SOCIAL JUSTICE COMMITTEE

Wednesday 17 April 2002
(*Morning*)

Session 1

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SOCIAL JUSTICE COMMITTEE
6th Meeting 2002, Session 1

CONVENER

*Johann Lamont (Glasgow Pollok) (Lab)

DEPUTY CONVENER

*Mr Kenneth Gibson (Glasgow) (SNP)

COMMITTEE MEMBERS

*Robert Brown (Glasgow) (LD)
*Cathie Craigie (Cumbernauld and Kilsyth) (Lab)
*Linda Fabiani (Central Scotland) (SNP)
*Mrs Lyndsay McIntosh (Central Scotland) (Con)
*Karen Whitefield (Airdrie and Shotts) (Lab)

*attended

WITNESSES

Ms Margaret Curran (Deputy Minister for Social Justice)
Iain Gray (Minister for Social Justice)
Brian Henderson (Reid Howie Associates Ltd)
Geoff Huggins (Scottish Executive Development Department)
Maud Marshall (Communities Scotland)
David Reid (Scottish Executive Finance and Central Services Department)

CLERK TO THE COMMITTEE

Jim Johnston

SENIOR ASSISTANT CLERK

Mary Dinsdale

ASSISTANT CLERK

Craig Harper

LOCATION

Committee Room 1

Scottish Parliament

Social Justice Committee

Wednesday 17 April 2002

(*Morning*)

[THE CONVENER *opened the meeting at 10:31*]

Social Inclusion (Community Engagement)

The Convener (Johann Lamont): Welcome to this meeting of the Social Justice Committee. I trust that everyone had a productive recess.

Item 1 on the agenda concerns community engagement in the social inclusion process. I welcome Brian Henderson of Reid Howie Associates Ltd. The committee will recall that at our away day in February we agreed to seek further clarification of some areas of research—setting priorities and effective community engagement in the social inclusion process. We are grateful to Brian Henderson for coming to today's meeting so that we can pursue those issues.

Members will be aware that the work concentrated only on providing an overview of the extent to which social inclusion partnerships have been able to engage with communities of interest. It did not consider the effectiveness and impact of SIPs. Once Brian Henderson has made an introductory statement, I will open the floor to questions from members.

Brian Henderson (Reid Howie Associates Ltd): Thank you for giving me the opportunity to speak to the committee. I apologise for not being able to attend the away day at New Lanark—I was on my way back from Tenerife at the time.

Mr Kenneth Gibson (Glasgow) (SNP): It is always a struggle, isn't it?

Brian Henderson: Aye. I am not sure that the public purse could have stretched to bringing members out to Tenerife, which would perhaps have been a better option.

As a prelude to our discussion, it would be worth while for me to set out one or two issues. I know that the committee has a long agenda, so I will try to be as brief as I can. I do not intend to go over the background to the work or the wider policy issues. Those are detailed in the report and we can return to them later if members wish.

I want to record my thanks to the many people in the SIPs who contributed to the research. We were overwhelmed by the volume of information that they provided. The committee should be aware that there was a high level of co-operation.

I want to set out three things. First, I will set out what we were asked to do and, by extension, what we were not asked to do. The convener has already touched on that. Secondly, I will describe how we carried out the research. Finally, I will discuss some of the key issues that we identified and which may be of interest to the committee.

I will not go through the objectives of the work, because those are listed in the briefing paper. The exercise was never intended to be an audit of SIP practice. Rather, it was a piece of exploratory and analytical research. We are not Audit Scotland, but a research company.

Although we agree that community participation is good, that does not necessarily equate to effective delivery. It is perfectly possible that SIPs that have limited engagement with the community deliver services effectively. They may lack something in democratic legitimacy, but they may be effective. As the convener said, the research dealt with one aspect—community participation. It did not deal with effectiveness. That is for someone else on another day. At the end of the work, we said that a full evaluation of SIPs was required, but I suspect that that is a matter for the Executive.

I will flesh out how we approached the work. We took a range of approaches. As members would expect, we gathered a vast amount of material on the history and theoretical basis of community participation. We also undertook an assessment of the current social justice strategy and its impact on participation.

We contacted all 48 SIPs and gathered almost a roomful of information. We gathered so much information that one of our offices was more or less given over to storing it. We gathered annual reports, strategies, operating plans, publicity brochures, evaluations and even a videotape of a vox pop that one SIP had undertaken in a street in its area. We followed that up by telephoning the SIPs to fill any gaps and to explore certain issues in further detail. Several of those issues ended up as the many case studies that are at the back of the report.

We identified five SIPs case studies, visited them and spoke to staff and community representatives. Community views were identified in several ways. First, as members know, we spoke to members of the communities covered by the five SIPs. Evaluations, annual plans and other documents also contained quite a lot of material on community views. To an extent, that is second-hand information, but there was no reason to

suspect that it was anything other than a fair reflection, so we used it. We also gathered additional second-hand views from the workers and others who are involved in SIP administration. We gathered a wealth of information. When I reread the report, I was struck by the number of examples that we unearthed.

I will share with members some of what we found. It is worth reflecting briefly on where SIPs fit into the scheme of things. Social justice is central to the Government's agenda and builds on much work that has been done before, much of which is detailed in annexe 1. The Governments here and at Westminster make a considerable number of interventions in relation to social justice. I do not doubt that, by quarter to 5 this afternoon, a whole lot more will have been made.

SIPs are a small part of that overall context. They are a pin-prick in the overall UK and Scottish budgets to address social inclusion. Although £50 million is a significant sum in anybody's terms, it is proportionately a relatively small intervention. However, that can underestimate the importance of SIPs. Locally, SIPs are the most important intervention. They are the means by which the community can have a direct say in what happens in its area, which it does.

SIPs are not the only vehicle for regeneration. Members are well aware that local authorities, local enterprise companies, Communities Scotland and the private sector are engaged in social inclusion work and regeneration generally. SIPs often have limited involvement. The concept of SIPs raises one or two issues. Area-based SIPs cover only a small proportion of the Scottish population and perhaps half to two thirds of those who face exclusion. That has raised the often-asked question whether an area-based approach is the best means of addressing exclusion, although that was not a question for our research.

Thematic SIPs are interesting and innovative, but in many respects they are extended demonstration projects. In Aberdeen, no SIP covers children who leave care, whereas a SIP does so in Perth and Kinross. No one suggests that the issues that face young people in Aberdeen are different from the issues in Perth and Kinross, so how good practice is spread is an issue.

Thematic SIPs also miss a large number of groups, such as ex-offenders, asylum seekers, refugees, Gypsies/Travellers and disabled people. Again, there is no suggestion that the issues that those groups face are less important. Some SIPs are undertaking good work with such groups, but the work is not necessarily consistent.

Most SIPs have tried extremely hard to engage their communities of interest and have shown a lot of innovation, imagination and perseverance. There is wide acceptance among SIPs and by the Executive that community participation is a reality.

We identified community involvement in a number of ways—for example, in strategy development and policy development. Often, community members participate directly in board structures and management structures. There is also indirect involvement through, for example, local fora, which we identified in a number of areas, and through monitoring and evaluation. It is worth remembering that many community members are beneficiaries of SIP resources through work that is designed to develop community capacity and through small capital and revenue investments.

We drew a number of conclusions, which I will briefly go over. As I said, there is a strong commitment in SIPs to community involvement, which, in many cases, is embedded in their aims and objectives. A number of SIPs faced early difficulties in consulting, largely because of time scales. It is difficult to be critical of SIPs that were more concerned about getting their bids together and securing funding. In virtually all cases, community participation has come as the SIPs have matured.

There is evidence of innovation of approach and clear evidence from some SIPs that community involvement has made a difference to their strategic direction and operation. That is not always good. I suspect that the fact that some SIPs have 10, 11 or 12 strategic objectives is an unmanageable burden. However, that is an example of democracy at work. The community will have made it clear that it wished the SIP to cover certain issues and it is up to the SIP to decide how to do so.

Perhaps SIPs have enjoyed some legitimacy within their local communities for three reasons. First, they are locally controlled. That is not necessarily usual. Secondly, their management and operation is largely open. In that sense, they are not unusual, but openness is an important part of their work. Thirdly, in many cases, there are direct elections or free nominations to the SIPs. That is an important part of legitimacy.

A considerable number of people have been involved in SIPs, including 700 people in Drumchapel—I think—who took part in community events, the vast majority of whom had never engaged in community participation events before, and a couple of young people in Tranent who took part in a board. There is evidence of a lot of support among young people and adults.

There have been some difficulties. I mentioned lead times and could dwell at great length on the illogicality of some areas, but I will not. Some SIPs

have failed to engage closely with equalities groups and some struggle with the bureaucracy that they face. One SIP manager said that his volunteers were bewildered by the bureaucracy. It is worth bearing in mind the fact that unpaid volunteers might spend 25 or 30 hours a week working on SIP business. Several volunteers told me that it often takes an unconscionable time for their expenses to reach them.

Success factors include lengthening lead times and improving inclusivity. It is easy to assume what the community wants to be involved in and why, but some of the best SIPs that we found went out and asked the community what it wanted to be involved in. It is beneficial for a SIP to make clear the community's role and what is and is not within the community's sphere of influence. There is a lot of good practice in respect of what to consult on, who the audience is, providing feedback and giving adequate time.

It is important to be transparent, full stop. Some of the good examples that we found were of transparent decision-making processes, transparent election processes and a great deal of feedback being provided to communities, not only on what has been done but why it has been done and why things have not been done. Perhaps the most important point is to value and support the participation of community members.

I will leave you with one quote from the research. An elected member, who was interviewed about North Edinburgh Area Renewal in 1984, said:

"Community participation in NEAR is not necessary. I have my finger on the pulse."

That shows how far we have come in a relatively short time.

That is all that I want to say about the research. I apologise if I have gone on a little longer than you hoped I would. I hope that I have covered most of the areas that you wanted me to cover. If I have missed any, I am sure that they will come up in questioning.

10:45

The Convener: Thank you for your presentation. We thank you for the research, which I found interesting. If we do not manage to cover all the points that we want to cover and you feel that there are points that you want to address further, we will welcome anything that you want to add in written form.

Karen Whitefield (Airdrie and Shotts) (Lab): You suggested in your research that there are difficulties in identifying communities of interest within some SIPs, particularly in archipelago SIPs. You also suggested that previous research

indicated that the Executive should reconsider whether archipelago SIPs are an effective means of delivering social inclusion work. Will you provide us with details of the apparent difficulties with archipelago SIPs?

Brian Henderson: In fairness to the Executive, the previous research was published some time after the establishment of the SIPs. It related to regeneration areas. Hindsight may play a part in that comment.

Archipelago SIPs are a difficult concept. The intention was to ensure that small areas of what, at the time, would have been called deprivation were provided with as much support as large, concentrated areas. There is nothing new in that. I remember that, in Fife in the 1980s, the concept of Benarty was invented simply to get four villages urban programme status. The four villages themselves were too small, so they were welded together and a unit was created.

The difficulty with archipelago SIPs is that they do not form a coherent unit. I think that the Edinburgh strategic programme consists of seven small parts of Edinburgh. The Fife SIP consists of about 11 areas, one of which is as small as about four streets in Kirkcaldy. The nature of such SIPs causes two difficulties. There is an administrative issue, in that SIPs can cross, not local authority boundaries, but functional boundaries related to the way in which local authorities manage their business. It is also difficult to identify community groups to consult in small areas and common strands. The SIPs that are concentrated in defined, contiguous areas have perhaps found it easier to identify the issues that face their communities. In areas such as Fife or North Lanarkshire, to take Karen Whitefield's constituency, that is more difficult.

Although the Great Northern social inclusion partnership is an archipelago SIP, it is more or less bounded by various roads in the north of Aberdeen. It has approached the matter by identifying four or five key themes that cover all its areas. It has not organised itself on an area basis; it has organised thematically. Other areas—such as West Dunbartonshire, which has 20-something individual communities—have had no choice but to create massive representational structures based on area. The complexities mean that it has been difficult for the SIP to develop a coherent strategy. However, that comment strays into the areas of effectiveness and delivery, which, I stress, we were not asked to consider.

Karen Whitefield: You mentioned community involvement in SIPs. I have knowledge of the North Lanarkshire archipelago SIP. During your research, you appear to have learned that there are different levels of community involvement. Were there examples of good practice that made it

easier for people to be involved? I accept, as you rightly say, that community participation does not always mean that the SIPs are delivering less effectively than they would if they were controlled more centrally.

Brian Henderson: There are many examples of good practice, which have key factors in common. The first is that SIPs have developed from the inside out. It is recognised that community participation is not a bolt-on, optional extra. The then Scottish Office made clear at the outset that community participation should be an integral part of the partnerships' work. Some SIPs have gone to great lengths to ensure that that is the case.

The report has examples of a range of events in which people were allowed to have their say in an unstructured way and comment on matters. There has also been significant use of telephone surveys, although there are inclusiveness issues with such surveys. There are examples of door-to-door surveys, and of secondary consultation through the community consultation strategy, disability fora and so on.

There are two key messages. The first is that there must be an expressed willingness to consult and an expressed commitment to participation. That needs to be endemic in everything that the SIP does. The second message is that there is no single way to consult the community. SIPs who have consulted impressively have used five to eight different methods. As I mentioned in my presentation, they started by asking the community which issues it wanted to be consulted on and how it wanted that done.

Mr Gibson: There is concern that many SIPs have not engaged greatly with equalities groups. Do you have examples of SIPs that are proactively engaging with equalities groups?

Brian Henderson: Yes. There are examples in the report. It is worth mentioning at the outset that some SIPs are geared towards providing support to equalities groups. There are obvious examples, such as the Glasgow Anti-Racist Alliance, which provides support for young people from the minority ethnic community. There is also the example of FRAE Fife. I cannot remember what FRAE stands for; it is fairness, racial equality and something or another. There is also the Routes out of Prostitution SIP in Glasgow, which, again, is directed at support through equalities groups.

Some SIPs have gone about things slightly differently, such as the Craigmillar Partnership. If my memory serves me correctly, a secondee from the City of Edinburgh Council worked with the community and the SIP workers to develop an equalities strategy that guides the partnership's work in that area. There are also examples of Glasgow SIPs that engage with local disability fora

and so on.

It is fair to say that there are two issues. The first is that equalities groups are excluded from participation in thematic SIPs. There seems to be no rhyme or reason as to why some groups were chosen and some groups were not. The second issue is that although some SIPs are working directly with those groups, in a lot of cases they have not necessarily been proactive in their consultation or have had second-hand consultation. A number of the SIPs to which we spoke were very clear that they wanted to develop that area of work further and acknowledged that they were not as far advanced with it as they were with other aspects of their work.

Mr Gibson: There is an issue around the ability to promote SIPs to the public in the communities that they serve. You said that most SIPs have done a good job of making people aware of their existence. What kind of strategies have SIPs employed successfully to do that?

Brian Henderson: The starting point is that social inclusion partnerships are a fairly difficult concept. It is not necessarily easy to describe what SIPs do. That is particularly true of thematic SIPs, but that is a slightly different issue.

SIPs have been promoted on two levels. First, a number of SIPs have promoted participation very well through working with local voluntary organisations and community forums and establishing community forums. A good way of promoting the work of the SIP is to establish a body to do it for you and to engage with the community.

There are examples of close working between SIPs and existing community forums. The North Edinburgh SIP and North Edinburgh Area Renewal are co-located and work closely together. NEAR does a great deal of work, as does the Greater Pilton Community Alliance, in engaging the community and bringing its views into the partnership. A number of SIPs have acknowledged that that kind of organisational approach will not necessarily bring the work of the SIP to everyone.

A SIP in Glasgow undertook what was in effect a community planning process, which involved—if my memory serves me correctly—every house being leafleted and everybody being provided with information about the SIP. Everyone was given the opportunity to come to a series of events to help to develop a local community plan. That is one aspect.

Another aspect is that some SIPs have gone to considerable lengths to make available publicly information such as annual reports. A number of them have gone down obvious routes, such as providing tape copies and EasyRead and so on. If

I recall correctly, one SIP takes a page in the community newspaper to provide information about the ways in which it is working and the ways in which people can interact with it.

A number of SIPs have become proactive in commenting on local issues, making their community representatives, volunteers and staff available for radio interviews and courting newspaper features. Much of that is basic public relations of the kind that one would find in a public authority or larger voluntary organisation, but a lot of it seems to have been quite effective.

Clearly, we did not have the budget or the opportunity to conduct primary research on recognition within SIP areas. A lot of the materials that we looked at indicated a good level of awareness and knowledge of what the SIPs are doing.

The Convener: I ask members to be brief with their questions.

11:00

Cathie Craigie (Cumbernauld and Kilsyth) (Lab): Thank you for coming, Mr Henderson. Your original report was very full and you have expanded on it. I have three short points. To what extent do SIPs engage with young people? How do they bring young people on board? You state that the Scottish Executive could consider documenting good practice on community consultation. Do you have any examples in mind? You also say that community representatives should be remunerated for the work that they put in. Have you given further thought to how that would operate?

Brian Henderson: I will deal with your questions one at a time.

Most SIPs have engaged with young people. Several SIPs are directed specifically at young people and their involvement has been greatest. Tranent Social Inclusion Office is included as a case study and the Big Step SIP has mini-case studies, so I will not go through them. As a result of a more general recognition among SIPs that it is difficult to reach certain groups through traditional means, some SIPs have used community events with graffiti walls and drama, as well as approaches that are common in the primary school system and open-space events of the kind that the Social Justice Committee held a year ago. SIPs have gone out of their way to hold such events because they recognise that local community forums are not necessarily likely to represent young people's views. The issue has been acknowledged. It would be better to ask young people to determine to what extent the SIPs have succeeded in their aims.

Each of the case studies provides a wealth of good practice examples. The mini-case studies were extracted from our research to demonstrate good practice. Yesterday, I discovered that the Executive has published a piece of research that examines good practice and community consultation in the working for communities pathfinder projects. I skimmed through that research, which contains a raft of innovative ways in which people are being supported and money is being used. A small example is ensuring that all representatives are able to use e-mail. Many SIPs have spent money on providing computers and e-mail links so that everyone works on an equal footing.

Remuneration is a difficult issue. If one is remunerated, by definition one is not a volunteer. That might have an impact on other financial circumstances. However, a sufficient number of people—workers and volunteers—raised the subject of remuneration to make it worth reflecting on. I am not sure how that would work. A daily allowance—an attendance allowance—could be paid to volunteers. That is how elected members in local authorities used to be remunerated. A range of out-of-pocket expenses is available, but those expenses are sometimes not paid in a timely fashion. As I suggested in the report, it would be ironic if people were to be excluded from the work of the partnership simply because their expenses were paid six weeks in arrears. I am not sure how remuneration would work. The fact that so many volunteers and workers raised the issue made it beholden on me to draw attention to it. The Executive would have to discuss with the SIPs how remuneration would work.

Robert Brown (Glasgow) (LD): I was struck by your favourable comments about SIPs being among the most open quasi-public sector organisations. That seems to clash with the information that the committee received from Communities Against Poverty, which revealed serious concerns about the need for real participation in SIP decision making, the apparent lack of accountability and transparency, and the perception of the extension of control by local authorities.

I have some questions that are set against that background. First, the information in your report is based on people who are engaged with SIPs, but not really on people in the wider community, although, no doubt, there are resource reasons for that. Is that correct?

Brian Henderson: Yes.

Robert Brown: Secondly, does the size of the SIPs—either in geographical terms or in terms of the number of roles that they fulfil—affect their transparency and effectiveness? Your report touched on that issue. Thirdly, to whom are SIPs

accountable? Fourthly, will you comment on the issue of artificial boundaries? I have come across that issue in Glasgow, where, because of the boundaries, voluntary sector bodies that are on the wrong side of the road cannot be involved in the SIP, even though their services have an impact in the SIP area.

Brian Henderson: The clash that you mentioned is not really a clash; it is a matter of different views. The empowering communities events that the Scottish Council for Voluntary Organisations ran last summer identified a number of people who were concerned about the transparency of SIPs. We have highlighted that, for the most part, SIPs are transparent and that most of them provide the opportunity for community participation. We were not in a position to audit SIP practice. It is perfectly possible that board meetings are conducted in a non-inclusive manner and that local authorities exercise control behind the scenes. However, the community representatives to whom we spoke and the published material that we examined were, by and large, positive about openness.

If we had audited SIP practice, the report would have been a different piece of work. We would probably have done detailed work on one or two SIPs by more or less setting up camp in them to follow through individual issues, such as funding applications. However, I can report only on what we found. I reflected in the report that it does not necessarily represent everyone's views. It is important to recognise that.

On your second question, I do not think that size matters. What is important is the approach or the attitude. Size can make matters more complicated, but some of the most participative, open and welcoming organisations are also some of the largest. The North Edinburgh SIP, which involves North Edinburgh Area Renewal, the Greater Pilton Community Alliance and so on, is one of the largest SIPs, with around 30,000 people involved, but it is open, transparent and democratic. It has popular elections. Attitude and approach are more important than size.

The question of to whom the SIPs are accountable is a good one. Technically, they are accountable to the Scottish Executive and to Parliament, given that that is where the funding comes from. There are complexities because individual authorities and organisations that might be accountable in different ways are represented on the partnerships. For example, a local authority is accountable in a different way to the fire service or the police. I suppose that the SIPs' view would be that that does not really matter because they are accountable to their communities. A number of SIPs said that they were less concerned about technical accountability than functional accountability, which they saw as being to members of their community.

Robert Brown: I want to—

The Convener: I am sorry to interrupt, Robert, but we must move on. We are already well behind time.

Robert Brown: The time that we have been allocated for this item is quite ridiculously short.

The Convener: Well, you were aware of the time allocation at the beginning of the meeting. We have a problem, but we have a responsibility to deal with the other items on the agenda too. Let us move on. If you wish to pursue other issues, Robert, you are obviously capable of doing that.

Mrs Lyndsay McIntosh (Central Scotland) (Con): I will be as brief as I possibly can. You spoke earlier about the difficulties that people experience with communications, particularly in rural areas. This is a central belt-dominated committee—purely by accident. When there are geographical difficulties, does that present unique problems?

Secondly, I wish to ask about community capacity building. Investing in the skills and knowledge of community members plays a part in empowering communities. Did you gather any data displaying the extent of community involvement in the various programmes that exist to facilitate it?

Brian Henderson: The bulk of SIPs are urban. It is remarkable that there are SIPs in rural areas, which marks the first public acknowledgement that deprivation is not just an urban issue. There have been considerable difficulties in some rural areas. The Argyll and Bute SIP covers five small communities and about 4,500 or 5,000 people scattered over a wide area. It is difficult for them to hold meetings and it is difficult for the SIP's workers to liaise and form a coherent and consistent view.

Mrs McIntosh: I was interested to hear about the extent to which methods such as e-mail are used.

Brian Henderson: Yes, that has been the approach in that area. As far as I am aware, no one has yet gone down the videoconferencing route, but I am sure that it is only a matter of time. In areas such as Moray, SIPs have gone to great lengths to provide transport to central events, and they have recognised that rurality can pose a range of difficulties. The rural SIPs that we consulted—the Argyll and Bute SIP, Moray Youthstart SIP and Tranent Social Inclusion Office are the three that spring to mind—were well aware of those issues, and had gone to what we considered great lengths to ensure either that people could be brought to the SIP or that the SIP

could go to them on an outreach basis.

We collected some information about community capacity building more or less as a by-product of our research, and some of that has been detailed in our report. We gathered that information in the context of asking how community capacity building had impacted on participation in the SIP, not in the context of community capacity building per se. Our research would have turned out to be different had we specifically identified the kind of information that you are seeking.

Linda Fabiani (Central Scotland) (SNP): I am aware, Robert, that your remit—

Brian Henderson: It is Brian.

Linda Fabiani: Sorry, Brian. I wonder who Robert is.

Brian Henderson: You can call me Robert if you prefer.

Linda Fabiani: Okay, Bob. Your remit was not to look into the effectiveness of SIPs as such, as you have stated. You have also said that you feel that a fuller evaluation of the SIPs' effectiveness was required. We have recently learned—including by means of answers to parliamentary questions—that money has been held back from many SIPs pending investigations, and that there have been underspends. Is that a measure of effectiveness that you picked up on in your investigations and that you feel should be further examined?

Brian Henderson: The points that I raised in relation to effectiveness were purely in the context of identifying the fact that we were not asked to consider effectiveness. My point was that if the committee wished to consider the effectiveness of SIPs, it would have to do so in another way and at another time.

Although we read much in the way of evaluations and other materials that related to effectiveness, I do not think that it is right and proper that we comment on it. We were not asked to examine effectiveness. Had we done the research differently, perhaps we could have done so. I am not aware of the specific matters to which you have referred, and I do not think that it would be appropriate for me to comment. We were asked to examine community participation, which we did, and I think that it is important to separate that from effectiveness, which I do not feel that I have specific knowledge about.

The Convener: I thank you again for attending today and for the research that you did on our behalf. The committee will agree that we have found it productive and helpful. As I said before, if on reflection you feel that you want to expand on any points, we will be more than happy to hear from you again.

I now seek the committee's agreement on further action in relation to the social inclusion agenda. It has been suggested that we may wish consider an issues paper that will be drawn up for the next meeting, summarising the key areas of concern that we have identified today. I am sure that the clerks will accept contributions to the paper from members if they are submitted in reasonable time. Are members agreed?

Members *indicated agreement.*

Housing Improvement Task Force Report

11:15

The Convener: Agenda item 2 is our consideration of the housing improvement task force report. As we are all aware—after all, we are debating the matter this afternoon—the Scottish Executive has published the task force's first report, called "Issues on Improving Quality in Private Housing". In considering how to develop our response to the report, we should take into account petitions PE356 and PE391. The clerk has included a note on how we should approach the issue, in which it is suggested that we undertake a limited written evidence consultation exercise and consider a draft response at our meeting on 12 June. Do members have any comments?

Mr Gibson: I suggest that we should take not just written evidence, but oral evidence. As the committee pointed out in the run-up to the passing of the Housing (Scotland) Act 2001, the issue is very important. The organisations that have been listed as possible consultees are the kind of people that we would want to hear from. As this major issue affects 70 per cent of the Scottish population in the private sector, it deserves a wee bit more attention and perhaps one oral evidence-taking session would be in order.

Robert Brown: I do not entirely disagree with that suggestion. On the other hand, the task force report simply states the factual position rather than the policies that might emerge from it. I would want some clarification about what we were seeking to obtain from an evidence-taking session instead of using such a session to go over the same ground again.

As the list of possible consultees is very much a case of the usual suspects, I respectfully suggest that we consider taking evidence from organisations such as Friends of Glasgow West, which has developed a lot of expertise in tenement property maintenance, conservation area measures and other aspects. That is highly relevant to any consideration of the task force report.

The Convener: Robert Brown's points highlight the question of what we would be seeking from a broader consultation. Because we have agreed to scrutinise everything that emerges from the Housing (Scotland) Act 2001 and related matters, we could end up having meetings every day of the week to take evidence from people. As a result, we need to be fairly focused about any such consultation. Robert Brown is right to say that the report is a statement of the facts. In a sense, we are asking people who are already engaged in the process with the housing improvement task force to come to us and reflect on their contribution elsewhere, which means that we might be in danger simply of replicating work that is being done elsewhere.

We have received written responses for this afternoon's debate from Shelter Scotland and the Chartered Institute of Housing in Scotland. Members might also reflect on the fact that we are very tight for time as far as our timetable and the committee's balance of work are concerned.

Linda Fabiani: Robert Brown is right to point out that the list of consultees is very much a case of the usual suspects and, as the convener pointed out, we have received written submissions from several of them. Perhaps we should be a bit more innovative and have one evidence session with people who are doing the work on the ground, just to find out what the situation is like and what they think of the report, instead of bringing in their umbrella organisations, which have already taken part in compiling the report. Perhaps we could invite a voluntary committee member from an inner-city housing association, such as the one in Govanhill.

The Convener: But are those the people who are talking about the housing improvement task force report? Robert Brown made the point that we should take evidence from bodies that have experience of private sector properties and tenemental properties.

Linda Fabiani: Many housing associations do a lot of work for the private sector. They are at the front line—getting the work together, dealing with the lack of tenement law and working through the grant system.

Cathie Craigie: At the appropriate time, we will probably want to speak to people who work at the coal face dealing with issues such as those that we are discussing. I do not think that now is the appropriate time to do that. The HITF's stage one report is intended to set out the key areas on which we need to focus. The four groups that have been established to consider those areas will provide more detail. The written submissions that we received from Shelter and the Chartered Institute of Housing in Scotland are very brief; those organisations recognise that, as Lyndsay McIntosh said, this is work in progress. We will move on from the point that we have now reached.

There are many things coming up, including a couple of bills that we will consider. All the information that we have from the HITF will be useful to us. I see the task force's final report as the tool that will help us to shape the next pieces of legislation with which we deal. It will also

provide us with practical guidelines for developing the important provisions of the Housing (Scotland) Act 2001 that deal with repairs and improvement grants. It is good to hear evidence and to have the opportunity to follow up with questions, but we should do that at the right time. I support the clerks' recommendation that we seek written evidence to enable us to develop our response to the consultation. We should leave oral evidence to a later date.

Karen Whitefield: Time is short, and I agree with what Cathie Craigie said. I do not think that it is appropriate for us to take oral evidence at this stage. We will want to do that when the task force reports for the second time, to ensure that everything that should be covered is being covered. The situation would be different if the committee were concerned that something was missing and if it were glaringly obvious that the task force had left something out. However, the evidence of the organisations that have written to us about today's debate suggests that that is not the case.

Robert Brown: I would like to make a practical suggestion. Everything seems to be focused on the task force's second report. Because a large amount of work is involved, it would be useful for us to do some preparatory work slightly later in the process, if we can identify the report's likely date of publication. It would probably be pointless for us to ask for written evidence as part of that exercise. Rather, we should ask relevant organisations whether they think any issues are missing from the existing report. There is little point in our going back over the work of the housing improvement task force, as all or most of the organisations that we would want to consult have made an input to that. I do not support the suggestion that we seek written evidence from them, as that would achieve nothing. Instead, we should ask the organisations whether anything has been left out in the analysis and in the way in which the task force is tackling this issue. We can feed in that information later in the process.

The Convener: I will collate what has been suggested and Kenny Gibson can decide whether that would satisfy him. We might want to consider contacting a broader range of folk, but the focus should be on whether there is something missing from the report. If something big emerges from that exercise, we may at a later stage want to meet people to ask them why they think it is so important that that has been excluded. Such an approach would deal with the anxieties that Kenny Gibson has.

The suggestion is that we agree to conduct a limited written consultation, with the proviso that, if that exercise reveals something obvious that is causing organisations difficulties, we will ask those organisations to provide us with oral evidence. The focus of our consultation with those organisations would be on asking them specifically whether the task force was taking the right approach and whether there were glaring errors or omissions in the report. We would keep to the date of 12 June that has been suggested. Is that acceptable to the committee?

Mr Gibson: To be honest, I have no major anxieties about the report. However, it would be interesting to ask the organisations whether they have specific concerns about key areas. I take on board many of the comments that have been made. Obviously, we are looking forward to the specific recommendations that will be contained in the task force's second report. We want to ensure that, as we move into the second stage of this process, we are heading in the right direction. That was the thinking behind my comments. On this issue I would be happy to yield to the views of other members of the committee. However, we must widen out written evidence to include more front-line organisations.

The Convener: I am conscious of time. If members have suggestions of specific organisations that should be approached, they should e-mail those suggestions to the clerks by the end of tomorrow. That would also give us the opportunity to reflect on today's debate, during which something might emerge about organisations to contact.

Local Government Covenant

The Convener: Agenda item 3 is the covenant with local government. Members will note that the Local Government Committee has referred the circulated draft covenant between local government and the Scottish Parliament to the committee for comment. I do not expect that we will want to spend a great deal of time on this item.

Kenny Gibson and I sat on the Local Government Committee at the beginning of the Parliament and we believed then that the covenant was important. It is also an important process for the relationship between all the layers of government in Scotland. I welcome the covenant and believe that it is particularly important in relation to the social justice agenda, given the role of local government in local communities.

Robert Brown: I do not disagree with anything that you said. The missing element is the pluralistic role of local government that arises with the involvement of the voluntary sector. It is important to stress that. The Scottish Executive, councils, and the voluntary sector all have their role to play. It is important that the narrow focus of the covenant between local government and the Scottish Parliament recognises the importance of all levels of the voluntary sector.

The Convener: The covenant is specifically about the relationship between local government and the Scottish Parliament. There are other issues about how each of those organisations relates to the voluntary sector and how they all work in partnership together. However, it is important that the focus of the document is the relationship between the Scottish Parliament and local government.

Mr Gibson: It is important that there is equality of esteem between local government and the Scottish Parliament. That is certainly what local government is seeking. The Local Government Committee has been at one on that issue. I am glad to see that we have made progress.

The Convener: With those comments, is it agreed that we report back to the Local Government Committee that we welcome the initiative and are signed up to the importance of genuine partnership and mutual esteem?

Members *indicated agreement.*

Cross-cutting Expenditure Reviews

The Convener: Item 4 is the Finance Committee's cross-cutting expenditure review. Members will note that the Finance Committee is to undertake two cross-cutting expenditure reviews—one on children in poverty and one on voluntary sector funding. Members will also note that that committee has established two reporters groups. We are being asked whether we want to appoint a reporter to each of those groups. I have spoken informally to the convener of the Finance Committee, who indicated that the issue is about whether mechanisms for funding are rational.

There was a concern that we might be overburdening the voluntary sector by keeping going back to talk to them about their issues. They just want the issues that they have already identified to be sorted out. We have had some reassurance on that.

We must decide whether it is necessary for committee members to be in the reporters groups. As convener, I would welcome access to the papers for both of the issues and, if appropriate, a commitment to reporting to the Social Justice Committee. I will take brief comments about whether we want to put someone on to each of those groups.

Mr Gibson: We should. It is always good to work with other committees and find out what is going on. The more we understand the methodology and delivery mechanisms the better. I have a degree in economics and have always been interested in these issues. I would be interested in serving on the children in poverty group, but it is important that we have representatives on both groups.

Karen Whitefield: When we did our report on the inquiry into the voluntary sector, I was conscious that, although the voluntary sector was at pains to point out that it wanted to be included, it did not want a situation to arise in which people could not deal with the jobs that they are required to do. If we decide to appoint a reporter, they should take that on board and ensure that the voluntary sector is dealt with as sensitively as possible and that the group does not repeat the work that the Social Justice Committee has already undertaken.

Robert Brown: There may be timetabling difficulties in going to meetings. The main issue is that the people who are given remits from our committee should get the paperwork, draw it to our attention and input to their groups any issues that arise.

The Convener: I sense that members are content that we should have representatives on the groups, as the work is going ahead regardless. We have one volunteer for the children in poverty group. Do we have any more volunteers?

Robert Brown: Voluntary sector funding fits logically with Karen's Whitefield's existing remit, but if she does not want to take part in that group, I am happy to do so.

Karen Whitefield: I am happy for Robert Brown to do that.

11:30

The Convener: Robert Brown will take part in the voluntary sector group and Kenny Gibson will take part in the children in poverty group. Is that agreed?

Members *indicated agreement.*

The Convener: As convener, I ask to be given the papers for both groups. We will also wish to refer our voluntary sector report to the Finance Committee for its information and underline our anxieties about overburdening the voluntary sector.

Petition

Advice Services (PE396)

The Convener: Item 5 is petition PE396, which calls on the Scottish Executive to take the necessary steps to ensure that the citizens of Scotland continue to have access to free and independent advice services. The petition was referred to the Social Justice Committee by the Local Government Committee. A paper on the petition has been provided. We are asked to consider our approach to the consideration of the petition, bearing in mind our earlier discussions about our work plan. The options are either to have an inquiry or to write to the Executive on the basis that it has already indicated that it is conducting a review of advice services—it would be useful to find out where we are with that.

Cathie Craigie: We should write to the Minister for Social Justice for an update. I have raised with ministers, including when we have been dealing with legislation, the issue of the additional burdens on advice centres. Ministers have said to me that they take the issue into account when they are budgeting. The Executive is aware of the issue, which will influence its review. We need to receive an update on where we are. Our timetable of work goes up to the end of the year. It would not be right to start an inquiry in 2003, given that the committee's membership might change. Depending on the response that we receive, we should hold off on that review.

Robert Brown: As someone who spent 10 years as the chair of the management committee of Rutherglen and Cambuslang citizens advice bureau, I was shocked by the information that we have been given, especially against the background of the report "Striking the Balance—a new approach to debt management". I have not in a long time seen such a load of bureaucratic nonsense as the letter from the City of Edinburgh Council. The letter evaded the issue—it did not deal with the objective of the exercise, which is to put in place adequate independent advice services throughout the country. I note that there is a problem across the country, albeit the problem is worse in Edinburgh. That strikes at the heart of the policy objectives of the Parliament and the Scottish Executive in this field.

If the Executive is failing to fund the premier independent advice organisation—Citizens Advice Scotland is by far the premier organisation in terms of the amount of advice that it gives and its geographical remit—we have a major problem that threatens many of the objectives that we want to be implemented. We have to find out from the Minister for Social Justice where we are going—I

do not disagree with Cathie Craigie on that point— but we ought to return to the issue with a view to holding a more substantial investigation. How many of us have gone on about debt advice and how many of us went on about housing advice during our consideration of the Housing (Scotland) Bill? There is an expanded need for advice, to which citizens advice bureaux have responded. However, despite increases in local government funding, the advice system is being cut, or at best maintained at a standstill. We cannot let the issue go, despite the pressures on our time.

The Convener: We have to be cautious about what we examine, given the issues of subsidiarity and the responsibility of local government to make appropriate decisions about funding. In light of the report "Striking the Balance", there is the broader issue of how the Scottish Executive will make money advice and general advice available to people who are in difficulties. We could usefully explore that, but we would have to think about how we would do it and in what context. We must be careful not to impinge on the responsibilities of local government. I think that the petitioners recognise that.

Linda Fabiani: We should ask the Executive what progress it has made. We should not shut the door to an inquiry yet. We must reserve the right to look into the matter further if we receive an unsatisfactory answer from the Executive. When we have that response, we will decide what it is appropriate to do.

The Convener: We would inquire into the delivery of effective advice services locally, rather than into the situation with the City of Edinburgh Council.

Linda Fabiani: We would absolutely not inquire only into the City of Edinburgh Council's situation. The funding of advice is a general issue for people in Scotland.

The Convener: I presume that the issue sits in the context of delivering on "Striking the Balance".

Linda Fabiani: We must have an answer from the Executive about the progress that has been made, its views on the future and how it expects the problem to be resolved.

Mr Gibson: I agree with Robert Brown and Linda Fabiani, and to an extent with the convener. It is important that we find out the lie of the land. It would be pointless to jump into an inquiry at this stage. However, I take on board much of what the report says. Some of the comments are striking. For example, Citizens Advice Scotland says that

"77% of all Department of Social Security forms advise claimants to go to Citizens Advice Bureau if assistance is required with the claim",

yet central Government provides no funding for such organisations. The burden increases weekly. At the same time, funding decreases steadily in real terms. The issue is serious. We must examine it and take action as soon as possible.

However, I take on board what the convener has said. I am surprised that the City of Edinburgh Council says that the Scottish Executive should consider ring fencing additional funds, given that local government has said consistently since the Parliament started that it opposes ring fencing.

We want to find out what the Executive says, because I think everyone agrees that we want to ensure that advice agencies are funded. What guidance is given and what funding plans must the Executive give local authorities? As Linda Fabiani said, if we do not obtain the answer that we want, we must think about where we go from there. The present situation is untenable. Action must be taken to resolve it.

Karen Whitefield: I do not want to repeat anything that has been said. We need to write to the Executive. After we have its response, we can consider what impact the committee can have on the work that will be done on the review of diligence law. The committee will be involved in that legislation. It might be possible to cover in our stage 1 report the issues that the CAB has raised.

The Convener: We may have reached consensus, which is always to be welcomed. We will write to the Executive to say that we are anxious to know the lie of the land, as Kenny Gibson said, and what point we have reached in the process. We will reflect on the Executive's response. We take seriously the importance of Scotland-wide, effective advice services for people in our communities. Points were made about "Striking the Balance" and potential legislation, into which we will want to have input.

Robert Brown: Perhaps this is implied by what you said, convener, but I think that we should formally draw the Executive's attention to what seems at first glance a serious situation in relation to CAB funding. That should be part of the communication to the relevant minister.

The Convener: We will draw the petition to the Executive's attention—that will meet Robert Brown's request. Is the proposal agreed?

Members *indicated agreement.*

Church Action on Poverty

The Convener: Members will note that I have received an invitation from Church Action on Poverty to represent the committee at a national conference on poverty and social justice, which is to be held in Edinburgh on 15 June. That does not preclude others from attending. I understand that the organisation is keen that committee members should attend. Should we be represented formally at the conference and, if so, by whom?

Karen Whitefield: I think that we should be represented and I nominate the convener to represent us, if she is happy to do so.

Mrs McIntosh: We have taken a shine to you, Johann.

The Convener: If that is acceptable, I will be happy to represent the committee. If other members wish to attend the conference, they are welcome to do so.

Mrs McIntosh: I hope that we might each be invited.

Mr Gibson: I would like to go. I expect to attend the conference.

The Convener: We will take a short break.

11:39

Meeting suspended.

11:45

On resuming—

Budget Process 2003-04

The Convener: I welcome our visitors, some of whom are better acquainted with the committee than others are. I particularly welcome Iain Gray, the Minister for Social Justice, to his first meeting of the Social Justice Committee. We wish him all the best in what is now not a new post for him—he will be well into it by now. However, this is the first time that he has come before the committee.

I welcome Margaret Curran, the Deputy Minister for Social Justice, who is, like the soaps, here fairly often. I also welcome Mark Batho, from the Executive social justice group; David Reid, from the finance division; John Breslin, from housing division 1; Geoff Huggins, from housing division 3; and Maud Marshall, from Communities Scotland, which has a very different role from the one that it had in its previous existence as Scottish Homes. The minister may want to make a brief introduction before we move to questions.

The Minister for Social Justice (Iain Gray): Thank you, convener. I am pleased to be here to give evidence on the draft social justice budget. Thank you for your kind words. I intend to claim newness as an excuse for many months to come. I was still claiming to be the new Deputy Minister for Justice around the time that I demitted that post.

I appreciate that the committee's time is limited and that the meeting is running a little behind schedule, so my opening remarks will be brief.

This is the first stage in the process of consulting both the Parliament and the Scottish people on the draft budget for 2003-04, as set out in the recently published annual expenditure report. The budget is presented differently compared with previous budget documents. We think that that is an improvement and a move towards greater transparency, but we are keen to hear the committee's views on it. We are always interested to hear whether we could make further changes to achieve clarity. We have also sought to make clear in the AER how and where provision from end-year flexibility will boost the baseline planned expenditure as set out in the report.

I will highlight some key points, beginning with the draft housing budget. We propose an increase of 11 per cent over the current year's spending plans. That aims to build on the delivery of our key housing policy priorities, with which the committee will be familiar. They include: tackling homelessness; promoting renewal through

community ownership and empowering tenants; and reducing the number of households in Scotland that live in fuel poverty. The planned resources for 2003-04 will deliver support to councils in progressing proposals to transfer their housing into community ownership and provide continued support for the five-year programme to 2006 to install central heating for council and housing association tenants and in private dwellings where the household includes a pensioner. The resources will be used to deliver the recommendations of the homelessness task force and will provide £10 million towards carrying out the recommendations of the housing improvement task force, which we will debate later today in Parliament.

Our spending plans will allow us to continue to make progress on our long-term social inclusion strategies, which include extending the funding to the nine former regeneration programmes until 2004; extending to March 2004 the designation periods of five new SIPs that were due to expire; and consolidating our work to empower communities so that they are at the heart of our regeneration efforts.

Finally, we have maintained our funding for the voluntary sector and for equalities. That allows us to continue to contribute to empowering our third sector—the voluntary sector—as a key social partner in Scotland and to move towards a more inclusive and just society. I am happy to take questions from committee members.

The Convener: Thank you. I will kick off the questioning. The social justice budget covers a range of cross-cutting issues that span a number of departments. Different components of housing spend, for example, are hidden in different departmental budgets. That makes it difficult to obtain a comprehensive picture of current housing investment. Will you outline what procedures are in place to measure the contribution that other departmental budgets make to the social justice budget? What mechanisms are adopted to encourage other departments to make such contributions?

Iain Gray: When it comes to resources, that is difficult to achieve, but the issue is always at the forefront of our minds. You rightly say that many of the concerns in the social justice portfolio cut across other departments and other colleagues' portfolios.

Our general policy remains attempting to mainstream cross-cutting issues, rather than to pull together additional pots of money, resources and programmes. The latter approach has let other areas of the Executive's work off the hook in the long run; it has allowed them to see some of the issues as separate and additional. That is not the direction in which we want to go.

There are two aspects to the question. How are we to be transparent in the way in which resources are used in cross-cutting areas? How do we ensure, when planning resources, that they are allocated to areas in other departments? The first aspect is difficult. In previous years, there has been some discussion with the Finance Committee about how the budget document represents the wish to be transparent. Efforts are being made in the current annual expenditure report to present a more rounded picture of housing and education in particular.

However, to be honest, I would have to recognise that that work remains incomplete. On housing, for example, it is difficult to indicate expenditure that does not come directly from the Scottish Executive's housing budget. An example of that is the improvement and repair grant, which is part of the local authority single allocation. That means that the moneys for the grant do not appear as part of housing investment, although they are clearly significant.

When we are planning resources, the key process is the spending review process. As we enter this year's process, we have tried to build on previous experiences. I will have bilateral meetings and discussions with all colleagues who are involved in cross-cutting social justice issues. I will do so in order to ask them how their allocation of resources will achieve the Executive's objectives.

In the next fortnight, a joint meeting of the two key Cabinet sub-committees has been arranged. Those sub-committees are the social justice sub-committee, which I chair, and the integrating children's services sub-committee, which the First Minister chairs. The joint meeting will allow us to make a particular examination of the social justice issues that affect children and young people. In such meetings, we can look across the portfolios to ensure that proper account is taken of the social justice issues in the spending review.

In many ways, the social justice milestones remain the touchstone against which each department and each minister is required to check their resource allocation and policy development. I intend to continue the previous Minister for Social Justice's programme of bilateral meetings with colleagues. That enables me to check developments in each department against the social justice milestones.

The Convener: How we mainstream equality is connected to the cross-cutting issues. Will you indicate the role of the equality unit in the budget process? What is the reason for the reduction in the mainstreaming equality budget, which will fall in real terms by 7.5 per cent between 2001-02 and 2003-04? Given the Executive's commitment to mainstreaming equal opportunities, is that

reduction appropriate?

The Engender women's budget group, which yesterday gave evidence on social justice issues to the Equal Opportunities Committee, has highlighted the importance of mainstreaming equalities into the housing budget. Will you comment on that?

Iain Gray: If it is acceptable to the committee, I will ask Margaret Curran to comment on that, as she takes the lead on equality issues.

The Deputy Minister for Social Justice (Ms Margaret Curran): There was a lot in that question. I will try to answer it but if I forget to answer something, come back to me.

I have previously discussed with the committee the role of the equality unit. As Lyndsay McIntosh will verify, I have also had long discussions with the Equal Opportunities Committee on that issue and on the whole mainstreaming agenda. In fact, we recently had a seminar to broaden and deepen our understanding of mainstreaming and of how we should take the issue forward.

The role of the equality unit is essentially one of facilitation. We have stood against setting up a strong central equality unit that would implement the equalities work for the Executive because that would essentially work against mainstreaming. That is why the budget is as you have outlined. If I felt that the equality unit was not able to deliver because of the money that it received, we would certainly reconsider the issue. However, it seems to me that we are moving forward in the way that we said we would.

In many of our discussions, it is becoming apparent that the whole issue of mainstreaming in the budget is actually very complex. Deep-seated change is required. The report to which you referred gives us credit for the work that we are doing. The current international research flags up the fact that many other Administrations are also having difficulty in moving beyond the aspirational to deliver the detail. For example, I believe that the Australian scheme has recently collapsed. We have deliberately taken the position that we will implement mainstreaming in detail stage by stage. We recognise that it will take us some time to get there.

The approach taken in the annual expenditure report was agreed with the equality proofing budget advisory group. We agreed that some sections would be given only in outline but that we would go down to a deeper level in certain other aspects of the budget. As the Engender report indicates, there is a need to go into greater detail to spell out more targets, but we have said that we will do that stage by stage. That is where we see the work going.

Cathie Craigie: In your earlier reply to the convener, you mentioned that the social justice milestones, which are set out in the social justice annual report, cut across different Executive departments. The Executive reviews and reflects on whether there has been progress towards reaching the milestones, but how are the milestones translated into the budget process? How are they reflected in the different budget headings?

Iain Gray: Behind your question is the question of whether the social justice milestones influence resource allocation. I would argue that they do, but constant vigilance is required to ensure that those who own the different milestones acknowledge them and take them into account.

I guess that Margaret Curran and I have the responsibility of leading by example, as we are responsible for some social justice milestones. In many ways, the milestones must be the first thing that we look at when we consider how to allocate resources and whether we should shift resources from one area of spend to another. Secondly, we need to be involved in a constant process of discussing with colleagues the social justice milestones for which they are responsible. We need to work with them to monitor whether policy development and resource allocation help them to achieve the social justice milestones.

To some extent, that cuts across the work of almost every colleague in the Cabinet. There are some quite important criminal justice social justice milestones, for example. The key forum for those, I guess, is the social justice Cabinet sub-committee. When the First Minister took office, at the end of last year, the Cabinet went through quite a rigorous process of examining ministerial committees—their remit, purpose and membership. The number of such committees was reduced but those that remained were given a new, higher status by becoming Cabinet sub-committees. At the time, I argued for the poverty inclusion task force to remain and to be recast as the social justice Cabinet sub-committee.

One of the changes is that, as the chair of a Cabinet sub-committee, I am required to make a report to Cabinet at least once a year to explain the way in which the committee has pursued its remit. The key remit of the social justice Cabinet sub-committee is to ensure that progress is being made throughout the Executive towards social justice milestones and that we are devoting and prioritising resources for that. In a way, it is quite a bureaucratic process, but it is necessary. Once resourced decisions are made, it is too late to change them because the pass has been sold.

12:00

Cathie Craigie: The Executive has set itself the goal of reducing child poverty. Recent reports suggest that we are not winning that fight—in fact, some people suggest that we are only firefighting. What is the Executive doing in the budgets that we are talking about to tackle child poverty?

Iain Gray: As I said in response to an earlier question, the budgeting and resourcing process that we are entering—the spending review—will involve a key meeting between the two sub-committees that have an interest in children, young people and children's services. At that point, we will consider the policies that can contribute to the reduction of child poverty and the level of resource that we allocate to them.

We must examine the statistical returns that came out last week. Much of what is measured by those statistics depends on benefits and income levers that lie outwith our control—I know that committee members are aware of that—and we must consider the possibilities that are provided. For example, if there were changes to the tax and benefits system, to encourage the provision of child care either generally or for a specific purpose such as to allow lone parents to take up further or higher education opportunities, we would have to ensure that, in the areas for which we have responsibility, resources were made available so that Scots could take up the opportunities that were afforded to them. For instance, we would have to ensure that the child care provision existed.

We need to consider what the statistics that have been published tell us. In Scottish terms, the shift in the headline measure of children in families that are living on 60 per cent or less of the median income, after the deduction of housing costs, is 1 per cent, from 29 per cent to 30 per cent. Statistically, that 1 per cent shift is not significant. The base line is 1996-97, when the figure was 34 per cent and the trend was rising. That trend has been reversed and is heading in a downward direction; however, it is disappointing to see that upward blip whether it is statistically significant or not.

There has been enormous progress in relation to absolute measures of poverty compared with the 1996-97 base line. The 34 per cent figure has dropped to about 21 per cent. That 13 per cent drop shows clearly that there is a downward trend. However, we are chasing a moving target because, over the same period, incomes have increased generally by 13 per cent, so the median figure has increased.

I gave those figures to the committee in a genuine spirit of information giving, but I do not hide from the fact that the 60 per cent median figure is the headline figure. It is extremely disappointing that the figure has not fallen more. We must consider how we can ensure that the downward trend continues.

Karen Whitefield: Evidence has highlighted inconsistencies in targets and monitoring. For example, there are rough sleeping targets, but it is difficult to monitor whether those targets are being met. What measures does the Executive intend to take to monitor targets and ensure that they are met?

Iain Gray: That question relates to the question that I just answered. The social justice annual report—which we have pursued since 1999—states how important but difficult it is to measure and monitor targets. However, we can be proud of our record over the past three years. First, whenever we have discovered that statistical information does not exist or is not significant, we have invested in ensuring that we improve the situation for the future. Secondly, we have been rigorous in putting into place appropriate methodologies for different milestones.

Rough sleeping is an excellent example, because there has been significant criticism in the media—for example, in *The Big Issue*—of the rough sleepers unit's approach in England to ascertaining how many people are sleeping rough. The approach in England is to make a head count on a particular night. That approach has not been taken in Scotland. Work was done with the homelessness task force to develop a prevalence approach that works over a two-week period. That is more rigorous than counting heads on one night in a month. The initial results from the first prevalence study showed that an average of 64 or 65 people—I think—were sleeping rough in Scotland, while 150 emergency hostel places were available. That illustrates the discrepancy between available provision and demonstrated need.

I gave that information in detail because it provides a good example of our effort to have appropriate methodologies. However, we continue to have a problem with methodologies that deal with, for example, child poverty. I know that committee members took part in discussions on the social justice annual report earlier this year or at the end of last year. The committee will know that 30 per cent of households with children live on less than 60 per cent of the median income, However, it is difficult to translate that figure to establish how many children in Scotland are affected.

We discovered that the statistical sample in Scotland is too small to translate. Rather than pretend otherwise, we owned up to that—which is to my predecessor's credit. We have made an additional investment to ensure that that particular monitoring expands its sample in Scotland to give

us something that we can translate into an absolute number. We still do not have the information, but we certainly will have it for this time next year. I hope that we may have it in the autumn at the time of the publication of the social justice annual report. This is a complex and difficult area but we have put in the effort to provide genuine, open and transparent measures.

Linda Fabiani: I want to ask about end-year flexibility and on-going underspends. Throughout the budget document we find references to the allocation of EYF money over a three-year period. How much has already been allocated—to the social justice budget in particular—and can you explain how underspends and EYF from one year are allocated over a three-year period? Are they really allocated over three years or are they simply lumped into one year? Is the mechanism sufficiently transparent?

Iain Gray: I will try to explain but I will ask David Reid to talk about the mechanism used; he will be able to explain it better than I will. I think that there is £131 million of EYF in the social justice budget. That money is referred to in different places. Cabinet decisions are taken on underspends and I think that I am right in saying that many of the references in the annual expenditure report go back to money that was carried forward from 2000-01. The Cabinet agreed that some money should be moved into the social justice budget and should be carried forward over three years.

Is the process sufficiently transparent? No attempt has been made to make it less than transparent but the process is complicated and convoluted, as is the presenting of that process to the committee, the Parliament and the public. If anyone can suggest how we could do it better, we would be more than happy to listen.

David Reid (Scottish Executive Finance and Central Services Department): We have tried to identify the numbers for end-year flexibility and to distinguish them from the planned numbers, which are the ones shown in the columns in the main tables. All EYF for all programmes is summarised at the beginning of the AER in a single table. In the chapter on social justice, the summary table— table 7.1—gives the full amount of EYF in the footnote. Therefore there is no question of the numbers in the tables being enlarged beyond the planned figures.

Money that was carried forward from 2000-01 into the year that has just finished—in which a substantial proportion of EYF was to be spent—is mixed with other EYF that was to be spread over the three years. In the footnotes, we have tried to identify when money is to be carried forward for three years. When it is not explicitly stated that carry-over is for three years, the carry-over is simply from the year before last into the year that

has just finished.

The big carry-forward numbers relate largely to the community ownership programme because of slippage of one kind or another. Because that funding is related to commitments that have already been given, we have to keep moving the money forward until what is happening on the ground catches up.

Linda Fabiani: So a huge big cash injection is coming at some time in the future?

David Reid: Not so much a cash injection as—

Linda Fabiani: A perceived cash injection?

Mrs McIntosh: A bonanza?

Linda Fabiani: Do not be outrageous, Lyndsay.

David Reid: The spending will eventually take place, but we hope that sticking with the presentation of planned numbers will not distort what the Executive appears to be planning to spend at any one time. The expenditure on community ownership will eventually take place. The process itself is just a continued rolling forward of the end-year flexibility arrangements. It is like having a certain amount of money in the bank. If it is not required in 2001-02, it will roll forward into 2002-03, when a substantial amount of the spending is expected to take place.

12:15

Iain Gray: The key thing for simpler souls, such as me, is that rolling funds forward across three years allows them to be spent when it is possible to spend them. I will say something about that in a minute. The important thing is that those funds are shown separately from the baseline. We have tried to be transparent on that in the report.

The money is a once-and-for-all amount. Whether we spend it in one go in a particular year or in three tranches across three years, at the end of the period, it ain't gonna be there any more. That is why it is important to keep that money separate from the baseline, which, to my eyes, still makes it look like a bit of an add-on. However, the money is important to implementation of our policy programme because, as David Reid correctly said, community ownership money is by far the most substantial amount of money that is carried forward year on year. It is allocated to specific housing projects, many of which are stock transfers and partial stock transfers in a number of different cities.

Those transfers are specific projects, so the reasons why they have not happened are different in different places. However, we have rigorously insisted on a process of winning over tenants, making clear to them what is involved in the transfer and giving them the opportunity to

express a view in a ballot. It is fair to say that that has taken far longer in most cases than was originally envisaged when the resources were made available. The important thing is that the resources that were provided for that process have been protected and sustained. That is the policy purpose behind what you see in the budget.

Linda Fabiani: That leads me nicely to my next question. The Executive is pursuing a policy of stock transfer. That policy means that the Treasury will meet local authorities' residual housing debt while the Scottish Executive will meet the breakage costs. I cannot find in the budget any indication of how that will affect future budgets. I am not saying that the effect should be included, but will you give me an idea of it? In particular, will the additional money that will be in the Scottish block grant as a result of the Treasury taking on residual debt be reflected in expenditure for community regeneration and affordable housing or will the additional funding just be lost somewhere in the Scottish Executive's overall budget?

Iain Gray: Your question contains two questions. The first is, if, for transfers to proceed, we require resources to pay breakage costs, where are they in the budget documents? The second is, if the Treasury's payment of the residual debt means that we have resources to service debts that we will not need to service, where is that shown?

Probably the easiest way to answer those questions is to talk about the biggest stock transfer, which is in Glasgow, because the breakage costs there will be the most significant. In the arrangement with the Treasury, the payment of the breakage costs must be done firstly out of the receipt from the transfer. Any positive receipt from the transfer will go towards the breakage costs. In the case of Glasgow, that is £25 million. If the breakage costs are more than that, finding the resources to cover them is our responsibility.

That resource is not shown explicitly in the budget document. There are two reasons for that. In examples such as Glasgow and the Borders, we expect that the requirement to pay the breakage costs will occur in 2002-03. When the draft budget for 2002-03 was prepared, the arrangement with the Treasury was different, as the committee knows. Therefore, that is not reflected in the document. We cannot change the figures because they have to comply with the budget bill that the Parliament passed. There will have to be adjustments to take account of the new bill.

It would have been wrong to prepare the 2002-03 budget on the assumption of a particular outcome to a ballot of tenants. The budget for 2002-03 was therefore prepared on the basis of, for example, Glasgow City Council continuing to be the landlord for 80,000 tenants.

Now that we know that the Glasgow ballot result was positive, we will meet the breakage costs from a number of sources that appear in the budget document. The first source is the receipt from transfer that I mentioned. Secondly, there is the conversion of part of the housing revenue account from capital consent to grant because, once the debt is dealt with, a section of the HRA will no longer be required. The third source is the community ownership budget. Fourthly, we will seek from the centre any additional resource required. I am therefore confident that we will be able to meet the required breakage costs. The breakage costs do not appear in the document, for the reasons that I have given.

The second question relates to the money that would have been expected to be required in my budget to service a debt such as that of Glasgow or the Borders. Some of that money has been reallocated. For example, in Glasgow, some of it has been reallocated to the £417 million that is provided for demolition and reprovisioning. That will be met from the resources that are no longer required.

A balance will be available in the Scottish block for the Scottish Cabinet to decide how it should be prioritised and spent. I think that that is a potential gain for the Scottish Executive's priority areas. It allows us to achieve the objective that the resource was identified for: the shift to community ownership and the refurbishment and reprovisioning programme in Glasgow. Not only will it be more likely that the housing priorities will be achieved because there is an additional £417 million, there will be extra money available for the Executive's wider priorities. Some of that extra money might return to housing expenditure, but ministers might feel that it would be better spent on other priorities.

The Convener: I am conscious that we are beginning to run against our timetable. With the agreement of the minister, I propose that we continue until 12.45 in order that we may explore the issues further. I apologise for the fact that the committee came to this part of the agenda late.

Mrs McIntosh: I want to deal with the issue of greater community engagement. The level 3 figures for empowering communities indicate a figure of £5.2 million for next year. It has been suggested that, rather than allocating funds from the top down, the Executive might consider using social inclusion partnership priorities or community plan priorities in local authority areas that would match the increased resources to those identified priorities. In other words, the money should percolate up rather than trickle down. What is your view, minister?

Iain Gray: In the context of our community regeneration statement, Margaret Curran has been doing a lot of work on the issue of social inclusion partnerships, so I will ask her to answer your question.

Ms Curran: We agree with a bottom-up approach in many respects. We allocate resources to SIPs on the basis that partnerships discuss how those resources are allocated and determined according to local priorities. A lot of Scottish Executive funding is distributed on that basis. We support the idea of community determination of and engagement in those spending processes. All Executive departments try to encourage that and the Executive is trying to ensure that it happens more often, as our community planning proposals demonstrate. We see the partnership process as a way of improving service delivery, as well as encouraging engagement in the processes and developing a feeling of community ownership of the issues that we are trying to address.

Mrs McIntosh: I was thinking of what we were saying earlier about end-year flexibility and the ways in which money can and cannot become available.

I have always been a big admirer of the way in which ministers pass the buck and share responsibility but, as I would hate for Maud Marshall not to be granted a speaking part in this discussion, I will direct my question to her, although it is also directed to the minister. Can you advise how long the Executive expects what is left of Scottish Homes to remain in existence? What will its eventual wind-up mean for the social justice budget?

Iain Gray: As you directed the question to me as well, I will start the answer and Maud can finish it.

Scottish Homes is responsible for around 3,000 houses. Many of those are in areas that have undertaken a ballot and are preparing for transfer and others are in areas that are preparing for a ballot. We would like all the Scottish Homes houses to be transferred to other landlords and Scottish Homes to be wound up. I cannot say how long that will take because the important thing is that satisfactory arrangements are arrived at for the tenants. Although our commitment is not open-ended, we will make a decision based on how long it takes to ensure that the arrangements are properly administered.

Maud Marshall (Communities Scotland): I am loth to pass up the opportunity to speak, but I doubt that I have anything to add to what the minister has said, although I can supply you with the specific figures. Just more than 1,200 houses are awaiting transfer following successful ballots. Of the remaining 1,930 houses, just fewer than

900 are awaiting the outcome of a ballot and the remainder are involved in a process of consultation with tenants.

Robert Brown: I know that we will be dealing with the housing improvement task force this afternoon and I appreciate that we are dealing only with the report on the first stage of consultation on the matter, but I would like to ask about it anyway. Minister, you said earlier that you had allocated £10 million to the housing improvement task force budget. What was that for? Have you any plans to revisit the issue of the reduced funding to the repair and improvement grant sector through the lack of earmarking in recent years? Will any money in the social justice budget be used to examine the work that is being done in that sector?

12:30

Iain Gray: In all honesty, I think that the £10 million is a sign of good will. The report on the first stage of consultation on the housing improvement task force scopes the problems that have to be addressed and we welcomed that. If we had prepared our budget for 2003-04 and had not made provision for the funding of the housing improvement task force, we would have been criticised.

I am sure that the issue of time scale will be part of this afternoon's debate. The housing improvement task force has a two-stage task. It has achieved its first stage and the next stage involves producing solutions and recommendations. We expect that it will complete that task early next year. Some of its recommendations might require the passing of legislation, which would mean that they would not be implemented immediately. I do not expect that the most significant element of resource that will be required to progress the recommendations will be required in 2003-04, but I hope that we will be able to implement some of the recommendations in that year, which would require a relatively small amount of resources. I am thinking about resources to support changes to systems or information and not bricks-and-mortar solutions, for which £10 million would not go very far. I expect the £10 million to be used for such things. However, I cannot say what it will be used for, as it is there to respond to the housing improvement task force's recommendations.

I hope that there will be further resources. I cannot commit resources beyond the planning period or beyond the spending review period and I cannot commit a future Administration beyond the election, but it is clear that the housing improvement task force is undertaking an important job for Scotland's housing stock and Scotland's owners and tenants. It has identified a

number of issues on which we must act. We are coming to some of those issues late in the day; action should have been taken some time ago. I expect it to make robust recommendations. If I have anything to do with matters, I expect that we will have to allocate resources beyond 2003-04.

Robert Brown: I want to deal with the voluntary sector. The Scottish Council for Voluntary Organisations and the committee have frequently said that added resource comes into society in general from the voluntary sector beyond the money that is used to fund it. That is not always fed into budgetary targets and is not always appreciated. Perhaps the best-value element of the forthcoming local government bill will offer an opportunity to move forward in that respect. Does the ministerial team have a view on how the voluntary sector's added value is reflected and whether it might make a difference to budgetary allocations?

Iain Gray: The voluntary sector and voluntary organisations can make a case around added value. First, they can make a case in respect of the depth of their engagement with the communities in which they work. They can engage in a way in which it is sometimes difficult for statutory sector bodies to engage, although we should not say that they should not attempt to do so. Secondly, the voluntary sector can make an investment in social capital in the communities in which it works through providing volunteering opportunities and raising the general level of activity and engagement of citizens. It is fairly straightforward to say that, but it is difficult rigorously to measure or acknowledge such investment. We are in the early days of trying to acknowledge it properly.

I wonder if the legislative opportunity comes too soon. That is not to say that we do not have an interest in that. Indeed, yesterday, I chaired the bi-annual meeting of the voluntary sector forum, in which the Executive meets the voluntary sector—which is represented largely by the SCVO and its policy committee—and we discussed that issue.

We can take the argument forward in a number of ways. First, there is the development of the best value regime. As I deal with that development at a ministerial level, I have to bring proposals to the table. Secondly, we are beginning to set in motion the agreed review of strategic funding with the SCVO and I do not doubt that it will make arguments about value added. Thirdly, we are working on the social economy review, which is in a late draft. As one would expect, it also refers to the issue. Finally—I report this from the voluntary sector side yesterday and I hope that it is right—the Audit Commission has started work on how to measure and acknowledge added value.

To answer Mr Brown's question, perhaps we are

slightly further back than he hoped, but the issue is certainly live and work is being done on it.

Mr Gibson: On fuel poverty, the target for the number of central heating units installed under the central heating initiative is quoted in the annual expenditure report as 10,000 units, but it is given as 12,000 in the draft budget. Will the minister explain the reasons for that reduction? Will that impact on the scheduled completion of the central heating programme?

Iain Gray: I have a note here that does not explain the reduction; it goes back beyond the time when I became the Minister for Social Justice. The initial 12,000 was a mistake or miscalculation and the target is 10,000 for the first year.

The crucial question, which is the second part of your question, is whether that change will affect the delivery of the programme. I remain confident that over the period to 2004 for the social rented sector and to 2006 for the private sector we will deliver for all those who qualify. We have a substantial investment to do that. We will invest £30 million this year and £40 million next year—perhaps those figures should be the other way round, but the figure will be £70 million over this year and next year. I am sure that we will be able to deliver.

On the 10,000 target for the year that has just ended, some report returns from local authorities are still to come in. It looks to us as if we might fall slightly short of target on the local authority and housing association side in the first year. We believe that in the private sector the Eaga Partnership has already met its target of 3,500 by the end of the financial year that has just passed. I think that we will get to 8,500 or 9,000, so we will miss slightly the target of 10,000. There are identifiable reasons for that. There have been hold-ups in the gas supply and in the supply of new meters by Transco. We have been held back a bit by early problems that the local authorities have had in identifying tenancies that qualify.

I expect that we might not spend £5 million of the £28 million that is planned to be allocated in the first year of the central heating initiative. I am very confident that the resources that we have this year and next and the processes that we have put in place to deal with some of the early problems will allow us, over the piece, to deliver for all those tenants and for older people in the private sector.

Mr Gibson: I take it that one of the constraints has been the shortage of qualified heating engineers.

Iain Gray: I do not decry the importance of ensuring that the supply is available. The only real information that I have on that comes from Eaga, the private sector project. It tells us that it has not

had problems with finding contractors who are able to meet its requirements. A number of different bodies have raised that concern with me.

I am not sure that we have hard evidence that the shortage of engineers is holding up the supply, but we remain vigilant because there is a potential problem. I have not seen evidence of the shortage manifesting itself. If anyone has such evidence, I hope that they will give it to us. We would certainly try to address any shortage of heating engineers. Other matters, such as the Glasgow housing stock transfer and the refurbishment programme, will have an impact on the supply, if not immediately this year, then later this year and in following years. We are alive to potential problems.

Mr Gibson: The warm deal is a related issue. The £500 limit for the grant has been in place for some years. Is there an intention to increase the limit to take account of inflation? Is there provision in the budget for that and for cross-subsidy, for example, in relation to tenement stock? Gable-end housing can cost significantly more to heat. At present, there is no provision for cross-subsidy.

Iain Gray: The short answer is no. There is no direct resource in the budget to increase the £500 limit. The resources were in place to achieve our target of 100,000 houses. We have overachieved on that; the most recent figure that I have seen was 120,000 houses. The Housing (Scotland) Act 2001 commits us to explaining later this year our strategy to eradicate fuel poverty by 2016. The Scottish fuel poverty advisory group, which is similar to the advisory group that worked on the central heating initiative, but which includes representatives of groups such as Friends of the Earth Scotland, is working on the strategy. A consultation began in March, the closing date for which is, I think, the end of May. I think that the advisory group will meet today. That matter is progressing. If the group felt that an increase in the £500 limit might have a powerful impact, I would expect it to make that recommendation.

We have had interesting discussions on cross-subsidy, for example with Transco. We want to work with partners to develop the issue significantly. Perhaps Geoff Huggins will say something about that. We are interested in innovation and in pulling together different strands of resource so that they work in concert to deliver what we want.

Geoff Huggins (Scottish Executive Development Department): The advisory group is considering local energy partnerships, such as the work in North and South Lanarkshire and Dundee. Those partnerships are intended to identify, through comprehensive energy surveying, the mechanisms and features that can be put into people's houses. Using the range of resource flows, the partnerships will match people with grant schemes such as the EEC—energy efficiency commitment—arrangements, the warm deal and other work by local authorities and social work departments. The partnerships will aim to ensure that, where possible, measures to take people out of fuel poverty are established. Those measures might involve combining budgets. We are considering that matter. One of the key outcomes of the work by the fuel poverty advisory group is that we offer advice to a wider range of authorities. We hope to say more about that in the final version of the statement.

Iain Gray: We are trying out cross-subsidy in relation to houses and households rather than to the programme.

The Convener: We have met our target of overreaching our target by only 15 minutes, which is not bad. If the committee wishes to pursue issues that we discussed, we might do so in writing. I trust that the minister will feel able to respond. I thank him for attending and for his comprehensive responses to our questions.

Do members agree to consider a draft report on our response to the budget at the next meeting?

Members *indicated agreement.*

The Convener: Members should start to think about giving to the clerks information and comments for the report.

Meeting closed at 12:43.

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