountability for outcomes and the use of resources through a local strategic partnership as well as at national level.

The deputy executive director, Eleanor Campbell, is the main driving force behind our support accommodation. She has more direct knowledge of working with individual young people. My main focus has been the foyer development, links with training opportunities for young people, and the integration of our services.

We will be pleased to answer any questions as honestly and as well as we can.

The Deputy Convener: Thank you for that statement and for your submission. In your paper, you recommend that youth housing should be regarded as a specialist function and, in your presentation, you have outlined the distinct needs of young people and how you have addressed those needs in your area. There is a proposal to give local authorities more responsibility. It is proposed that the bill should place on local authorities a duty to provide a strategy to tackle homelessness, rather than merely a duty to tackle homelessness. How will that work? What advantages would such a duty have for organisations such as yours? Would it strengthen your ability to provide support for young people?

**Stewart McCrae:** Yes. I believe that that will greatly strengthen our position. This relates to the idea of maintaining momentum in dialogue. There has been a tendency to treat dialogues at a level that does not always pick up the detail of some of the key issues—it would be like talking to me about the detail of youth housing although the practitioner knows more about it than I do. Care in the community was a good example of an opportunity to develop further services to young people but, due to various reasons, it was lost. That is important.

**Eleanor Campbell (Cumbernauld YMCA):** A place at the table on a continuous basis is important. In the past, we have been presented with a strategy almost as a fait accompli. Key issues have not been addressed and have been highlighted only after the event. That has meant that decisions on changes in services have been taken at a policy level and that young people have fallen through the cracks. Had agencies such as

the one that we represent been involved at a strategy planning level, the issues could have been dealt with at that time. I appreciate that we might not be able to incorporate everything we want to, but major issues are being missed because we are brought in at the tail end and are not involved in the strategy discussions.

**The Deputy Convener:** You are affected by how legislation is implemented rather than influencing what is in the legislation.

Eleanor Campbell: That is correct.

**Brian Adam:** Your submission suggests that local authorities should not necessarily provide the services directly. Given that the voluntary sector provides such services on a patchy basis, how should local authorities ensure that the services are provided? Should they have a statutory duty to provide them if there is no local provision by the voluntary sector?

**Stewart McCrae:** It would be impossible to make a blanket requirement that a local authority must take up a voluntary organisation to provide its youth housing. I am emphasising the idea that if a specialist in youth activity—such as our organisation or one similar—operates in the area, it should be brought to the table. If the local authority is able to gain a better understanding of young people and the issues that are pertinent to them, it is more likely to do better work in the wider perspective than simply providing housing.

**Brian Adam:** I recognise the unique role that organisations such as yours can play. Given that there is no coherent provision at the moment, what should happen when there are no organisations such as yours? What should local authorities do in their strategic role? What should there be in the bill to place on local authorities the burden of delivering the strategy?

**Eleanor Campbell:** They must have a duty to provide the services. To find out how to provide the services, they would have to pull in expertise from other areas and ensure that that expertise was delivered in areas other than housing, such as in areas related to support needs.

**Mr Raffan:** I agree that it is important that relevant expertise is brought in, but it is also important that there is a sophisticated approach. The question is not simply one of having the local authority provide accommodation. You might not agree with this, but I do not think that hostel accommodation is ideal. If people live in a hostel and are intent on disrupting it, they have a great effect on the other residents. We have been told that in some written evidence.

I think that people should be in hostel accommodation while employment and training issues are addressed and drug and alcohol abuse problems are tackled. They can go into halfway houses, then return into the community. The sooner they can be taken away from hostel accommodation and back into the community in fairly small set-ups, the better, although I have seen good hostel accommodation in Kirkcaldy in my constituency. Do you agree with such a sophisticated approach?

**Eleanor Campbell:** I would go along with that. We do not have a hostel. The word "hostel" has dreadful connotations.

Mr Raffan: I know.

**Eleanor Campbell:** Most of our housing allows two or three people to share, out in the community. For young people to survive in such a set-up, a fairly consistent level of support, which they respect, must be provided, because they will not take what is offered if they do not want it. A relationship must be built up with them. Our occupancy agreement refers to responsibilities and consequences, which it is essential to consider in sustaining a tenancy or occupancy in the community. I agree; I would go to a smaller unit. The hostel accommodation is limited and small.

The support follows the young person to the other housing. That is why we think that an occupancy agreement is more important than a short assured tenancy, because the ability to move is needed. The young people whom we have moved out to two-person flats must sometimes move to two or three before they take on the responsibilities and their meaning. By that, I mean that they can make themselves so unwelcome in an area that to continue to build on their independent living skills positively, they must move to another house. That is because they will not have the chance to succeed, because the neighbours are waiting for them to fail. The flexibility to move people on is essential.

**The Deputy Convener:** What is your view on probationary tenancies and their use for young people?

**Eleanor Campbell:** I do not think that there is a problem with probationary tenancies, but I must see how they are written up and administered for support purposes. I can speak only from my own experience. If I ask young people whether they want their own tenancies and their own places, they will say yes, regardless of their abilities at the time to maintain such a tenancy. They will come up against problems. Through support, they may have got a job and put some structure back into their lives. Once people go out on their own, they have difficulty controlling their door. People whom they do not want to allow in may come to the door, and the young people may not have the strength of character or the power to say, "No, you're not

coming in."

Other young people then use the home as a place to meet. That gets the tenants into problems with their neighbours. They lose their structure again, lose their job and, if they have a tenancy, they will lose that. That has happened several times. It puts the young people back to square one. If we want people to progress positively notwithstanding the fact that some will still fail and have to return—support must be built in. The tenancy should convert to a full tenancy over time, with full discussion and compliance. We should not say, "There's your tenancy. If you don't succeed with it, you have failed."

**The Deputy Convener:** Do you see a duty of support for any provider, if the Executive goes ahead with probationary tenancies?

Eleanor Campbell: Yes.

**Cathie Craigie:** If a young person who has approached you is in shared accommodation and moves on to a form of independent living with support, what is the average time that you have an association with them? I know that they come back and visit you year after year, but how long does the support last?

**Eleanor Campbell:** The average time is about a year, but it can be 18 months. Having said that, some people are more than capable of moving on within three months. However, the average time is a year to 18 months, which is why we are concerned about the six-month period, which cuts the time short. There should be flexibility; people should not be tied to a time.

Some young people who have special needs or learning difficulties approach us. Their problems may not be severe, but their support needs will last that bit longer. In some cases, such people will always need support. We usually work with other agencies to produce a package of support for them. We still support people who have been out of our accommodation for two or three years but do not have family support networks. If there is a crisis in their lives, they will return to us, and we will give them short-term support again.

**Cathie Craigie:** Is that pattern unique to the Cumbernauld or North Lanarkshire area? Have you asked colleagues who operate in other parts of the country whether the pattern is the same elsewhere?

**Eleanor Campbell:** Where services such as ours have evolved to meet the needs of a specific group, there is a pattern of networking with colleagues at all sorts of conferences. That happens across the spectrum; it is not unique to our area.

**Cathie Craigie:** I want to ask Stewart McCrae some questions about the foyer. I know that the

original seed of the idea that was planted in your mind a few years ago was based on something that was happening in France. Why do you think that your set-up in the North Lanarkshire area is appropriate for housing young people in Scotland today?

#### 11:30

**Stewart McCrae:** The foyer concept was attractive to Cumbernauld Y for its supported accommodation because it dealt with some of the key elements that young folk have difficulty with. It gave them access to affordable accommodation and to job and training opportunities in a way that allowed for some mobility. It seemed to offer the sort of approach that was missing. Simply by providing supported accommodation and looking at personal life skills, it addressed the key issues that enable young people to move on and be independent beings who can look after their own place and get on in the world.

You must remember that we developed that approach against a background of youth unemployment. A lot of the young people who came into our accommodation did not really fit very well into the new programmes such as skillseekers; they just would not take part. One of the key elements of the foyers was the support that enabled them to take the first steps. For example, community learning is a significant aspect, because we know that a lot of young people are unwilling to use local colleges. They are often alienated from books and from school in some cases, for the same reasons that have led to their homelessness.

Having said that, every young person has an inherent ability and an interest in trying to do something for themselves. The foyers allow them to develop their personal interests and skills as individuals. Our local college can confirm that the young folk go on to engage with colleges and take up training opportunities with much more success than might have been the case before.

This issue links back to an earlier question, which I feel I may not have answered satisfactorily: why North Lanarkshire? North Lanarkshire asked us to develop and extend foyers across the area, because there are not enough organisations about that can do that, but we could. Coping with that puts a severe strain on our organisation, because the only aspect that we could take forward was housing. The fover service cannot be supported through the housing cost, because it must be affordable; we cannot charge a level of rent that would make the housing unaffordable, or young people would be trapped. The foyer service aims to extend opportunities to other people, but we do not have the resources to do that.

East Dunbartonshire Council is asking us to develop a similar service in its area. I would love to be able to do that. We should look for ways to allow that kind of support and activity to develop and extend further. I am sure that the Foyer Federation would also love to support such development, but we must be resourced to do it. We cannot do it for free. We cannot simply give massive amounts of time—although we have in North Lanarkshire—to support development and expect our existing services to be maintained. That was rather a long answer to your guestion.

**Cathie Craigie:** Thanks, Stewart. The forthcoming housing bill should present us with opportunities in this area. Do you think that that legislation should provide for scope for expansion of foyer services?

What has the success rate of the foyer scheme been? How many young people go on to find full-time employment and live independently?

**Stewart McCrae:** Quite apart from the housing side, the foyer service has been very successful and more than 1,500 people have used it in Cumbernauld since it started in 1995. The measure of success of a foyer service is that it should allow access to a training opportunity or job that will be maintained for at least three months—the same measure as is used by the Employment Service. Our success rate in that respect has fluctuated between 50 and 55 per cent of those taking part in the sustained activity of the foyer. Locally, the Employment Service has recognised that figure as a very significant and positive return.

**The Deputy Convener:** We will explore some other areas such as tenancy agreements.

**Robert Brown:** Are all the people who arrive at the foyer referred by the local authority, or do they refer themselves? Are they people who have had tenancies and become homeless?

**Eleanor Campbell:** About 65 or 70 per cent of the people would be self-referrals, with a further 10 or 15 per cent from local authorities and other agencies such as citizens advice bureaux, health boards and other organisations in the community that know of us. We have a bigger referral from our area because we are known by young people. People refer themselves directly to the foyer because they know that there are training or work opportunities or advice on other issues.

About 75 to 80 per cent of the referrals are due to family breakdown—including stepfamilies and partners—and happen because of lifestyle choices that have been made not only by the young person but by the parents. The rest of the referrals are related to other issues. It is surprising that although past legislation on community care was geared to people who had come through care, the majority of referrals who presented themselves to us did not come through care. It is important to bear in mind the fact that many of them disclosed various instances of abuse that had not been disclosed before.

**Robert Brown:** Was the availability or delay in receiving benefits an issue?

**Eleanor Campbell:** It is for some people, although it depends on whether the young person made themselves intentionally homeless at 16 and whether there was a place at home for them. We have had problems when the parents have said that the children can return home. However, there might be other issues about why the young person does not feel able to return. In cases where young people have been refused benefit, we have in the main worked with the local authority to overcome that problem. Although that is not as big an issue, it still crops up.

**Robert Brown:** I asked that question as a leadin to one or two points on the proposed housing bill. As you know, the consultation paper contains a proposal to extend the grounds of eviction, in particular to create the grounds of persistent rent arrears and anti-social behaviour. What are your views on the desirability of introducing that measure, especially in regard to the situation of young people?

**Eleanor Campbell:** As we knew that eviction on the ground of anti-social behaviour might be proposed before the proposals were introduced, we tried to highlight courses that might educate young people on acceptable social behaviour. We usually address that issue through the young person's occupancy agreement, because a number of young people think they can do what they like once they are in their own place. The occupancy agreement includes stipulations about noise levels and points about invading other people's privacy; for example, if they interrupt neighbours above or below them, they have to deal with that issue.

Although I do not have a problem with anti-social behaviour orders, I have concerns about expecting a young person to go straight from having no responsibility for their own housing to taking on a tenancy without any support or without knowing about their responsibilities as a citizen in that respect. That said, I do not have a problem with the essence of the housing bill.

**Stewart McCrae:** That last point is particularly important. A youth perspective is required because, under blanket legislation, young people will be evicted because of anti-social behaviour. We need to ensure that a safety net is in place that allows young people to come and go. Young folk have sometimes left our accommodation because they do not want to meet the criteria that are required of them. They often come back again.

Young people sometimes have to learn by their own mistakes, but that should not be the case to the extent that they are excluded permanently and totally from access to housing—which does happen. That is not right; we need to work continually with young people to help them go forward in their lives.

**Robert Brown:** So we need a more sophisticated means of preventing homelessness and strategies to achieve that.

#### Stewart McCrae: Yes.

**Robert Brown:** I also want to ask about the short single tenancy for temporary lettings. Have you any views on its appropriateness in the context of your experience with young people?

**Eleanor Campbell:** The short single tenancy for temporary lettings could make things difficult for us. The young people who come to us tend to have a myriad of baggage. Sometimes, that can be dealt with through anger management; on other occasions, drug issues are of more relevance. If we used a short assured-type tenancy, under which we had to give notice, and which was six months long, the situation for the other people sharing the flat would be untenable if there was a violent episode during the shared tenancy.

There has to be good practice. We would not take someone's tenancy away from them in an instant; usually, it is possible to work with people and come to an agreement that it is time to move on or to move to another place. We would work with the young person concerned on something more appropriate. In the meantime, we usually manage to achieve a behaviour change: the person will not continue with their behaviour during the tenancy, although some issues may remain.

The young person might move on to somewhere else, where they can start again, in their best interests. They make mistakes. Sometimes, they are fairly major mistakes for the community where they are living. Given that much of our housing is in flats, they still have to live in the same neighbourhood, but may not get the chance to amend their behaviour because of the feelings that are created.

**Robert Brown:** To summarise, would it be fair to say that you want something that gives people a framework of rights and, equally, one of responsibilities that would not tie you down too much, in that you would not be stuck with a difficult tenant who will not modify his ways over a lengthy period. Is that fair?

#### Eleanor Campbell: Yes.

The Deputy Convener: There is an issue about what is included in a short single tenancy, what should be in probationary tenancies and what should be in occupancy agreements. It is about what is appropriate for young people.

**Brian Adam:** The Executive proposes to continue the use of occupancy agreements in a limited number of circumstances, including in short-stay hostels. I know that you do not like the word hostel, I think rightly. Do you see any merit in creating a statutory right for people with occupancy agreements, or in the production of a model occupancy agreement?

**Eleanor Campbell:** I do not have a problem with a model occupancy agreement as long as the people who operate it have a chance to debate what goes in it. That would allow the various groups of people concerned to be considered. We deal with 16 to 25-year-olds, for whom particular problems are relevant. Other groups of people may have other points to make. The model occupancy agreement would be a good thing. Among a young person's rights, there has to be one to review any decisions that are made about them, and there have to be steps to appeal any decision that is made. We use that: young people have the right of appeal and can bring in other agencies or supporters.

**Brian Adam:** To whom would the right of appeal be?

Eleanor Campbell: The young people who have tenancies with us can appeal to the executive director; if they are not happy with the result, they can appeal to our chair; if they are not happy with that-or at any stage in their appealthey can get someone in from another agency, be it social work or housing. We usually get any other support agencies who work with that young person to come in if there is an issue about their occupancy agreement. If we have concerns about the person maintaining their occupancy, or if that that person's behaviour is putting their occupancy at risk, that is discussed. People are not brought in to have their occupancy taken away from them; they are brought in to discuss the issues surrounding their occupancy and how to change them. It is not as straightforward a matter as someone's place simply going.

**Brian Adam:** The Executive proposes to create a set of minimum rights for homeless people in such circumstances, including the right to a minimum of a few days' notice. Would you like those rights to be available to your residents and to the residents of foyers generally?

**Stewart McCrae:** Our occupancy agreement is closely linked to the Scottish Federation of Housing Associations model occupancy agreement. Those agreements were developed separately, but one can see the links and how we have progressed on rights and responsibilities and have taken on board the SFHA model.

We are constrained only by the time it takes to

assess the ability of the agency and the young person to work together to achieve a positive outcome, which is the key function. If something extremely serious happens, an important factor, as Eleanor Campbell has mentioned, is the safety of the other people in the shared accommodation.

#### 11:45

On some occasions, we have moved the young person from the shared flat into another place where they can make a fresh start away from the environment that has caused the problems for them. The trouble with the requirement to give notice is that, in effect, it holds the person in the flat, as the tenancy is to the building or facility. It would not allow us to move them quickly and effectively into another facility. We would probably have to move them out within three days, and I do not think that that is right.

**The Deputy Convener:** That is an interesting point, which other witnesses, too, have made.

Mr McAllion: You mentioned the need for an integrated range-a network-of types of accommodation, stretching from hostels through supported accommodation to independent tenancies, all in the social rented sector. You have said that the social rented sector is failing young people in that respect. Do you think that the changes that are proposed in the housing bill and measures such as wholesale stock transfer, under which councils will lose their stock to a series of registered social landlords, and the extension of the right to buy to housing association tenants, will make it more or less likely that someone will take up that challenge?

**Stewart McCrae:** I believe that the housing bill will give us a good platform on which to progress positively. We have established a framework in which people, including local authorities and registered social landlords, can talk to each other much better than they could before. There is an opportunity to engage in a debate that will work for the interests of the people in the community. We want to ensure that agencies such as ours have a place at the table so that young people can develop to their full potential and are not left to slide off the bottom of the scale while the emphasis is placed on other groups, as tends to be the case.

**Mr McAllion:** Surely the Executive's aspiration of a housing sector that is 80 per cent owneroccupied and only 20 per cent rented increases the risk of young people falling off the scale?

**Eleanor Campbell:** Yes. It will have to be provided for that housing associations and other RSLs must meet the needs of young homeless people and people who are at risk and vulnerable. **Mr McAllion:** It is fair to say that it is not common for housing associations to look after such young people? They have not done so in the past and it is asking much of them to do so in the future.

**Eleanor Campbell:** Housing associations should work with other agencies. We do not have all the answers, but there are other youth agencies that provide housing and excellent services. We provide supported youth housing for a couple of housing associations that did not think that they had the skills to do that. Such arrangements could be expanded. Youth housing specialists could be used to provide support in that area in RSL housing.

Mr McAllion: Who pays for that?

**Eleanor Campbell:** At the moment, funding for that comes through housing benefit.

The Deputy Convener: We have other witnesses from whom we will take evidence today and with whom we will pursue some of the issues that we have discussed with you. Your written evidence describes your experience of the supporting people initiative. I welcome your comments on local authority funding and on who provides what service under the strategy on homelessness that local authorities will have to provide.

I welcome Aberdeen Foyer to the committee. Our witnesses are Ken Milroy, the director; Kerry Wright, one of the tenants; and Dave Simmers, from the Scottish foyer network. You may make a few introductory remarks, then we will move to questioning.

**Ken Milroy (Aberdeen Foyer):** Thank you. We are delighted to give evidence to the committee. We have circulated information about the work of Aberdeen Foyer, which has developed over the past five years, and we would be delighted to answer any questions about the range of services that we provide and are continuing to develop.

We also submitted information from the Foyer Federation, relating to some work on tenure that has been going on over a number of years. The discussion paper was prepared for the context in England. However, we felt that it was appropriate to submit it in relation to the housing bill, because foyers face a number of the issues about young people that the committee has already discussed with Stewart McCrae and Eleanor Campbell. An introductory tenancy was one solution that was suggested.

I want to underline a number of issues. Tenure is important to foyers, and the question of affordability is vital. The implementation of the supporting people programme is welcome, but we have major financial difficulties. For example, we have a high success rate in assisting people into education and training but, because of the bursary system, it is difficult for young people who move into education to take up full-time college courses. There are key links with other policies and the initiatives on skills and lifelong learning that the Executive is promoting.

While housing is critical, learning underpins the foyer movement. Learning, education and training run through all the work in which we engage. The committee has heard from Stewart McCrae and Eleanor Campbell that it is a key aspect of the work of the foyers. I underline the links with other services—the holistic approach.

The other aspect that I urge members to consider is the development of the foyer network. In Cumbernauld and Aberdeen, we see effective joint working across a range of agencies and, as a model that works for young people, the Foyer Federation would like to take that forward at a Scottish level.

One of my other roles is to chair the Scottish foyer network. We have managed to secure some resources to support anybody in Scotland who is interested in developing foyers. Dave Simmers is employed part-time to help promote and support foyers throughout Scotland. The housing bill presents a golden opportunity to promote that integrated approach to working with disadvantaged young people.

Kerry Wright has come with me from Aberdeen—she is prepared to say a bit about her situation. Kerry is an example from the young people that foyers seek to help. If members agree, she would like to say a few introductory words.

**The Deputy Convener:** You are welcome to make some remarks to the committee.

Kerry Wright (Aberdeen Foyer): I became homeless a year ago because of a family breakdown. I went to the local council and was put into a hostel with my sister, who is younger than I am. I heard about the Aberdeen Foyer and moved in there. When I moved in, I got a two-bedroom flat.

I made all the mistakes that I could make and I broke all the rules. I got a 28-day notice, but they did not chuck me out; they gave me a second, a third and a fourth chance. I was assigned a support worker who helped me with cleaning, budgeting and motivating myself. I did all that, and then I went to college to do an access to nursing course. However, I could not take a bursary because the rent level was too high, so I had to leave. I am now on a Prince's Trust volunteers course. I hope to complete that and go straight to university next year when I move into my own accommodation. **Mr Raffan:** I have some general questions, and then I would like to talk about the situation in Kirkcaldy, which might illustrate some of the problems. There are 105 foyers in operation throughout the United Kingdom so, basing our estimate on population, we would expect there to be 10 in Scotland. However, expansion in Scotland seems to have been slower than in other parts of the UK. Is there a reason for that?

**Ken Milroy:** One reason is that the housing association movement in England is bigger. It is better placed to promote wider action, take up the challenge of developing foyers and—crucially—to fund them. Larger scale social housing associations have been able to do that.

Another reason is that, in Scotland, we have a more sophisticated youth service and support network, in which the local authorities and voluntary organisations have developed supported housing, community education, training and skills. The foyer message is relatively simple—it is about linking various services together—but it has probably taken a bit more time for that message to get through.

**Mr Raffan:** Contrary to some of the leading questions that we have heard from Mr McAllion, the housing associations in England and Wales have been quite innovative, compared with previous public sector failures.

**Ken Milroy:** The housing associations have certainly been a driving force in England.

Mr Raffan: I know that you do not like the word hostel, but I have experience of several local authorities that have provided such accommodation. In some cases, that accommodation has been for only nine or 10 places in a relatively small council area. One council that I have in mind has integrated support from social services and has provided a one-stop shop for training, social support and so on. Quite a few local authorities have done that kind of thing off their own bat. What do you provide that is distinctive?

**Ken Milroy:** I emphasise that we are not a hostel—the young people we house are tenants and we operate with short, assured tenancies. Although I recognise the difficulties that Stuart McCrae and Eleanor Campbell told the committee about—we have them too—we went down a slightly different road. We provide high quality accommodation for tenants and that accommodation would not be considered as a hostel.

You are right to point out that, throughout Scotland, there are examples of superb practice, in which local authorities and other organisations have brought services together for young people. The foyer idea is distinctive in that it targets young people who are aged between 16 and 25, who are disadvantaged and homeless and who require additional support in finding social and economic independence. I emphasise the need for social and economic independence.

Dave Simmers (Foyer Foyer): The question, "What is a foyer?" is fundamentally important. I was involved in setting up Aberdeen Foyer more than five years ago. I then became the Scottish foyer network co-ordinator and work one day a week with the Foyer Federation. Ken Milroy has touched on the three tests that can be used to answer the question of what a foyer is. First, a foyer must focus on disadvantaged young people. Secondly, it must take a holistic approach that recognises that accommodation does not sit in from education, training, personal isolation development and so on. Thirdly-very important and controversial in Scotland-it must involve personal action planning. Each person in the fover will have an individual action plan that he or she agrees to with the fover and support worker. For reasons that 1 find bewildering, many organisations do not like that.

The fourth thing that I would mention, which is separate from the three tests, is the balanced community. The idea is that groups of young people are brought together—some with greater needs than others—to give one another mutual support and to exert positive peer pressure. I defy the committee to come up with an organisation anywhere in the country that has those components, but which is not a foyer.

#### 12:00

**Mr Raffan:** I would like to talk about the situation in Kirkcaldy. I have been to West Bridge Mill, which was previously known as Kirkcaldy Foyer and which your written evidence suggests might become a foyer again. It started as a foyer and it is not a foyer now, but might become a foyer again in the future. Does that illustrate some of the problems that you have encountered? I do not know how many beds the facility has—I suspect that it has about a dozen—but it had a hostel atmosphere. What went wrong with it?

**Dave Simmers:** That is difficult to answer fully in this context. When we were working up Aberdeen Foyer, I was the head of social strategy in Grampian Regional Council and made contact with Link Housing Association. I understand that there were a few key issues that were unique to Kirkcaldy. Agencies were considering what to do with the old rope mill and the foyer decided to set up there. The building, in a sense, determined the development—

**The Deputy Convener:** I must stop you there. We are short of time and are now discussing an individual case.

**Mr Raffan:** That illustrates some of the relevant problems. I do not want to go into a great amount of detail, but Aberdeen Foyer is mentioned in the written evidence as a specific example. I am following the written evidence.

**Dave Simmers:** Perhaps I can turn the question around and say that what is important in foyer development is that the needs of the area, not the resources, should lead the development. The location of the foyer, its services and the people whom it targets should be based on local research.

The Deputy Convener: Bearing in mind the fact that the proposed housing bill would impose on local authorities a duty to come up with strategies to tackle homelessness, who would determine those local needs? To what degree could the foyers be independent and to what degree would they be driven by local authorities?

**Dave Simmers:** There will be inevitable tension. Local authorities should have a responsibility for coming up with such strategies. They are well placed to do that. It is also important that that is done in the context of joined-up action. I do not know if this should be a statutory requirement, but there should be partnerships at local level between the voluntary and private sectors to examine foyer development, for example. Local authorities should have that responsibility.

**Mr Raffan:** Link Housing Association was involved and presumably the matter concerns housing associations as well as local authorities.

**Dave Simmers:** Statutory responsibility should lie with local authorities. The linkage could be initiated from a range of places, such as housing associations or other organisations in the voluntary sector. There should be a responsibility to ensure that research and action happens at a local level.

The Deputy Convener: Where would funding come from?

**Dave Simmers:** The Aberdeen Foyer is creative in putting together cocktails of funding. Ken Milroy could probably identify 20 funding streams that he juggles daily. There must be cocktails of funding that is the reality of contemporary funding arrangements. It would be useful to have some recognition of instances in which there is joined-up funding. For instance, a social inclusion grant might respond to the fact that there is joined-up action on the ground.

**Mr Raffan:** The problem with cocktails of funding is that they are time consuming and prevent people from getting on with their real job.

Ken Milroy: A great deal of my job is about

maintaining that cocktail of funding so that the frontline staff can work with the tenants such as Kerry Wright and the other young people who are involved.

**Brian Adam:** I posed this question to the previous witnesses. The bill proposes that local authorities should have a strategic function in the provision of the necessary services. How do you feel about the absence of provision in areas that do not have partnerships, such as those that exist in Aberdeen and North Lanarkshire? Do you think that the housing bill ought to include a duty on local authorities to provide services or to ensure that services are provided?

Dave Simmers: The latter.

**Ken Milroy:** I agree whole-heartedly. It has taken a while to build up and sustain the partnership that we have achieved in Aberdeen Foyer. The local authority was the critical player in bringing things together. There should be a duty on local authorities to try to bring folk together and, if they cannot do that, to act on the key issues that are faced.

**Ms White:** I take it that the main aim of foyers is to enable young people to live independently.

I was interested to hear what Kerry Wright had to say, which linked in with what John McAllion said about housing stock transfer. You indicated that local authorities are closely involved in your day-to-day housing work. The witnesses from the YMCA suggested that providing housing solutions for young people need not involve registered social landlords, but that would mean that some young people would not have the protection of statute. What would be the benefits of having housing providers outside the RSL system, bearing it in mind that if housing stock transfer goes ahead there may not be many houses left under the supervision of local housing authorities, which are governed by statute? How would that affect people such as Kerry Wright?

If I understood her correctly, Kerry Wright said that she had a tenancy but that she could not afford it, because she had a bursary to pay. How much rent was she expected to pay, compared with the rent that people would be expected to pay to a local authority or a private landlord?

**Ken Milroy:** The funding difficulty relates to how we recoup some of our support costs through the housing benefit system. That system does not take into account whether a young person is in training or work. If someone is in high-cost, supported accommodation, we need to charge for that. The housing component of our rent is akin to a housing association or a local authority rent. The key issue is the support element and how that is paid for.

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The majority of our move-on arrangements are with housing associations, not the local authority. Those arrangements have been successful and we would like to expand them. We have worked mainly with housing associations, due in part to the constraints on the local authority's ability to provide suitable housing. We have worked hard to put in place good move-on arrangements. I share Sandra White's concern that, if there is no regulatory framework to ensure that young people are supported and are not put in bad situations, many will fall foul of the system. That is why young people end up at Aberdeen Foyer or similar organisations.

**Ms White:** I do not want to go into the issue of changes to housing benefit, as that is not relevant to the housing bill. I will leave things there for now.

Mr McAllion: In your written submission you say that you would like to take more risks with your admissions policy, but that you recognise that there is a problem with anti-social behaviour on the part of some of your residents. Kerry Wright also mentioned that. Here we have evidence of people citing violence, theft and drugs as reasons for excluding people from a foyer. What happens to people who are excluded from foyers? In a sense, fovers are the end of the line. We can talk about progression, but where do people go if they drop out of the foyer system? They do not go into independent tenancies with housing associations or councils, which still provide good housing across Scotland, despite what my Conservative friend, Keith Raffan, says.

Mr Raffan: As usual, John, you are out of date.

**Mr McAllion:** Those people will not move up the ladder, so there is nowhere for them to go. Is one of the reasons for the continuing increase in homelessness that a number of young people are not being accommodated by the current system? What should happen to them?

**Ken Milroy:** Foyers are not the answer to all the difficulties faced by young people.

**Mr McAllion:** Is there any other answer for people who would not be allowed into foyers because of their anti-social behaviour?

**Ken Milroy:** In Aberdeen, there is provision for more intensive support. Often young people will come to the foyer after they have received that type of provision. Fairly rigorous assessment arrangements are in place for young people who make an application to the foyer. We attempt to minimise the number of occasions on which someone can cause disruption and make the place insecure.

**Mr McAllion:** For the record, will you tell us which other organisations look after kids who would not be able to hold down a place in the

foyer and how those organisations operate?

**Ken Milroy:** The other principal organisation is Aberdeen Cyrenians, which has existed for many years. It gets funding through the rough sleepers initiative to operate Craig House, which accommodates and provides more intensive support to young people who have been, or who are in danger of, sleeping rough. Craig House can provide a level of support and care that we cannot provide because of the way in which we are funded.

**Mr McAllion:** Do you believe that there is no reason for any young person to be on the streets, because there is a network of provision across the country?

**Ken Milroy:** I do not know whether that provision is extensive, and there are still young people sleeping rough. We recently housed a young person who had been staying in a shed in a rural area. There are some opportunities for young people, but the provision is patchy. We are trying to develop initiatives in the Aberdeenshire area in response to the problems of some of the young people who have knocked on our door.

**Ms White:** Some people, through no fault of their own, cannot find a house and are classified as intentionally homeless. How do you feel about the abolition of the concept of people being intentionally homeless? How will local authorities manage that? How does it affect your work and the work of the YMCA when people are labelled as being intentionally homeless?

Ken Milroy: Many of the young people whom we have rehoused have been deemed intentionally homeless. We have not had to operate within the constraints within which the local authorities have had to operate, so we have benefited the local authorities by taking people. I welcome the fact that the concept of being intentionally homeless will be abolished. Local authorities will be concerned about resources and about how they will respond. We, and a range of voluntary organisations, will want to assist the local authorities to find ways in which to address that concern. The strategies for homeless people, for which the authorities will be responsible, are important and are a key way in which the problems can be addressed.

**Cathie Craigie:** John McAllion talked about foyers being the end of the line. Will you comment on that? I do not believe that foyers are the end of the line for young people—they are the beginning of their opportunities, as Kerry's story shows. Her story will have been replicated in the Cumbernauld and Kilsyth area. We could bring along a load of young Kerrys who have had similar experiences of the foyer projects.

Ken Milroy mentioned that we have the

opportunity to include in the proposed housing bill something that would recognise foyers and help to establish them throughout Scotland. What should be included to assist the foyer movement?

Ken Milroy: The link between accommodation, training and learning should be made clear. The Scottish social inclusion network report on excluded young people highlighted the fact that that key link needs to be emphasised. Kerry's learning experience will allow her to move forward in her life and to take up a lot of the good opportunities that we have managed to provide in Aberdeen. It is all about social and economic independence and the way in which the housing bill and the initiatives that will be associated with it will tie in with key policies on training, jobs and learning.

The Deputy Convener: Your paper on tenure in foyers states that you would like a new form of tenancy agreement that would suit foyers and other organisations that operate in a similar way. Do any of the options that have been proposed meet your requirements or is something completely new and different required to suit fovers?

Ken Milroy: The introductory short tenancy, which we propose in our submission, would meet the requirements, as it would give people time to learn about their responsibilities, which is what Kerry did. We are doing that in practice, but it is not recognised in law or in the tenancies that we offer. It would be useful if it were underpinned by appropriate tenure.

The Deputy Convener: When the bill is published, it would be helpful if you could tell us whether such provisions are included and whether they meet your requirements.

Mr Raffan: We visited the Aberdeen Cyrenians. I take the point that they offer a fallback position, but they had a pretty limited amount of accommodation. To an extent-I do not want to make too much of a generalisation-young homeless people are drawn to the cities and larger communities. However, there is still a problem in rural areas. There is a greater structure-the foyer and the Cyrenians-in a city such as Aberdeen, than there is in a rural council area such as Perth and Kinross. What are the different requirements and how do we cope with them?

#### 12:15

Ken Milroy: We have established satellite accommodation in other parts of Aberdeen and in Aberdeenshire. south We are currently considering developments in north Aberdeenshire. We build on the resources and expertise that are in place. In smaller townships, we will not replicate what we have done in Aberdeen. We will try to create local provision to meet the needs of young people.

At one point, about one third of applications for tenancies came from young people from outwith Aberdeen, either direct from young people or through formal referral mechanisms. A significant number of young people are drawn to the city.

The Deputy Convener: I am afraid that we must bring the session to a close. I thank the witnesses for giving evidence and for their written submission. We will be interested in hearing their comments on the bill when it is published.

12:16

Meeting continued in private until 12:37.

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