

# **MEETING OF THE PARLIAMENT**

Thursday 28 June 2001

Session 1

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# Scottish Parliament

*Thursday 28 June 2001*

[THE PRESIDING OFFICER *opened the meeting at 09:30*]

## Protection from Abuse (Scotland) Bill: Stage 1

**The Presiding Officer (Sir David Steel):** The first item of business is the Justice 1 Committee debate on motion S1M-1994, in the name of Alasdair Morgan, on the general principles of the Protection from Abuse (Scotland) Bill.

09:30

**Alasdair Morgan (Galloway and Upper Nithsdale) (SNP):** I am sure that the attendance in the chamber says more about the press function last night than the importance of the subject of the debate. I have great pleasure in opening on behalf of the Justice 1 Committee the stage 1 debate on the general principles of the Protection from Abuse (Scotland) Bill. It is the first bill ever to be introduced by a subject committee in the Scottish Parliament. The bill is important, not only because of the increased protection that it will give to many in society whose rights are not recognised by existing legislation, but because, in a constitutional sense, it demonstrates the ability of the Parliament's committees to initiate legislation. That is one of the most important ways in which our system is innovative and fundamentally different from that at Westminster.

The bill is the result of a suggestion from Maureen Macmillan to the Justice and Home Affairs Committee as long ago as August 1999, which led to that committee's report last November. I thank everyone who was involved in the report: the various committees, the clerks, the Parliament's legal directorate, the Scottish Parliament information centre, Scottish Executive officials, the many organisations that gave evidence and, more recently, the Subordinate Legislation Committee and the Finance Committee, which considered the bill and its accompanying documents.

In the stage 1 report, the Justice and Home Affairs Committee agreed that the best way to remedy the perceived deficiencies in the existing protection for potential victims of abuse was to attach a power of arrest to an interdict. That proposal was debated and agreed by the Parliament in January. During that debate, the Deputy Minister for Justice indicated the Scottish Executive's broad support for the bill, for which we

are grateful. Since then, the Parliament's non-Executive bills unit has been given the task of drafting a bill that reflects the committee's intentions, as outlined in the stage 1 report. I thank the members of the unit for their hard work.

The current law does not protect all victims equally. The main statutory protection that is afforded to victims of domestic abuse is the Matrimonial Homes (Family Protection) (Scotland) Act 1981, but that protection includes only spouses and cohabitants who have occupancy rights. In addition, the courts have no power to attach a power of arrest to a common-law interdict, which means that many people who may be vulnerable to domestic abuse, such as divorcees, parents, grandparents, same-sex cohabitants and neighbours, are excluded from protection. The Protection from Abuse (Scotland) Bill is intended to complement the Matrimonial Homes (Family Protection) (Scotland) Act 1981 by offering protection to those who are excluded from it, while not depriving a person of their occupancy rights to their home.

The Protection from Abuse (Scotland) Bill will entitle any individual who has obtained, or who is applying for, an interdict against another person for the purpose of providing protection from abuse to apply to the court to have a power of arrest attached to that interdict. Victims of domestic abuse will no longer need to demonstrate a personal relationship with the potential abuser. The court will need to be satisfied simply that granting the power of arrest is necessary to protect the applicant from a risk of abuse in breach of the interdict.

Attaching a power of arrest to an interdict means that, in the event of a police officer having reasonable cause to suspect that an interdicted person is in breach of the interdict and considering that there will be a risk of abuse if the interdicted person is not arrested, the police will be entitled to arrest the interdicted person and remove them from the scene. For example, under the bill, an abuser who is interdicted from approaching a certain person—perhaps a former partner—but who approaches them can be arrested and removed, which is not the case at the moment. The bill also contains a provision for the person under arrest to be detained for up to two days if the court believes that there is a substantial risk of the victim being subject to abuse.

The bill will make use of an existing common-law power of the Scottish courts—the power to grant interdicts. It is estimated that the Court of Session and the sheriff courts deal with more than 2,000 applications for abuse-related interdicts per year. Such an interdict may order the alleged abuser not to approach the applicant, or to stay away from the applicant's home or place of work.

However, many more people—at least as many again, it is estimated—do not seek such interdicts, because they believe them to be ineffective. The main problem with the current law is that the police are powerless to arrest a person who is in breach of an interdict unless they have also committed, or are about to commit, a crime, but the bill will change that.

Safeguards have been built into the bill to ensure that the alleged abuser also has the right to be heard. If the court is satisfied that the applicant is at risk from abuse from the person to whom the interdict applies, it will order that a power of arrest be attached to the interdict. Under the bill, the police will have the power to arrest an individual for breach of interdict where a power of arrest has been attached to the interdict. If no criminal proceedings are to take place against the alleged abuser for another offence, the provisions in the bill will allow the alleged abuser to be brought to court.

The procurator fiscal will provide the court with a statement of the circumstances giving rise to the arrest and if, after giving the alleged abuser a chance to reply, the sheriff is satisfied that there has been a *prima facie* breach of interdict and there is a substantial risk of the arrestee breaching the interdict again and causing further abuse, the sheriff will have the power to detain the abuser for a further two days. The arrestee will have the right to be heard at court and be represented by means of legal aid, if that is required and appropriate. The Executive has indicated that arrangements will be put in place to enable a duty solicitor scheme to be set up, because this is a civil matter, not a criminal matter. I thank the Executive for its co-operation.

The Justice 1 Committee believes that the Protection from Abuse (Scotland) Bill is a positive and necessary step towards increasing existing protection, and providing new protection for victims of domestic abuse.

I move,

That the Parliament agrees to the general principles of the Protection from Abuse (Scotland) Bill.

09:37

**The Deputy Minister for Justice (Iain Gray):** I am glad to give the Executive's support to the Protection from Abuse (Scotland) Bill, which is an important bill in two ways. As the Justice 1 Committee convener said, it is the first bill to be promoted by a committee, but its greater importance lies in the fact that it will give better protection to people in Scotland who are at risk from violence and abuse, no matter what their relationship to the potential abuser is.

Combating domestic abuse is an important aim and a key part of the Executive's programme, but

it is fair to say that it is driven by the Parliament as a whole. I am conscious that many of the measures that we have taken on domestic abuse had their origin in an important members' business debate early in the session. Today, we progress that agenda through the Justice 1 Committee's bill.

Domestic abuse is a key factor in social exclusion. It has an unimaginably disruptive effect on people's everyday lives, so we must offer as much protection as possible under the law to its victims. In September, our family law white paper "Parents and Children" set out our proposals to reform the Matrimonial Homes (Family Protection) (Scotland) Act 1981, to which Alasdair Morgan referred. That act protects occupancy rights for spouses and cohabitants whose home is with the abuser and allows interdicts with powers of arrest. Our proposed changes are essential to keep the act up to date. The bill goes further than the 1981 act, as the protection that the bill provides does not depend on occupancy rights, which means that any victim of abuse can benefit, whether or not she or he lives with the abuser or has ever done so.

I note in passing that the drafters of the bill have gone to great lengths to eliminate gender-based language. Although the great majority of victims of domestic violence in Scotland are women, men can also be victims. Nevertheless, it is a fact that in 92 per cent of recorded domestic abuse cases a woman is the victim of a male attacker. That was amply borne out in the evidence that the Justice and Home Affairs Committee heard last year. It is right that the bill is comprehensive.

As I said in the debate on the proposal for the bill, we commend the work of the Justice 1 Committee—formerly the Justice and Home Affairs Committee—in considering a wide range of evidence and introducing the bill. I, too, single out the contribution of Maureen Macmillan as reporter to the committee and in many ways the originator of the bill. I also pay tribute to the constructive convenership of Mr Morgan and his predecessor, Roseanna Cunningham.

To many, the distinctions between bills that are introduced by the Executive, by members and by committees may seem unimportant and an uninteresting aspect of parliamentary procedures, but members know well that a big gap exists between the resources that are available to the Executive and those that even the best-organised member can bring to a subject. The standing orders that allow committees to introduce bills are a most important and interesting innovation in the Parliament. The committees have developed their knowledge of, and experience in, particular interests. With the non-Executive bills unit, they now have the resources to give legislative effect to their policy proposals. It is no insult to the drafters

in that unit to say that we are scrutinising the drafting of the bill and that we may wish to lodge Executive amendments at stage 2. They are likely to be technical and designed to help achieve the purposes of the bill. We will consider them further over the recess.

As members will appreciate, much legislation has financial and resource implications. As I said to the Justice 1 Committee on 19 June, the Parliament and the committee will have to bear it in mind when developing policies that have financial implications that our Scottish budget is finite. Resources that are committed to one area are denied to another.

The financial memorandum that is attached to the bill estimates that if the take-up is between 2,000 and 5,000 interdicts a year, the cost will be between £800,000 and £2 million each year. That money will have to be found from the justice department's budget. I cannot predict the exact terms of the financial resolution that the Executive will lodge in due course, but I fully expect it to allow the bill to progress.

Compliance with the European convention on human rights has provoked a little interest this week, so members will understand that we must consider carefully legislative competence. A virtue of the bill is that it has broad coverage. We must ensure that it is not so broad as to be oppressive and that it restricts liberty or private life only in proportion to the aim of protecting others. As with all other cases, the rights of the people involved must be balanced when the bill is used.

We all agree on the objectives of the bill: to provide effective laws and to give all the people of Scotland the protection that they need from violence and abuse. We will do our best to find the means. We are delighted that the first committee bill should be so worth while. I pledge the Executive's support for the principles of the bill.

09:43

**Christine Grahame (South of Scotland)**

**(SNP):** It is a great pity that the Parliament has received such bad publicity, as it is ill deserved. People just see First Minister's questions, which tends to be a bit yah-boo. When we discuss a sensible and sensitive bill that has cross-party support and will impact on people's lives in an important manner, our discussion is not reported and is not considered spectacular. The minister outlined well the devastating effects of interdicts that lack a power of arrest for technical reasons. I hear what he says about finance and resources, but I hope that the bill becomes practical legislation as soon as possible.

The SNP fully supports the bill and congratulates Maureen Macmillan and the rest of

the Justice 1 Committee—to which I am returning like a rubber ball, thankfully—which introduced the bill. I am mindful of Paul McCartney's "The Long and Winding Road" when I think of how the committee went up roads, down valleys and everywhere in trying to think of a way to attach a power of arrest to a common-law interdict. At first, we did not think of introducing a bill. We kept tinkering around with the Matrimonial Homes (Family Protection) (Scotland) Act 1981, which concerned occupancy of the matrimonial home and left huge gaps in the law. I am pleased that we will have a piece of stand-alone legislation that is easily accessible to practising lawyers, let alone anyone else.

I will give two examples from my experience as a matrimonial lawyer of the great gaps that existed. I would often deal with a woman who was in a cohabiting relationship that had broken down and become somewhat violent at that stage or before. Such a woman would be under the misapprehension that she was in a common-law marriage and think that she somehow had the protection of the 1981 act—I realise that the issue is a slight diversion. I would have to explain to such a woman that to establish a common-law marriage, the elements of habit and repute must be present. The couple would have to hold themselves out as a married couple to the world and obtain a court decree to tell everyone that they were married. If people hold out to the world that they are living together, they are not married and will not incur the protection of the 1981 act. Many people had a shock when they approached a lawyer and said, "I can get a power of arrest attached to my interdict, can't I?" I would say, "I am afraid you cannot."

Great gaps existed in the law when a decree for divorce was issued in the case of a particularly violent relationship. The interdict with the power of arrest would then fall because the two people were no longer married, despite the fact that great stresses might be placed on a couple at that stage, especially when access to and contact with children continued, which would leave an opportunity for violence to erupt or for someone to use children while being aggressive towards their former partner.

Gaps existed for other people. I had a client who had a difficult neighbour—a lady who, at night, banged doors, ran water and poisoned my client's hedge, for example. After months of that, my client—a very nice woman—was in a terrible state. All that I could do was obtain a common-law interdict. I did not take decree on that interdict, because if I kept it as an interim order, I could keep returning to the court when the lady next door breached the interim order. However, I could not have a power of arrest attached and I could do nothing else. If I had taken a final decree on that

interdict and the lady next door had breached it, I would have had to raise a separate action for breach of interdict.

That device was clumsy. I am pleased that, in such circumstances, it will be possible to attach a power of arrest, subject to important tests to protect the defender or the person who is accused of breaching an interdict. First, it must be necessary to attach a power of arrest—that places a high degree of evidential responsibility on the person who seeks a power of arrest to produce evidence to the court that they are entitled to take away those rights. Secondly, the interdict must be specific, so that everyone, including the police, knows exactly what the person is prevented from doing.

I welcome the bill and look forward to its becoming law quickly.

09:48

**Phil Gallie (South of Scotland) (Con):** I welcome unequivocally the objectives and aims of the bill. I congratulate Maureen Macmillan on her relentless pursuit of those objectives in questioning aspects of the Justice and Home Affairs Committee's work when she was reporter and in developing the bill.

I accept that such a bill would have been unlikely had there not been a Scottish Parliament. That is a benefit and perhaps a danger. I am advised that, later today, an Executive bill will be announced—ECHR-proofed—to prevent those who are charged with rape or, I hope, serious sexual abuse, from cross-examining their alleged victims. The Conservatives will welcome that bill too; it is another benefit.

However, creating a plethora of legislation has the danger of producing a nightmare for future generations that have cause to access the law. I hear what Christine Grahame says about stand-alone legislation, but having a range of stand-alone bills will create problems for future generations when handling the law. In the not too distant future, there might be advantage in examining the ever-increasing number of minor—but important—bills and racking them up in all-embracing bills.

I am aware that consideration was given to amending the Matrimonial Homes (Family Protection) (Scotland) Act 1981 or the Protection from Harassment Act 1997. It was thought that those acts, in particular—influenced by its title—the 1981 act, were not appropriate. Irrespective of that, some thought could be given to the point that I have made and I ask the minister to take it on board in his future deliberations.

As has been well explained in the debate, the

bill will allow sheriffs to apply powers of arrest to interdicts that are granted against male or female abusers. At present, such powers exist only in the case of married couples. The telling point is that, when a divorce takes place, the victim of abuse loses protection. In practical terms, that makes nonsense of the law. I believe that the Justice 1 Committee is right to seek change at that point.

The opinion of the wide range of bodies that gave evidence to the committee is that there is considerable support for a bill. That body of opinion came from a wide spectrum including the Association of Scottish Police Superintendents, the Family Law Association, the Law Society of Scotland and a range of women's organisations. It was interesting to hear Sheriff Wilkinson, president of the Sheriffs Association, put in a plea for the interests of grandparents to be heard. My impression is that the wording of the bill will protect the interests of grandparents who have responsibility for their grandchildren. I welcome that. I am also happy to say that, although I am a grandparent, I do not have a specific interest that needs to be protected at this time.

It is disturbing that the victims of abuse are frequently failed by the legal aid system; that is a matter for the Executive to consider. As there is current committee activity on legal aid, the minister is aware of the concern on the issue. No doubt legal aid will be debated at a later date. To return to the bill, and to Alasdair Morgan's motion, I have no difficulty in giving it our full support.

On a personal note, over the past two years I have enjoyed my involvement on the Justice and Home Affairs Committee and then the Justice 1 Committee. I was disappointed at the splitting-up of the Justice and Home Affairs Committee, as the position of the two justice committees that replaced it was weakened as a result. Irrespective of that, I will miss my participation in the committees.

I congratulate the Justice and Home Affairs Committee on the work that has been done in the past and wish the Justice 1 Committee and the Justice 2 Committee well for the future.

09:52

**Nora Radcliffe (Gordon) (LD):** I commend much of what is in the bill as there is much in which we can take satisfaction. The bill is necessary and timely and its genesis and development demonstrate that the Scottish Parliament works well.

The necessity for the bill is all too demonstrable, as the domestic abuse statistics are horrifying. We are told that at least a quarter and possibly as many as a third of all women in Scotland will experience domestic abuse. At its first meeting,



the Justice and Home Affairs Committee highlighted the necessity of tackling the issue. A month later, Maureen Macmillan spoke about a bill that would amend the Matrimonial Homes (Family Protection) (Scotland) Act 1981, which is the main legislative protection that is available to victims of abuse.

One of the main limitations of the protection is apparent, as the word “matrimonial” is in the title of the 1981 act: people have to be married to come within the scope of the act. In its white paper on proposed changes to Scottish family law, the Executive addressed measures to address that problem, but it will be some time before the white paper will be translated into law. I am glad that the Justice 1 Committee took the view that it could not wait for a family law bill and that action was needed.

What has happened since then has demonstrated a number of the strengths of the Scottish Parliament. I am not a member of the Justice 1 Committee, but what struck me most forcibly, as I watched the progress of the bill from the sidelines, is the way in which common sense was applied as the bill developed. The committee recognised the need to do something as quickly as possible. We might measure delays in weeks or months, but some people measure delays in how many more hidings they will get.

The committee realised that it needed to step back from the complexity of the 1981 act and opt for a stand-alone measure. That led to a shift in the focus of tackling abusive relationships from the relationship to the abuse. Although work to combat domestic violence has concentrated largely on male violence against women and children—in 93 per cent of incidents where the victim's sex was recorded, the victim was female—men can also be victims of domestic violence. Both men and women can perpetrate violence against children.

As I said, the significant realisation was made that it was the abuse that had to be tackled. Having shifted the focus to tackling abuse and removed the complications of defining which, if any, relationship was a prerequisite for legal protection, it was seen that an effective way forward would be to make a small extension to existing law.

The bill that has resulted from that process is a short, straightforward measure that addresses a real and urgent need. That we have got to this point demonstrates what we can do in the Scottish Parliament. Maureen Macmillan, a determined back bencher, has made a large contribution to the bill and we have used the powers of a committee to originate legislation.

The bill is an excellent and much needed measure. It is great to see it progressing more

quickly than would have been the case had back benchers and committees not had the powers that we have in the Scottish Parliament.

I commend the bill.

**The Presiding Officer:** As the debate is short, we now come to winding-up speeches, which we will take in reverse order of parties. That means, oddly enough, that we start with Tavish Scott. *[Interruption.]* I did not mean “oddly” in any sense except that it is unusual to have two Liberal Democrats speaking one after the other.

09:56

**Tavish Scott (Shetland) (LD):** I take your point, Sir David.

I share the unequivocal welcome that the bill has received this morning. Like many colleagues across the chamber, I deal with issues of domestic violence in my constituency, and our constituency casework reflects the fact that the issue is one that worries Scotland today. The Scottish Parliament can, quite properly, act to deal with the issue, which is difficult and precise. I suspect that I am not alone in having received representations from advocacy groups that campaign on behalf of women and deal with violence and domestic abuse.

There are two main points to today's debate—first, the parliamentary process and how it is followed and secondly, the very real nature of the subject. Alasdair Morgan rightly pointed out the importance of the Parliament's ability, through its committee structure, to initiate a bill. Today is of considerable importance in that respect.

Currently, the Procedures Committee is asking members to consider the principles of the consultative steering group. We are being asked to consider power sharing between the Executive, the Parliament and the people who live in our communities. The Protection from Abuse (Scotland) Bill is an example of power sharing at work.

Alasdair Morgan mentioned his experience of Westminster and how power sharing is a refreshing change to the processes that go on in that place. In that respect, I return to a point that was made by Phil Gallie about the need for a miscellaneous provisions (Scotland) bill to tidy up a plethora of smaller measures. Mr Morgan has direct experience of such bills, whereas I remember working behind the scenes on the plethora of measures that such bills can encapsulate. My concern about the miscellaneous-provisions approach to lawmaking is that the level of scrutiny is perhaps not all that it might be, because of the breadth of legislation under consideration. The Parliament and the

Executive will want to reflect on that.

I congratulate Maureen Macmillan on her considered work on the bill. I also congratulate her colleagues on the Justice 1 Committee. The issue is important, and the law as it is currently constituted does not provide equal, and therefore fair, treatment to the people who are affected. As the minister said, we need to provide as much protection under the law as is possible. Given the unimaginable horror of events that can affect women, providing that protection is extremely important. My colleague Nora Radcliffe set out the Scottish domestic violence statistics, which are awful and serve to illustrate why it is important that the measure is being debated today and why the bill must be progressed with as much speed as is consistent with good lawmaking. As other members have said, the strength of consultation and the number of bodies that have given clear support and guidance are to be valued.

On that basis, the Liberal Democrats support the bill.

10:00

**Mrs Lyndsay McIntosh (Central Scotland) (Con):** Speaking as late as this in the debate leaves little opportunity to contribute something new, especially in view of the exposition that Mr Morgan gave at the outset of our proceedings this morning. Members will be grateful to learn that I propose at this stage merely to add my support, and that of my party, for the bill.

Other speakers have highlighted the situation of women after divorce: just when they think that things will get better, they could become profoundly worse. There is a definite need for the bill, because many areas in the provisions for victims of domestic abuse need to be reformed or changed so that victims are dealt with more coherently. We also want those victims to have the full weight of the law behind them, so that they are not forced to remain in abusive situations.

Women who are being abused, molested or harassed by a partner share the same need—protection—yet the law discriminates among women because of the status of the relationship. Ease of access to protection and the degree of protection that can be obtained differ depending on whether a woman is married, divorced, cohabiting, in a relationship but not cohabiting or has ceased cohabiting. Equality of access to the system of protection must be at the heart of reform, and an element of consistency and harmonisation in the penalties for breach of orders is essential. The bill seeks to resolve those shortcomings.

I pay particular tribute to Maureen Macmillan, who was very persuasive at the outset of the bill.

She came up with an idea and the other members of the Justice and Home Affairs Committee were readily persuaded that it was something worth pursuing. However, Maureen Macmillan did the reporting work, challenged people, got the evidence and chased up people to find out why we could do some things and not others. That was not easy, and I pay tribute to Maureen Macmillan for what she has done. She was relentless in her pursuit. The fact that the other committee members were so easily persuaded serves only to underline how necessary the legislation will become, so I give Maureen Macmillan special thanks. The Parliament seems to have specialised in domestic abuse, but that is because debate on the issue is necessary. People ask why we keep harping on about domestic abuse; it is because it still happens. Until we change that, we will continue to harp on about it.

Having stuck with the justice committees through thick, thin, the Justice and Home Affairs Committee, the Justice 2 Committee and so on, I am sorry to be leaving and wish all those who are pursuing this matter every success. They will continue to have my support.

10:03

**Christine Grahame:** Having been a practising lawyer in my previous life, I did not have to be persuaded that we needed such a bill. Anyone who has operated in family law knows the great difficulties that are faced and how one can feel unable to help clients, who—as I explained earlier—sometimes cannot understand those difficulties.

I would have spoken more slowly if I had known that I would be summing up as well. I would have kept my second half for the second half.

The Protection from Abuse (Scotland) Bill is a good stand-alone bill. I understand what Phil Gallie means by a plethora of legislation, but the bill is good because lawyers have to know where the law is. As Tavish Scott said, if important sections of the law are buried in a miscellaneous bill, which tampers with some primary legislation, some family law and so on—as has happened at Westminster—and one has to dig around in that bill, the process is made complicated. I know that we are professionals and we are supposed to know what we are doing, but there is no need for it to be like that. The clarity and simplicity of the bill are its great assets.

The test is how the bill operates. We already have a system in place for powers of arrest attached to matrimonial interdicts. When one has an interlocutor with an interdict with the power of arrest, there is a requirement to notify the police constable in the area; I always made a practice of

notifying the local police station. In addition, I always gave a copy of that interlocutor with the power of arrest to the client and told him or her to keep it by the phone, so that everyone knew what the interdict said.

In evidence to the committee, the police and others made it plain that the interlocutors had to be tightly drawn; people's liberties could be taken away if the interlocutors were fuzzy at the edges. In my experience, that did not happen, because sheriffs would challenge a solicitor who did not make it sufficiently clear what a person was being prevented from doing. If a certain street was involved, one had to make that clear, even down to the street numbers. Primary schools or places of work also had to be made clear. Interdicts—which take away people's liberty—are drawn very narrowly. They are specific and local; sheriffs do not prevent people from wandering the whole of Edinburgh. Notification is important.

Something that is important and that may be of interest to members is the response time for police. I once had an interdict with a power of arrest attached to it for a lady who lived just outside Corstorphine. Corstorphine police were pretty handy, but—through no fault of their own—it sometimes took them six to 10 minutes to get to her door. In those six to 10 minutes, the woman's violent partner, who had a criminal record, could batter on her door and break windows; neighbours tended to back off. I found that, in practice, the lady would not use the power of arrest attached to her interdict.

I would like the minister to consider the operational issue of whether, when violent people are involved, we can speed up police response times so that women—or men—have something in their hand that does not make things worse. In some circumstances, a power of arrest is attached and the violent person goes ballistic, to use the common expression; some partners see it as a challenge. Response times are terribly important. The person with the court order must feel that the interdict is a firewall.

I hope that the committee gets credit for the bill and that somebody out there starts listening to the work that the committee is doing, which is at the core of the Parliament's progress.

10:07

**Iain Gray:** Members of all committees know the effort that lies behind the committees' work—I know that not from experience, but because members often point it out to me. No committee has a wider range than the Justice 1 Committee: the committee that was so good, we named it twice—or three times, or more.

I am pleased that the Justice 1 Committee has

been rewarded by the widespread support today for the principle of its bill—that there should be no occasions when help is denied simply because the threat comes from someone who is not a spouse or cohabitant, or because the threat has not been repeated often enough.

Christine Grahame is right: changes in the law will help—indeed, they are necessary—but they are not sufficient and must take their place in a wider range of practical assistance to those who are vulnerable. That is why we have a national strategy to address domestic abuse in Scotland and an action plan, which we are already implementing. That work has been developed by the national group to address domestic abuse in Scotland, which met earlier this month under the chairpersonship of Margaret Curran. That group will review legislation in this area and may advise on a more comprehensive amendment on modernisation of legislation. However, where we can see something that needs to be done, that is not a reason to wait.

We have allocated £10 million for refuge development over the next three years. The first ten projects, which will provide more than 40 completely new refuge spaces and more than 20 improved spaces for women and children, have recently been approved. Those are measures of profound practicality and a significant investment of resources. I can assure members that our support for the bill is a commitment to make it practical legislation, which is used and useful for the purpose for which it is being developed. We are working to develop effective and affordable ways of getting advice to victims and of getting access to courts where necessary. Legislation is of no value if those who could benefit from its use cannot receive the advice that they need in order to benefit.

We are debating principles this morning. On the broader issue of domestic violence, the principle is simple and straightforward: there is never, ever an excuse, nor should there ever be a loophole. This has been a short debate—perhaps not the best-attended debate—but a good morning's work for all that.

10:10

**Maureen Macmillan (Highlands and Islands (Lab):** As Alasdair Morgan said, this is a very special occasion: the stage 1 debate on the first committee bill of the Scottish Parliament. I feel privileged to have played a part in it, and I thank all the members who have contributed to the debate.

Iain Gray is here representing the Executive, and I welcome the Executive's support for the bill. The support of ministers is a crucial part of the

jigsaw of measures that will deliver protection and support to people who have suffered abuse and are afraid of continuing abuse. As Iain Gray said, the Parliament and the Justice 1 Committee are both committed to dealing with domestic abuse. As Nora Radcliffe said, the committee was able to deal swiftly with this measure.

As I am talking about the Executive's contribution, perhaps I should address the question of ECHR compliance. Phil Gallie also raised that subject, and members will be aware that any arrest or detention must be compatible with article 5 of the ECHR, which guarantees a person's right to liberty and security. Members will also be aware that the arrest and detention procedures in the bill are no different from existing procedures in the Matrimonial Homes (Family Protection) (Scotland) Act 1981. In several respects, the procedures in the bill give the alleged abuser more protection against the possibility of arbitrary detention. The Justice 1 Committee is satisfied that the arrest and detention procedures are compatible with article 5 of the ECHR, and in particular with article 5(1)(b). Members will also be aware that the Presiding Officer has issued his statement on legislative competence, which says that, in his view, the provisions of the bill are within the Parliament's legislative competence.

Alasdair Morgan outlined the details of how the bill will work, and I will not repeat what he said. As members have said, the bill was necessary because the protection available under the Matrimonial Homes (Family Protection) (Scotland) Act 1981 did not address the realities of today's relationships. Because that act was related to rights to occupy property as an adjunct to particular kinds of relationships, too many people were excluded from protection under it. As Lyndsay McIntosh and other members said, divorcees were excluded from the protection of police powers of arrest, because they were no longer married to their abusers. Many cohabitants were excluded, because pursuing occupancy rights through the courts would only leave them open to an escalation of abuse. Same-sex couples were excluded, because their relationships had no legal standing. The extended family was excluded, although there is much evidence of abuse across the generations.

As Christine Grahame mentioned in a previous debate, the idea for the bill was a flash of inspiration from the Sheriffs Association, which was warmly welcomed by the committee and by other witnesses. I thank Christine Grahame for giving us examples today of how the present law has failed those who are abused.

The bill is welcomed by all those who deal with people who are suffering abuse. It is welcomed by

organisations such as Scottish Women's Aid and Enough is Enough. It is welcomed by the police, who are often frustrated in their attempts to prevent abuse by the fact that, in most circumstances, they have no preventive powers of arrest and must wait until there is a breach of the peace or an assault before they can intervene.

Of course, abuse is not just about physical violence; there is also sexual and psychological abuse. The stage 1 debate on the bill sends several messages. It states that abuse, wherever it is found, is unacceptable to society, and that abusers will feel the force of the law. I hope that the new remedy will be widely used. I believe that, in the long run, it will be cost-effective, although there seems to be a question in the Executive's mind about how much it will cost. In the end, however, I think that we will find that it takes up less court time and less police time. It is better to prevent serious crime than to have to deal with the consequences of serious assault or even murder. The bill will prevent fear and psychological suffering. Too many people live in fear of an ex-partner or family member, and I hope that the bill will liberate them.

As Tavish Scott said, today's debate sends a message about what this Parliament can do for Scotland. This is a committee bill, which was formulated because the then Justice and Home Affairs Committee considered that there was a serious gap in the law. The bill has been thoroughly researched by the committee through extensive evidence taking, and members of the committee were ably assisted by the committee clerks, past and present. We then handed over to the non-Executive drafting team, which turned our ideas into a draft bill. Many people have commented on the bill's user-friendly language, and I thank the draftsman for his skill. I thank the head of the non-Executive bills unit, David Cullum, who oversaw the process, and Alison Coull, who provided legal advice.

I ask ministers, who support the bill, to consider closely the question of eligibility for legal aid. That issue has also been raised during the debate. People need to be able to access the justice that the bill offers. As I have said in other debates, the proposed legislation could save lives. Anyone in such danger, be they man, woman, girlfriend or grandfather, must have the protection of the law. I also ask the Executive to put in place systems to monitor the bill closely when it is passed. That is something that Christine Grahame mentioned. We want to ensure that the uses of the powers under the bill are noted and that proper provision continues to be made for people who want to use those powers in future.

The Justice and Home Affairs Committee worked hard during its inquiry and I pay tribute to

all members for the consensual way in which we worked towards the solution that is being presented to the Scottish Parliament as a bill today. We have had two very useful debates on the bill and, on both occasions, the Parliament has been whole-heartedly supportive. I speak on behalf of the committee when I say that I am most grateful for that support. Once again, I thank the members and clerks of the Finance Committee and Subordinate Legislation Committee for their part in scrutinising the bill at stage 1 and in ensuring that today's debate could take place.

We have investigated thoroughly all possibilities and I think that we have come up with a bill that will genuinely help victims of abuse. The work that has been done by our committee is a great example of what can be achieved in our committee system. In my opinion, it is entirely appropriate that the first committee bill to begin its parliamentary journey is one that will genuinely help vulnerable people in Scotland. I am grateful for the support that the bill has received in the chamber today, and I am pleased to commend it to Parliament.

## Budget Process 2002-03

**The Deputy Presiding Officer (Mr George Reid):** The next item of business is a Finance Committee debate on motion S1M-2042, in the name of Mike Watson, on the 2002-03 budget process.

10:17

**Mike Watson (Glasgow Cathcart) (Lab):** A year ago today, I introduced an equivalent debate on the 2001-02 budget process. I said then that I anticipated the Parliament and its budget process developing and embracing further changes, although neither I nor anyone else in the chamber could have foreseen the changes brought about in the Parliament by the events of the past 12 months. The Parliament, and indeed all Scotland, lost and gained a First Minister, the SNP lost and gained a leader, the Executive lost and gained a finance minister and, just yesterday, we learned that the SNP had lost and gained a finance spokesperson.

I have enjoyed working with Andrew Wilson on the Finance Committee—he will be missed. We assume that Alasdair Morgan will take his place. It has been said that finance is not a particularly lively subject but Alasdair Morgan has been a member of the Rural Affairs Committee and the Justice 1 Committee, so I am not so sure.

Talking of lively, during the debates on the budget process over the past two years, I have been the target of the coruscating wit of Annabel Goldie. On one occasion, she dubbed me the I M Jolly of the debate, which I did not take as an analogy with Rikki Fulton's acting abilities. Largely for Annabel Goldie's benefit, in parading my credentials for the position of convener of the Finance Committee, I shall reveal a little-known fact. It is time for me to come out of the closet; I cannot hide it any longer. Between the ages of 18 and 20, I was an apprentice chartered accountant. [MEMBERS: "Oh."] Well, it was not a pleasant experience and it was one from which, almost 30 years later, I have still not fully recovered.

**Mr David Davidson (North-East Scotland) (Con):** Will Mr Watson give way?

**Mike Watson:** I see a CA to my right—he is well to my right. I shall give way to him in a moment.

I do not know why I did not make it as a CA. All I know is that it was a complete waste of four years of my life.

**Mr Davidson:** I wonder, Presiding Officer, whether this is a resignation speech.

**Mike Watson:** Yes; I am resigned to the fact

that I had to admit that at some stage in my political life.

Seriously—I tell Annabel Goldie that that is as good as it gets—we are into the second full year of the budget process, which means that we are now able to compare like with like. It is of considerable importance that detailed scrutiny of the Executive's spending plans is now an established part of the parliamentary calendar.

The Parliament's committees are central to the process and the Finance Committee regards that as a catalyst for change. Many areas of departmental policy that, in the past and certainly until the establishment of the Parliament, had not had to ensure a meaningful level of accountability are now examined in considerable detail.

In support of that contention, I cite the remarks of a senior finance division official, who recently compared the current arrangements with those that existed prior to devolution. He recalled that Scottish Office civil servants used to spend at most an hour and a half giving evidence to the Scottish Affairs Select Committee in the House of Commons. It was rare for Scottish ministers to appear. Now he, his colleagues, the Minister for Finance and Local Government and the minister's deputy regularly give evidence to the Finance Committee during the Parliament's year-long budget process. Indeed, ministers have assisted us on five occasions in the past year. That represents a huge step forward in respect of transparency and accountability in the Government's spending proposals.

When the Finance Committee reported to Parliament last year, it did not pull any punches. We were critical of the style and content of the Executive's annual expenditure report and called for significant improvements. We note with pleasure that considerable progress has been made in this year's document and we highlight significant factors such as the inclusion of real and cash terms in a more detailed breakdown of the annually managed expenditure element of the budget. Those and other improvements are welcome, but our report is tempered with caution because there remains some way to go.

This year, for the most part, subject committees have been able to carry out a review of the activities of the departments. Last year, they found that difficult, if not impossible, due to the shortcomings in content and presentation of the equivalent report. However, there were major exceptions to that this year in relation to local government and health and community care. The committees that shadow those departments—which account for £13 billion of expenditure, or about two thirds of the Scottish budget—reported that there was little transparency about how taxpayers' money is spent, because much of the

departments' spending is delivered at a local level. Therefore, we feel that there is a need to move to a system that facilitates a national overview of services that are provided locally.

Our report contains 14 conclusions and recommendations. All are important, but some merit particular attention. To carry out their functions effectively, the subject committees must have the information that they regard as necessary to measure performance against departmental objectives. We were concerned that the Health and Community Care Committee reported to us that it

"believes the targets set in *The Scottish Budget* to be wholly inadequate for the purposes of guiding or judging performance".

Those comments were all the more damning given that they repeated the criticisms the committee made a year ago. The Rural Development Committee reported that, on the basis of the information in its section of the annual expenditure report, it was not in a position to judge the overall effectiveness of Executive spending in rural areas. That is of equal concern.

If such criticisms had been repeated or mirrored in comments from other committees, the effectiveness of the budget process would be called into question. It is essential that committees are presented with the necessary information in the annual expenditure report in the appropriate format. It is not acceptable that committees should require clarification of inaccurate or incomplete information or that committees should be denied that information within the time scale set out for them to complete their stage 1 reports to the Finance Committee.

**Alex Neil (Central Scotland) (SNP):** I note the point that Mike Watson makes. Does he accept that, as the Enterprise and Lifelong Learning Committee indicated in its submission, one of the reasons why the departments are not very effective in giving good performance targets is that so much is left to the relevant quangos? For example, 70 per cent of the budget that the Enterprise and Lifelong Learning Committee oversees is spent by five quangos. It was clear that the departments did not have a clue what was going on in the quangos.

**Mike Watson:** I accept that that was part of the Enterprise and Lifelong Learning Committee's report. Obviously, my quotes are selective, but I will deal with transparency later. Alex Neil's points fall under that heading.

There was evidence that information had been either incomplete or inadequate or had not been supplied and that there was a lack of indicators in some departmental figures. That made it difficult to compare policy objectives and targets. The

Finance Committee regards such evidence as a flaw in the budget process and we expect the various departments to overcome those problems for next year's annual expenditure report.

One means of doing so would be for the various departments to present information in a standardised form. We urge the Minister for Finance and Local Government to take steps to convince his cabinet colleagues of the need for that. This year's summary document—which is a welcome departure—showed evidence of such a co-ordinated approach among departments and we look forward to that being extended to the full report next year.

Given our determination to bring about improvements in the content of the annual expenditure report, the committee was naturally concerned about what we regard as a step backwards in respect of the provision of information relating to private finance initiative and public-private partnership projects. The disappearance of the table on capital spending by the private sector on such projects, which featured last year, is unhelpful. No doubt the table will be reinstated.

The concerns that we expressed in our report about the transparency of funding of such projects reflect comments that were made in the Health and Community Care Committee and the Transport and the Environment Committee reports. The Finance Committee's wider interest in that area is reflected in the fact that we have just commenced our own inquiry into PFIs and PPPs. The report that we produce will recommend means of providing budget information that will ensure transparency on the capital and servicing costs of such projects.

On the content of the annual expenditure report, the committee believes that transparency and accountability would be enhanced if in future all sources of income were clearly shown. We have asked for the inclusion of tables that show consequentials from the comprehensive spending review, the UK budgets and Barnett, plus end-year flexibility and Scottish and UK reserves. The committee sees that as a logical and sensible development of the presentation of information.

The committee welcomes the Executive's eagerness to move to outcome-based budgeting. The ability to quantify the effectiveness of spending needs to progress from the short-term, and often misleading, measure of outputs to a longer-term evaluation. Simply to announce, for example, the recruitment of 1,000 more teachers is a limited barometer of success; indeed, it may not be much of a success at all and proper evaluation of the efficacy of such an increase in numbers may need to be delayed for several years, perhaps until evidence of, for example, an

increase in the number of pupils remaining at school after 16 or achieving a college or university place filters through the system. Outputs are not sufficient—we are looking for outcomes and we welcome the Executive's support on that.

Such is the committee's belief in outcomes as a form of measurement that we have commissioned external research to examine methods by which that can be achieved most effectively. We accept that that is a medium-term goal, but we nevertheless expect to see incremental improvements year on year, which is why we ask the Executive to publish plans on how it intends to achieve those improvements.

In the debate on last year's stage 1 report, the Finance Committee urged the Executive to carry out

“a gender audit across spending programmes to assess their overall impact on women and to identify desired outcomes so that we know what the Scottish Executive or individual departments want to achieve”.—[*Official Report*, 28 June 2000; Vol 7, c 785-86.]

A year later, we are no further forward in having that aim met.

As part of this year's process, the Equal Opportunities Committee report—which was, I think, the most voluminous of all the committee reports—was most critical of the Executive's performance. In evidence, that committee had heard witnesses who saw no evidence of a gender impact analysis whatever. Another opined:

“a commitment to gender awareness—never mind gender equality—is so visibly lacking in the budget document.”—[*Official Report, Equal Opportunities Committee*, 1 May 2001; c 1209.]

In addition, the Social Justice Committee lamented the fact that no obligation was placed on all departments to mainstream equalities in their work. It is a fact that there are few signs of an equality strategy being applied to the budget process. That is an area in which we believe firmly that an improvement must begin to be exhibited next time round.

When the Deputy Minister for Finance and Local Government, Peter Peacock, gave evidence to the Finance Committee this month, he was frank in his admission of the difficulty in determining the impact on men and women of expenditure programmes. We do not suggest that he exaggerated the case, but it should be noted that such difficulties have been overcome in other countries—most notably in Canada and New Zealand. Therefore, we hold to the not unreasonable expectation that progress on that important aspect of the budget process should be capable of being recorded by next year. In doing that, we are encouraged by the establishment of the equality proofing advisory group and by the

Deputy Minister for Finance and Local Government's commitment to us on the development of equality performance indicators by the end of this year.

However, the approach should be two-pronged. That is why we also recommend that the Equal Opportunities Committee liaise directly with the relevant departments on how its proposals can be progressed. Only if realistic targets are set for next year's annual expenditure report will it be possible for us to record movement in a year's time.

The final aspect I will highlight concerns the linked issues of end-year flexibility and the Scottish and UK reserves. Despite questioning the Minister for Finance and Local Government, his deputy and finance division officials on the reserves on several occasions, it is fair to say that an air of mystique continues to surround them. We would like to receive definitive answers to the following questions. Why should end-year flexibility money be held in the UK consolidated fund rather than in the Scottish one? What precisely is the role of Treasury officials in determining the amount of end-year flexibility money that reverts automatically to Scottish Executive departments and how does the mechanism for accessing the UK reserve operate? Given the importance of such issues, a "don't ask, don't tell" philosophy is inappropriate. Post devolution, transparency is required and the committee intends to ensure that it is achieved.

The budget process has been refined this year and its refinement will doubtless continue. There have been several important developments. The Finance Committee welcomes the fact that four committees used, for the first time, specialist advisers to assist them in formulating their response. However, despite that, no committee felt able to recommend a redirection in the spending proposals. That may well develop in future years; it is to be hoped that it does, because it was clearly envisaged by the financial issues advisory group in its seminal report, which recommended the novel three-stage budget process in which we are now involved. Time is also a factor. That was shown in today's debate on the Protection from Abuse (Scotland) Bill, which is the first bill to begin its course in a committee. It is a matter of evolution; the processes will develop.

The committees are becoming more attuned to the need to schedule the budget process into their work programme. We in the Finance Committee welcome the support of the Procedures Committee in urging the Parliamentary Bureau to take into account the requirements of standing orders in relation to the committees' role in the budget process.

This year, for the first time, each member of the Finance Committee was attached to one of the

subject committees, to act as a reporter on stage 1 consideration of the annual expenditure report. That seems to have been valuable to the Finance Committee and to members of subject committees.

The Finance Committee is determined that the budget process should be as accessible and as meaningful as possible to as broad a cross-section of the people in our country as possible. That is why we have insisted in our report that the information provided in the annual expenditure report and the summary document should be supplemented by a leaflet that can be made more widely available. We took the committee to Aberdeen in November 2000 and to Perth earlier this month, as part of our policy of meeting outwith Edinburgh at stages 1 and 2 each year and, if at all possible, taking evidence from the minister at such meetings to provide the occasion with added gravitas. We intend to engage with individuals and organisations from localities the length and breadth of Scotland and to make the budget process a little more understandable. That may not be the most exciting journey undertaken by the Scottish Parliament's committees, but it is certainly one of the most important.

I move,

That the Parliament notes the 10<sup>th</sup> Report, 2001 of the Finance Committee, *Stage 1 of the 2002/03 Budget Process* (SP Paper 364) and commends the recommendations to the Scottish Executive.

10:33

**The Minister for Finance and Local Government (Angus MacKay):** I welcome the opportunity to respond on behalf of the Executive.

I join my colleague, Mike Watson, in welcoming Alasdair Morgan to his new post as shadow finance spokesperson for the Opposition.

I very much welcome the constructive approach taken by the Finance Committee. We had a useful dialogue prior to the publication of the committee's report and I hope that our good relationship will be equally fruitful in producing further budget documents, although there is an element of "Groundhog Day" to some of the issues that we cover. I hope that we are inching our way forward.

This is the second annual expenditure report. With the committee's assistance and input the report has, I believe, improved considerably from last year. We felt it necessary to publish a summary this year due to the size and complexity of the detailed document. The summary was designed with a wider audience in mind.

Our detailed document now runs to over 250 pages. We set out much more detail than last year because the committees requested it and we



wanted to be as transparent as possible. I doubt that many finance ministers publish draft budgets of such great length.

The committee has suggested that we also publish a leaflet to better inform the wider audience. We tried that last year and were not convinced that it was particularly effective, but an alternative format may be more productive. I am happy to accept the suggestion although, as Minister for Finance and Local Government, I must point out that doing so would add further to our publication costs. Mike Watson would expect me to draw that to his attention.

We have taken on board some specific comments in the Finance Committee's report from last year and have improved the presentation of the document. We used an editor to ensure consistency and have, where possible, followed plain English guidelines. That was a necessary step forward.

We have improved the design and have published the document electronically with hyperlinks to associated websites. We have also improved the presentation of the detailed information, which is now presented on a plan-to-plan basis to allow easy comparison. We have included both cash and real terms tables and additional information on capital, annually managed expenditure and end-year flexibility. This year, the Finance Committee has made additional suggestions on the presentation of the figures, which I am also happy to consider.

The committee report is critical of our approach in places. I agree that we can continue to improve presentation of the annual expenditure report and I am happy to consider all reasonable requests. If the committee can identify better practice elsewhere—Mike Watson mentioned equal opportunities in Canada—I will be happy to learn from it and to try to put it into practice. Our discussions about budgets have tended to concentrate on deficiencies in presentation. I hope the committee will welcome the strides that we have made in the past two years to produce documents that are much more transparent and accessible. We are learning as we go along.

I hope that we can, at some stage, consider substance as much as presentation. The document is about spending a large amount of money. The budget for 2002-03 is £21 billion, which is an increase of £1.2 billion on the current year. That increase is distributed across all portfolios. It reflects the impact of spending review 2000, which added £1 billion, £2 billion and £3 billion, in sequence, to the expenditure plans of the Scottish Executive. That money will deliver our priorities in health and education. Later this morning, as members know, I will make a statement on further budget changes directed

towards those priorities. I have held off from making that statement to allow committees to consider changes that they might want to make in the draft budget. I will return to that later.

The committee has raised the question of how EYF works. There is Treasury involvement, because Westminster votes on our grant annually, as this chamber does. Last year's underspend requires approval to increase this year's spending. We tell the Treasury how much we underspent last year and it increases our provision for this year, as it does for Whitehall departments. We then seek the approval of the Finance Committee—and Parliament—for a budget revision to allocate that money to our various votes. There is nothing secretive—or intended to be secretive—or different about the process. It is treated the same way as other changes to our annual spending.

The report also raises the issue of moving to considering outcomes as much as spending. We have discussed that before and I agree that we should move as far as possible in that direction and as fast as possible. We must ensure that we target our spending to best effect. That is why I have made changes to the way that finance operates within the Executive. I also want to see a prudent approach to finance wherever possible. Developing outcome measures for spending is easier said than done; it is a difficult matter and there would be benefit in having further discussion with the Finance Committee as we make progress. I doubt that there is a need to produce an additional document setting out how we can make progress towards outcome measures. What is essential is that we continue the constructive dialogue that we have had so far with the committee.

Mike Watson referred to reserves—a keen interest has been taken in reserves. I have tried to make things clear on previous occasions. There is nothing secretive—or intended to be secretive—about them. We have nothing to hide. I will restate the Executive's position.

The reserves were created as part of SR2000. We have an annually managed expenditure reserve. AME is a specific type of public expenditure category created for demand-led services, which also contains some of the resource accounting and budgeting impacts. AME is agreed annually with the Treasury. If we need more AME due to higher than expected demand, we get it automatically; if we spend less than expected, it goes back to the Treasury.

The Chancellor of the Exchequer reached his decisions on SR2000 in July, well in advance of the Parliament and the Executive making their decisions in September. To finalise the Whitehall spending review, the Treasury had to make assumptions about the amount of additional AME

that the Scottish Executive would require. Those assumptions erred quite substantially on the generous side and the AME reserve shows the excess AME that was left over once we allocated the AME that we required in September.

There was a specific choice to create the departmental expenditure limit reserve. It is important that we create a reserve to deal with unforeseen events. Recent discussions on the cost of Holyrood should make it clear why that decision is prudent. If we had not kept a reserve—as some have suggested—we would now have to look for savings from spending programmes to meet increased budget requests by the Scottish Parliamentary Corporate Body.

The reserve will operate as follows. Ministerial colleagues who face insurmountable and unforeseen pressures can make bids against the reserve. I will consider those bids and, where appropriate, will take them to the Cabinet to get collective agreement on allocating the funding. The Finance Committee will then have a chance to debate any such allocation in the normal budget revision process.

**Andrew Wilson (Central Scotland) (SNP):** Given what the minister has said about unforeseen and exceptional circumstances and given that there is a Scottish reserve, under what circumstances will he be able to persuade the Treasury to give him access to the UK reserve?

**Angus MacKay:** We have been over this ground before with Andrew Wilson, whom I welcome to both his new and old portfolio. Although I am somewhat surprised that he has intervened, I suppose I had better get used to him doing so in finance debates, despite his move.

Despite the fact that we hold our own reserve, we have already received moneys from the UK reserve. The reaction to foot-and-mouth disease and the requirements on local authorities to alleviate the effects of the disease through ratings relief is one such example.

We can go to the Treasury in certain circumstances. That is set out in a public document called the statement of funding policy, which—as I have indicated in answers to a number of parliamentary questions—is freely available from the Treasury.

**Mr Davidson:** Will the minister clarify the Secretary of State for Scotland's exact role in the application process?

**Angus MacKay:** The secretary of state has a formal role in representing Scotland's interests in the UK Cabinet and she would be expected to express a viewpoint in that context. That said, we have direct discussions with the Treasury on any individual circumstances that would require access

to the UK reserves. I do not see the secretary of state's role in that context as a hindrance; rather it is an opportunity to have two bites of the cherry as far as having Scotland's interests well represented at a UK level is concerned.

The Treasury is keen to encourage the devolved countries and Whitehall departments to have their own reserves. That represents a mature approach to our finances. As a result, although we will receive UK reserve money for foot-and-mouth, I very much doubt that—to take another random example—we would receive any for increased Holyrood costs.

I hope that we can now draw a line under the subject. Although we have had a lengthy dialogue about reserves with some members, I have not heard very much from them on the £200 million budget that remains to be allocated from the Chancellor of the Exchequer's recent statement. They will hear my plans on that later.

I was interested to read the review of our budget process in this morning's *business a.m.* and I agree with Mike Watson's final quote in the article. The finances of the Parliament should be widely understood and there are big issues at stake. I am pleased to say that I am at one with the Finance Committee in taking forward a new agenda in managing our public finances. We share the desire to ensure that the £20 billion we spend in the devolved budget is spent to the greatest effect. I will therefore consider the recommendations in the Finance Committee's report fully and carefully.

10:43

**Alasdair Morgan (Galloway and Upper Nithsdale) (SNP):** I thank the minister and the convener of the Finance Committee for their welcome. I had not expected to participate in the debate in my new post, but I was able to read the committee's report during the speeches at the press dinner last night. Furthermore, I took part in the joint consideration of the justice department budget by the justice committees and welcome the chance to join a debate in which we bring together all the subject committee considerations.

When one looks through the two volumes of the report, one realises the vast amount of work that the committees have put in, the amount of scrutiny that the budget is now receiving and the increased openness of the Scottish budget. That said, there is clearly a considerable way to go. The report's subject matter is a huge area to cover. As far as the departmental reports are concerned, I will indulge a constituency interest and examine what Mike Watson might consider to be one of the duller parts of the document, namely, the Scottish Executive rural affairs department budget. I want to reflect one of the then Rural Affairs Committee's

concerns when it first considered the SERAD budget for last year's budget report. As Mike Watson pointed out, this year the committee said that it was not able to judge how effective Executive spending was in rural areas on the basis of the evidence contained in the AER.

Although the cross-cutting policy intentions behind the establishment of SERAD were generally welcomed across parties and in the rural community, we need to be able to assess whether those intentions are being fulfilled. When I was on the Rural Affairs Committee, it was clear from the evidence just how difficult it was to extract meaningful information from the available statistics. That position has not changed very much. Common agricultural policy support forms the majority element of SERAD's budget, and most of the rest is largely taken up with assistance to agricultural businesses. Although money from other budgets—for example, the enterprise budget—is spent in rural areas, we are very far from any comprehensive picture of how much, and where, money is being spent. If we are to assess our success or otherwise in rural development, we need such a picture.

The Ministry of Agriculture, Fisheries and Food has just been rebadged—and I hope reorganised—along lines similar to SERAD, not just because of MAFF's perceived failings, but because of the apparent success of the Scottish model. It is therefore a bit ironic that, at the same time as that is happening south of the border, we are actually saying that it is difficult to produce any objective evidence on whether that success is real or illusory.

As the report acknowledges—and as we would all agree—expenditure plans can never be static; the budget will always change, even during our consideration of it. However, the fact remains that, as the minister has already mentioned, no sooner will we have sat down after debating budget plans published a few months ago than we will be back on our feet for the minister's statement. That is not because of any direct decision made by this Parliament, but because of the effects of the UK budget. Although any area that will be allocated extra cash will be duly grateful, the committees have a reason to feel concerned, particularly in relation to priorities between different areas. Their consideration has been unbalanced by the consequences of a budget in which one side of the equation is a hand-me-down from another place.

Another example of the way in which our budget is not complete is the restriction on our Parliament's right to borrow. We must have fewer financial powers than any other country on earth and, as a result, we have the ludicrous situation of paying for a Parliament to last for hundreds of years from budgets for front-line services for one

or two years. Surely it would be better to borrow at a low Government rate and to spread the costs over as many years as possible.

If we are to communicate with the voters in a way that will reverse some of the apathy that has been shown in some recent electoral contests, we must do so in a way that can be understood. As scrutiny of the abbreviations in the budget document show, the intricacies of public finance are clearly not for the faint-hearted. However, could we not start by explaining why, when the prudent course for the average man or woman to take when buying a house is to arrange a mortgage, we have to pay for our new house down the road out of three years' wages? Money which by definition would have been directed to front-line services is being paid into Holyrood.

Although the minister urged us to draw a line under the subject of reserves, I will indulge myself in my first speech as SNP finance spokesperson by touching on that subject. The committee's report rightly spends some time on the issue, because no individual subject committee has a direct interest in it. Although setting aside a reserve would seem prudent—and I am sure that the minister wants to be seen in that light—the creation of a double reserve at both Scottish and UK levels against the background of some fairly complex arrangements is at least open to question.

I do not want to criticise the idea of a reserve per se, but I question why we should pay into the UK reserve and, at the same time, jeopardise our access to it by diverting money in our own fixed budget previously destined for front-line services. The minister talked about the rules by which we access the UK reserve. The Treasury guidance is quite clear that such access will be granted only where there are

“exceptional and unforeseen domestic costs which cannot reasonably be absorbed within existing UK budgets”.

The committee has pointed out that access to the UK reserve, rather than the Scottish reserve, would depend on

“whether an event which triggers the bid is of UK significance.”

The minister referred to foot-and-mouth disease. Will the Deputy Minister for Finance and Local Government, in his summing-up, give a definition of what “UK significance” means? Would he care to speculate on whether the Scottish Parliament building is of UK significance?

The fact that we have £134 million set aside in our own reserve seems to rule out most chances of accessing the UK reserve. Given the fact that that money is set aside from funds that come from the Barnett consequential of spending that is allocated in England for health, education and the

like, our services will lose out doubly. In setting up this second reserve, are the Executive and its Minister for Finance and Local Government trying to give themselves a more important political role than they actually have, giving the impression of financial independence although they are really in a state of financial servitude? By allocating money straight into the reserve, the minister is taking even more out of the departments. At present, 25 per cent of underspend goes to the centre, and I believe that a further £53 million a year is being added to that.

I move on to the Barnett formula and the diminishing share that Scotland receives of UK public expenditure in key service areas. At least that fact is now accepted by everyone in Scottish politics. Even Helen Liddell and Tony Blair, during the recent election, admitted that it was a reality. The Prime Minister called it a process of adjustment. For everyone else, it is a cut in Scotland's share of UK expenditure in the key areas of health and education. The research that was published by the Fraser of Allander Institute last month showed that, over the period of the current spending round up to 2004, departmental expenditure in Scotland—if projected against the overall UK budgets—would be about £1 million higher than it is going to be as a result of the Barnett squeeze. The Barnett formula is clearly a system that is designed for a unitary state; it was not designed for our growing democracy in Scotland. One does not have to be a nationalist to recognise that, in the long run, the formula is unsustainable, even within a devolved Scotland.

The debate on fiscal autonomy made an interesting appearance during the recent election campaign. I am sure that a man of the minister's calibre would want to be trusted with all the nation's finances. The available evidence shows that a substantial majority of the Scottish people think that it would make sense for the Scottish Parliament to raise and collect its own taxes.

**Bristow Muldoon (Livingston) (Lab):** If the argument for fiscal autonomy has been won, why did the SNP's share of the vote drop?

**Alasdair Morgan:** The argument for fiscal autonomy is one that every party in the Parliament should support. I am surprised that a man as prudent and ambitious as the minister does not want to have those extra powers in his control. I urge the minister to be more ambitious, both for himself and for Scotland.

**Angus MacKay** *rose—*

**Alasdair Morgan:** I shall not give way, as I am summing up.

I say that in an attempt to be helpful to the minister. It is clear from the comments of both Labour and Tory MPs south of the border that they

believe that Scotland receives an unfair share of the total UK expenditure. They will continue to pick at that festering sore until the settlement is changed to what they believe is their advantage, which will be to our disadvantage. It would be far better for Scotland if the Executive was to lead confidently on the issue.

I congratulate the committees on their scrutiny of one side of Scotland's income and expenditure. I am sure that they are as eager as I am to start scrutinising both sides.

10:54

**Mr David Davidson (North-East Scotland) (Con):** I add my welcome to the new finance guru for the SNP.

Once again, the Finance Committee has produced a report that should become the template for future Scottish Executive handling of public resources in Scotland. It lays out clearly the inadequacies of a system that has done nothing but add to the confusion and total lack of transparency of the Executive's proposals. I suspect that, on occasions, that might have suited the Executive.

Despite the minor improvements in some of the documentation, the budget process has failed totally to provide the committees of the Parliament with the information to enable them to conduct the essential scrutiny that is required of the Executive's spending proposals. The committees need time to do their job properly. It is also vital that they are given answers to any questions that they ask within a very short time and that the minister who is responsible ensures that all departments of the Executive respond openly and honestly. If they do not, the budget process can only be a failure, and we might as well give up now. When the minister winds up, I hope that he will assure us that that will happen in future.

Every spending committee of the Parliament agreed that they did not have the correct information in enough detail in a standard format that could be scrutinised in a uniform way. It is an abiding shame that none of our committees made a recommendation for spending change. That was due entirely to the smoke-and-mirrors approach of the Executive, which failed to provide the information that was asked for by the committees. If we are to hold to the guidelines and recommendations that were laid down for the Parliament, what the people of Scotland deserve above all else is honesty and openness—no more recycling of money or duplication of spending statements and promises, just plain speaking so that the Parliament can do what it was elected to do, which is to scrutinise totally the activities of the Executive of the day.

I thank the clerks of the Finance Committee for the excellent support and advice that they have given throughout the compilation of the report. I look forward to hearing from all the people of Scotland, especially the ministers, what conclusions they come to from this budget examination. I ask the minister not just to give us another assurance about openness, but to tell us how he intends to deliver that, especially now that Mr MacKay is in such a strong position regarding all departments of the Executive, presumably controlling all members of the Executive in their bids. If we can get a standardised financial reporting system, which takes in every aspect of Government, and if ministers and officials are open and clear, the process will move on dramatically. The ministers must remember that they are servants of the Parliament, not financial dictators.

One of the points that the report highlights is the lack of clarity in Government figures. Undoubtedly that is due to the Labour party's obsession with spin. Ministers seem to be frightened of the truth and refuse consistently to answer questions directly and to supply clearly in every budget statement and spending policy statement details not only of what they will spend, but of where the cash will come from and of what they expect to get for the money—and, most important, details of what the people will get for their money. There must be a transparent approach from the Government, so that expenditure and policy commitments can be identified and measured.

**Alex Neil:** I hear what the member is saying. I presume that he also agrees that the 55 per cent or so of the public money that is spent in Scotland that is under the control of Westminster should come into the same category, and that its spending should be fully transparent? If Mr David Davis becomes the new leader of the Conservative party, will Conservative members support him in his call for full fiscal freedom for the Scottish Parliament?

**Mr Davidson:** When the BBC last week read out a list of contenders for the leadership and my name was at the end of it, I had a bit of explaining to do. As we do not know who the final two contenders will be for the leadership, I am not sure whether Mr Davis will be in that position.

The Finance Committee is beginning to undertake work on outcome budgeting, as Mike Watson said. I accept that that will involve a lot of work. However, it will enable not only the committees but the people of Scotland to decide clearly and fairly what services they might expect to be delivered to them. We want no more of how much we are spending, but more of what we will deliver on the ground.

At last, there is talk of independent evaluation

and performance measurement to facilitate comparisons between the elements of each of the programmes. In future, comparison figures must be provided for the committees, which can be reviewed easily and will include the previous year's spending and, it is hoped, the outcomes that have been achieved. Information on all the consequentialials that come in during the year—which Alasdair Morgan has described—is needed to enable the committees to deal with the next round of the budget. The way in which end-year flexibility is being managed still seems a bit of an art form rather than a science, as it is not clear where the money came from, which programmes were altered to achieve the underspend or where it could have been spent.

In each section of the budget we need clarity about the new burdens that have been imposed by policy change, what inflation is anticipated in each area, what capital expenditure—public and private, on and off balance sheet—has been utilised. As has been mentioned before, clarity about PPP and PFI spending would be helpful, if not essential. We need clearer linkages between policy development and expenditure, if only to show that this Government understands the direction in which it is heading and to allow the Scottish Parliament to take an honest view of that. Large budgets such as local government and health are divided up locally. It is vital that the committees of the Scottish Parliament receive clear information on how that is done and what has happened.

The Paul Daniels aspects of the budget—how the reserves are pooled and what is done with them—are not easily tracked. The Scottish departmental expenditure limit reserve was supposed to be used to meet exceptional expenditure that could not have been foreseen at the time the budget was set. If that is the case, why did the First Minister decide to use the reserve to fund the overspend on the Scottish Parliament building when everyone knew before the previous budget round that it was in financial difficulty?

The reserve is formed from a 25 per cent clawback of departmental underspends. As Alasdair Morgan said, that comes from underspends on front-line services that were voted for. I am not saying that the money should be spent simply because departments have it—I hope that we are more grown up than that—but it is important to know why there was an underspend and whether the saving has come from the fact that the service has been delivered more efficiently and cheaply. That is the kind of confidence that we need to get from the ministers in future.

How is the money that is to be spent on the Parliament to be renewed and from where? Which

public service will have less spent on it if money has to move into the reserve? It is high time that every member of this chamber decided that the people that we represent deserve honesty and openness in everything that the Scottish Parliament does. Today, I would like the minister to state categorically that, in future budget considerations, there is clarity throughout the year on how reserves are formed, on the rules for access—and we have had a little of that from the minister already—and on how elements are prioritised.

The Finance Committee report highlights the fact that the Scottish Parliament budget process is not transparent enough to allow the Scottish Parliament committees to be able fully to scrutinise the spending plans of the Executive. The credibility of the Scottish Parliament is at stake because of that. We must move away from the recycling of spending announcements to an honest position that allows the Scottish people to know exactly what the Executive intends to spend, where it plans to spend it and what services will be delivered.

Today, Angus MacKay must come clean, disown the underhand cover-ups of the past and try the simplest trick in the book: just being honest.

11:03

**Donald Gorrie (Central Scotland) (LD):** Much of what David Davidson says is correct, but we must keep the matter in context. Our fledgling efforts to be honest and open are already significantly in advance of anything that happens at Westminster. We have made progress and the ministers deserve credit for making a genuine attempt, in many spheres, to be more open. I am sure that the civil servants who have worked with them have worked well. The performance of the bureaucracy as a whole is inevitably patchy and a little bit of exploration is necessary into the slightly dinosaurish and jungly elements in the Scottish Executive.

As a relative newcomer to the Finance Committee, I can say that I have found my membership interesting. The Finance Committee has the potential to be split lethally by political wrangling. Obviously, major issues are involved and the two Opposition parties have strong agendas. However, the committee tends to deal with matters in a civilised and constructive manner. Mike Watson deserves credit for that, and the other committee members deserve credit for trying to be grown up as well as political.

It has been suggested that there should be a leaflet to explain the budget in popular terms. That is an important proposal and we should pursue it, although I know that it will cost money. Several

councils in Britain already successfully produce leaflets explaining what council tax payers get for their money. Some of them have tried to have referenda asking people about issues such as whether they would be prepared to be taxed a little more in order to get their bucket emptied twice a week instead of once.

The minister and I have experience of local government and we had a discussion on the matter yesterday. We are aware that some people hold the view that national and local government finance is so complex that there is no point in ever trying to explain it and that it should be a dark secret, like the Schleswig-Holstein problem, that we should keep to ourselves. The issues are complex, but we must make a serious effort to explain them to people. There are many switched-on financial people who seem to make a lot of money by manipulating money and who would understand information that we put out and explained. We owe it to the public to make a serious attempt to be open and transparent. The leaflet idea is worth pursuing in that regard.

There has been a tendency to publish glossy policy documents without any serious costings attached. We have to ensure that departments are made aware that the glorious prose that they use to outline their ambitions and dreams—and we are all allowed our ambitions and dreams—must include some idea of the cost of their proposals. We need to be told which of the areas are priorities and how those priorities are to be paid for. There must be more matching between ambition and money.

We must have more detail in the figures that we get. A member who is trying to find out whether more money is being spent on road mending, whether recycling is improving, whether charges for recreation facilities are going up unreasonably and so on cannot get that information until, a good deal later, the Chartered Institute of Public Finance and Accounting produces one of its excellent documents. I recognise that such matters are decided by local councils and that we do not want to trespass on their areas of responsibility, but it should be possible to get information without impacting on their powers of decision. If we were to find that the roads throughout the country were getting worse, we would clearly need to invest money in them.

**Miss Annabel Goldie (West of Scotland) (Con):** Does Mr Gorrie think that it would be helpful if the Accounts Commission were encouraged to be more analytical in the consideration of local authority expenditure, which, as Mr Gorrie will be aware, is the responsibility of the Accounts Commission rather than Audit Scotland?

**Donald Gorrie:** Some organisations claim that they are over-audited by a multitude of people. We want to have one really good system of auditing. That may best be done in the way the Annabel Goldie proposes. The point is that we should have good information as quickly as possible.

The matter does not apply only to local government. Recently, on behalf of the Finance Committee, I have been in discussion with voluntary sector bodies. In every case, they had serious problems with their funding body. What they said suggests that people are open to criticism, whether it is of local government, the Scottish Arts Council, sportscotland, Scottish Natural Heritage or whoever. We need information on how all those bodies use their money and the grants that they are given. The amount and accuracy of the information that we get are important, as is that we get it as soon as possible.

That committees have not proposed changes to the budget is serious. It arises from the fact that nobody feels confident with the figures that we are given. Committees are never quite sure whether, if they want £1 million more to be spent on a particular high priority and suggest taking that £1 million from something else, they may do some frightful harm because they do not fully understand the figures for the other aspect of expenditure, which are not detailed enough for them to make a decision. We have to create conditions in which committees can make that sort of decision. That would be the ultimate in genuinely democratic approaches to the budget.

Another sphere in which we are failing is cross-cutting, especially preventive expenditure to get departments to come together to do good things so that they will in the long run save money by, for example, making people more healthy, keeping people out of jail and keeping young people out of trouble. That sort of expenditure and co-operation between departments does not seem to exist as much as it should.

Clearly, despite our very good efforts so far, which deserve commendation, the Parliament's committees do not yet have a grip on and control over the expenditure in their areas. The question is: does anyone have a grip on the expenditure? That is the next question that the Parliament has to pursue.

11:12

**Alex Neil (Central Scotland) (SNP):** I will make some positive suggestions on the way forward for the Finance Committee. Before I do, I remind members that we should not kid ourselves on that the Parliament has supreme control over public finances in Scotland. First, the money that is allocated to the Parliament is less than 50 per cent

of the total spend in Scotland. More significantly, the bit of the budget over which we have control is the bit in which there is the least flexibility. Take the health and education budgets. Much of the money is already spoken for in salaries and existing commitments. Out of the £20 billion over which we will have control next year, I guess that we will be able to change less than £700 million or £800 million significantly.

Let us not kid ourselves on. We were meant to have the financial powers of a parish council. We do not even have those powers: a parish council can at least borrow money, which the Parliament is not allowed to do. Let us not engage in kidology and create the idea that we can somehow make a major impact on what public money is spent on in Scotland. We are only operating at the margins. As long as we as a Parliament and a people are prepared to accept that, that will continue to be so.

**Miss Goldie:** Just for illustration, will Alex Neil tell me which parish council in Scotland has power to borrow money?

**Alex Neil:** Every local authority in Scotland has the power to borrow money. I would have thought that my good friend Miss Goldie would have known that. The parish councils south of the border have the same power.

**Miss Goldie:** I thought that parish councils could not be found in Scotland.

**Alex Neil:** Parish councils cannot be found in Scotland, but local authorities can. The substantive point remains the same. No doubt Miss Goldie, whom I congratulate on staying put as the enterprise spokesperson in the Conservative reshuffle, will tell us whether she is backing David Davis for the leadership of the Conservative party. If he wins, will she, as deputy leader of the Scottish Tories, tell us whether the Scottish Tories will back his call for full fiscal freedom?

I come to the even more positive comments that I have to make about the Finance Committee's report. A number of issues need to be addressed in the year ahead. I congratulate Mike Watson and the Finance Committee for the work that they have done. Although it is boring work, it is substantive. They have no doubt made enormous progress. However, they should tackle a number of issues in the year ahead.

First, we should question why the money that the Treasury allocates to the Parliament goes via the Scotland Office to allow the Secretary of State for Scotland and the Minister of State for Scotland—neither of whom have much to do of a day—to take their £5 million or £6 million slice before they pass it on to us. What is that money spent on? When I look at the figures, it seems to me that it is a total waste of money. The principle

should be that the money comes directly to the Parliament, not via the Secretary of State for Scotland, who basically holds down a redundant job. Having spoken to the Minister of State last night, I would say that he is doubly redundant, particularly this morning.

My second point relates to funding.

**Iain Smith (North-East Fife) (LD):** Will the member give way?

**Alex Neil:** I have four minutes. If I have another two minutes, I will give way.

**The Deputy Presiding Officer (Patricia Ferguson):** You should be winding up.

**Alex Neil:** I will give way.

**The Deputy Presiding Officer:** No, you should be winding up now, Mr Neil.

**Alex Neil:** My final point must be that the debate so far has concentrated on how we monitor the Executive departments. What comes out of every report to the Finance Committee from a committee—whether the Health and Community Care Committee, the Education, Culture and Sport Committee or the Enterprise and Lifelong Learning Committee—that deals with third-party organisations, such as local enterprise companies, delivery organisations in the voluntary sector and the professional sector, is that everybody is crying out for the Parliament to give three-year commitments on budgets. We are asking people to carry out professional jobs in the delivery of community-based services, yet we have so far, in many cases, not given them a commitment beyond 12 months.

**The Deputy Presiding Officer:** Wind up, please.

**Alex Neil:** Such organisations cannot operate that way. A high priority for the next year must be to change to a system of three-year funding for all the appropriate organisations.

**The Deputy Presiding Officer:** Come to a close, please.

**Alex Neil:** That teaches me the lesson not to take two interventions. My four minutes have been cut.

11:17

**Dr Richard Simpson (Ochil) (Lab):** The Finance Committee has been clear—despite “honest” David Davidson’s speech—that the budget documents have improved. I think that David Davidson said “honest” about 12 times in his speech. There was nothing about dishonesty. He should find a new word.

There is no doubt that the budget documents are an improvement on last year’s—the Finance Committee agreed that unanimously. However, we recognise that progress has been slow. The two areas in which there have been the greatest difficulties are local government and health, which account for two thirds of the budget. Therein lies a perpetual problem of national policy and direction versus local autonomy—the issue of hypothecation or management of a budget over which one has no control. That also applies to many quangos. Alex Neil, I think, referred to that in an intervention.

I will talk a little about health. The massive aggregated sums, particularly in the hospital and community services budget, approached £5 billion. The Health and Community Care Committee is left to debate the much smaller central budget or to seek ever more information. On this occasion, it tried to join up the health improvement plans of the health boards and the policy documents—of which there are a considerable number—with the budget. That was an almost impossible task, even although we tried to do it retrospectively. For example, on the basis of last year’s budget, we were able to identify only £1 million for cancer services—one of the three national priorities for six or seven years. We make a plea to link policy objectives to new funding—that must be done.

The Health and Community Care Committee also tried to determine what it perceived as being new money, and it produced a fairly innovative table to try to demonstrate that. It was interesting because the table turned out to be in line with the research that Professor Arthur Midwinter produced for the Finance Committee. I will not summarise the proposals in Professor Midwinter’s report, because they are set out in paragraph 42 of the Finance Committee’s budget report.

In practice, the situation is complex. In health, any uplift of funding will initially have to be used to meet standard increases in wages and so on—the general deflator, in a sense. Money is also needed for additional increases in wages that are allocated in accordance with UK review body reports. We need money to cover the deficits that arise from a previous year, but we do not know what those deficits are and therefore cannot see how much of any money that is available is being used for that.

We also need money for what I describe as stabilisation: the posts that are kept empty by managers for three or four months to save money within budgets. In health, that is an absolutely disastrous practice, because it leads to major clinical inefficiencies and costs a huge amount of money, but it goes on all the time. We need money to tackle specific areas, such as junior doctors’ wages or the European working time and other directives. There are other costs; for



example, we know that the increase in drug costs is about 8 per cent. There is not a lot left when we add all that up. It is not the 1 per cent or 2 per cent that Arthur Midwinter discusses in his report; it is probably a lot less. If we are to have clear discussion about how we are to proceed, we need greater detail in the material that is presented to us.

I appreciate that there is a danger that we will start collecting ever more information, and that the health service will become so involved in that that staff do not get on with the business in hand. I put that to Susan Deacon when she appeared before the Health and Community Care Committee. We simply must improve the data that we receive, so that we can determine whether the clinical services that are being undertaken are valid.

I will conclude—I realise that I am out of time—by saying that the other matter about which I feel strongly is our need to get the PFI-PPP thing back in. In other words, we have to understand the continuing revenue consequences of PFI-PPP in the budget. Our investigation on that will help, and—although I know that it is available elsewhere—I hope that the table of information will be restored as part of the budget document next year.

11:22

**David Mundell (South of Scotland) (Con):** I have never been a chartered accountant, although I was something nearly as exciting: a lawyer. I recall the difficulty that I experienced in trying to persuade my employers that I saved them money. Donald Gorrie raised an important issue in that regard, in relation to evaluating where money is being saved and in relation to action being taken to reduce or minimise expenditure. That is hard for people in private industry and Government to get their heads around but, if we really want a proper evaluation of how money is spent, that must be addressed.

I want to mention quangos, which were mentioned by Alex Neil and which featured in the Enterprise and Lifelong Learning Committee's feedback to the Finance Committee. I will draw on some relatively recent personal experience of the foot-and-mouth crisis. I attended a meeting that was also attended by Alasdair Morgan, at which people representing Scottish Enterprise said repeatedly that they had to go through all sorts of measures before giving grants and loans to people whose businesses had got into difficulties. All sorts of hoops must be gone through and all sorts of consultants and other people must be involved so that the money is granted in a manner that is accountable through public scrutiny.

When we take a step back, however, it is not at all clear to me that the £500 million—a vast amount of money—that comes under the Scottish Enterprise and Highlands and Islands Enterprise budgets is subject to similar scrutiny. We must also strike an appropriate balance in which scrutiny of the giving of a loan to a small business does not cost more than the value of the loan. We have done valuable work in relation to departmental scrutiny; we must now consider much more exacting scrutiny of non-departmental public bodies.

We should develop a joined-up picture. Some of Alasdair Morgan's comments will appeal to Mr Tony Fitzpatrick, the European affairs policy officer at Dumfries and Galloway Council, who is always trying to draw South of Scotland MSPs' attention to the fact that £60 million a year comes into the agriculture and rural community from Europe through the common agricultural policy, whereas only £3 million comes through structural funding, and an even smaller amount comes directly from Executive initiatives. If we do not have the full picture, we will not understand the financing of the rural economy, nor will we understand how each strand of finance will be deployed. We must develop the broader picture, so that we understand fully what is happening.

I support the moves towards a system of outcome-based budgeting. That is the way forward, although achieving it will be a difficult task. I also support the moves towards standardising budgets. For my increasingly high council tax bill from Dumfries and Galloway Council—the only council with an SNP-Labour coalition—I get a leaflet that explains the council's expenditure, but it is pretty incomprehensible. If we opt for a leaflet, let us make it something that the public can understand.

11:27

**Mr Kenneth Gibson (Glasgow) (SNP):** First, I wish to pay tribute to the spirit of self-sacrifice of the Minister for Finance and Local Government, who did not attend last night's do so that he could perfect his speech for this morning. As he will be aware, Scotland's local government community continues to have a number of concerns regarding the budget process as it relates to local authorities.

Foremost in much of the evidence that was received by the Local Government Committee was the issue of ring fencing, which has been mentioned this morning. Representatives of the Convention of Scottish Local Authorities stated in evidence to the Local Government Committee:

“virtually every penny of additional resources that has been made available for the next three years is directed centrally by the Executive. That puts considerable pressure

on local authorities to deliver on their core services.”—*[Official Report, Local Government Committee, 8 May 2001; c 1916.]*

Written evidence that was provided by COSLA stated:

“There needs to be more honesty in settlement announcements”.

David Davidson spoke profusely about that this morning. The COSLA evidence also said that

“it is disingenuous for ministers to suggest that previous cutbacks in the funding of core service provision have been recognised”.

A partnership approach needs to be developed and local flexibility, trust and discretion are required. COSLA believes that we are not quite there yet.

The £440 million funding gap between grant-aided expenditure and budgets must be narrowed. That is an issue not just about distribution, but about the size of the cake.

Transparency, which Mike Watson spoke about first this morning, is important. It is fair to say that COSLA has been irked by announcements about additional resources that turn out to be mirages. In evidence that was submitted to the Local Government Committee, COSLA made it clear that £70 million that had been allocated to tackle road and bridge repairs over the three years to 2004 was expected to come from existing budgets. However, the Executive’s implication when it made the announcement was that the money was additional. Such irresponsibility only results in raised public expectations and puts undue pressure on hard-pressed local authorities.

Dundee City Council, Falkirk Council and Perth and Kinross Council expressed concern over capital allocations and expressed the view that their assets are continuing to deteriorate. Capital allocations are not enough to outweigh the deterioration of capital assets, let alone to clear the backlog in, for example, repairs that are required to bring school buildings up to 21<sup>st</sup> century standards. Such difficulties cannot be avoided by spin; we need a clear picture of what is happening, not a presentation of everything in the garden being rosy.

Like Mike Watson, members of the Local Government Committee were disappointed that the issue of gender was not considered. That was widely discussed by the committee last year and this year, and we feel that the matter should be brought to fruition next year. I hope that, in his summing up, the Deputy Minister for Finance and Local Government will advise us about what he intends to do on that matter.

There has been too much focus on process, rather than on outcome. For example, it is

important to identify what is expected in new build and maintenance, rather than merely identifying the resources that are being invested in that area.

Mismatch is another issue that the Local Government Committee highlighted. Six years after reorganisation, half a dozen councils—Argyll and Bute, Dundee, Glasgow, Inverclyde, Midlothian and West Dunbartonshire—have budgets that are significantly in excess of grant-aided expenditure. As a result, council taxes in those areas are substantially higher than the Scottish average, even although more than half the deprivation in Scotland is to be found there. If such areas are to benefit from increased services, it is important that the Scottish Executive recognises the mismatch that exists.

At its meeting in Inverness tomorrow, COSLA will express great concern about the fact that the Executive is continuing to ignore the issue of the 75 per cent housing capital set-aside. We need flexibility in that area, and we need it soon.

In its report, the Local Government Committee expressed reservations about PFI projects and their cost to the public purse—an issue that Richard Simpson has already raised. In particular, that committee is concerned about the viability of PFI projects in rural Scotland.

I welcome the changes in the budget process, but I am sure that the minister will agree that much work remains to be done.

11:31

**Tavish Scott (Shetland) (LD):** Like Kenny Gibson, I welcome the process in which we are engaged. It must represent an improvement in the way in which we scrutinise these very large sums of public money. Mike Watson also said that the Finance Committee and the Parliament plan to achieve transparency. That is an appropriate way of describing this process and what needs to be done.

I note from the Finance Committee’s report that no committee is recommending a change in spend in its area. That has to do with the support that is available to committees. A considerable amount of work at a detailed level of expenditure would be required for such changes to be meaningful.

**Mr Davidson:** I do not argue about the amount of work that is needed. However, if level 3 figures are not provided, what do the committees have to discuss and work on?

**Tavish Scott:** That is the point that I am trying to make. Detailed figures need to be available if such scrutiny is to take place, and they should be provided.

This morning I will highlight two aspects of the Finance Committee's report that interested me—although I did not read it at the press dinner last night, as Alasdair Morgan did. My first point relates to the joint report of the Justice 1 Committee and the Justice 2 Committee, of which Mr Morgan will have an intimate knowledge, and to those committees' comments on the Crown Office and Procurator Fiscal Service. The committees' consideration of that issue is an important example of how the Executive, ministers and the system should be held to account—not only in budgetary terms, but more generally.

In their report, the Justice 1 Committee and the Justice 2 Committee express several important concerns about the Crown Office and Procurator Fiscal Service. In paragraph 39 they say:

"We put these concerns to the Solicitor General. We were very disappointed in his responses which we often found dismissive and complacent. In the face of significant concerns about the procurator fiscal service, it is not sufficient to say that 'the notion that the system is cracking up has been advanced as an argument for the past 10 years at least'".

There is considerable merit in having detailed consideration of certain areas, which was undertaken in this case by the Justice 1 Committee and the Justice 2 Committee. They have raised important issues that I am sure the Justice 2 Committee will follow through in its inquiry into the Crown Office and Procurator Fiscal Service.

The report of the Justice 1 Committee and the Justice 2 Committee also illustrates the concerns that exist about consultation and how the budget process is undertaken. In paragraph 40 of their report, the committees note that

"The Solicitor General's dismissal of the evidence given by the Procurator Fiscals Society was particularly patronising."

That is strong language about a Government minister, in anyone's terms. It is extremely important that the process in which the Finance Committee has been engaged since the Parliament came into being is noticed by the outside world, because it gives organisations that want to lobby Parliament the opportunity to have their points of view taken on board.

Secondly, I refer members to the report of the Transport and the Environment Committee. As part of its consideration of the budget, that committee focused on Highlands and Islands Airports Limited. That is an issue of some concern and interest to me. When members' allowances—which we approved last week—were made public earlier this year, I noticed that I was top of the list for transport expenses. That is not surprising, given the constituency that I represent. The Transport and the Environment Committee made a suggestion that could help in that regard. It

provided the Finance Committee with evidence of ways in which we could reduce the cost of flying in Scotland, particularly in the Highlands and Islands. Among the issues that were considered was that of slots for flights between Gatwick and Inverness. I have always taken the view that such slots should be at Heathrow rather than Gatwick, but that is a different issue. The committee also recommended that the Executive consider franchising air services.

Those are important points that illustrate the benefits of the budget process to services in Scotland and how the process is able to ensure that the Executive is subject to the necessary scrutiny.

11:36

**Christine Grahame (South of Scotland) (SNP):** I sympathise with Mike Watson's experience of accountancy, because it was the only exam that I have ever failed and had to resit. However, the fact that we are able to scrutinise the budget each year is helping me to get better at it. That is also true for the committees.

I would like to touch on the joint report of the Justice 1 Committee and the Justice 2 Committee, particularly as it relates to the prosecution service, prisons and—if I have time—legal aid. It was the first time that the Justice 1 Committee and the Justice 2 Committee had met jointly. That was only possible with the consent of the Parliamentary Bureau. If there continue to be two justice committees—which I do not want—they must scrutinise the budget together.

Although this year we were able to provide better scrutiny of the budget, it was not good enough. We took evidence on only two occasions. I was frustrated by not being able to hear from enough outside witnesses, whose views on the budget we would have liked to put to the Executive.

Tavish Scott mentioned the prosecution service. In evidence, it emerged that 60 per cent of the costs of the prosecution service are staffing costs. The Procurator Fiscals Society welcomed the fact that an additional 50 depute fiscals are ready to enter the service this year and another 10 next year, but it expressed concern that that will not help to deal with the current pressures on the service. That is because there is a time lag between new entrants starting work and their becoming fully effective. We all know about the high-profile cases, such as the Chhokar case. However, there are everyday fault lines in the prosecution service that the service's budget will not deal with. Those problems include trials being adjourned because reports are not ready on time, because witnesses are not present and

sometimes even because a sheriff is not available. That places additional costs on the justice system, while failing properly to deliver justice.

The Scottish Prison Service is a topical issue. The first question that I want to ask concerns transparency. It took me and other members of the justice committees a year to draw out the difference between the cost per prisoner place and the actual cost per prisoner. After that difference was revealed to us by a representative of the Scottish Prison Officers Association, we were able to put it to the Executive. The cost per prisoner place is based on notional numbers, whereas the actual cost per prisoner is based on actual numbers. As we know, prisons such as Barlinnie sometimes work at double capacity. When one calculates the actual cost per prisoner, it is cheaper to keep a prisoner at Barlinnie than it is elsewhere. That is terribly important when one considers the impact of privatising prisons and the costs of prisons such as Kilmarnock. That is another mystery that we must still unravel. There was no transparency there.

The SPS budget was predicated in part on a £5 million to £10 million saving, which in turn was predicated on a reduction of 250 in the number of prison staff. Staff numbers are already 100 below complement, so a cut of 350 is envisaged. That cut was predicated on the ending of slopping out. How can that work, when the Minister for Justice said recently that slopping out would not end by 2003, and that it might not end even in five years' time?

If we consider the inhumanity of slopping out against the economics of the situation, we can see that the economics do not add up. If the current case leads to more successful cases going to the Court of Session, and to the Executive at least being ordered to accelerate the end of slopping out, I would like to know what provision has been made for costing such an exercise, what the costs will be and from which budget those costs will be met. That would allow people who failed accountancy but passed it on a resit to point with their little finger at where the money will be found to put an end to slopping out before 2006.

I will conclude on that point, although I wanted to talk about the fact that the legal aid budget has been frozen for three years. Solicitors' fees—not a popular issue—will have been frozen for nine years. That impacts on the delivery of justice and it cannot be right that the profession has not had a raise for eight or nine years. Legal aid fees for solicitors are half what solicitors get from private clients and solicitors are not prepared to subsidise legal aid any longer.

11:41

**Des McNulty (Clydebank and Milngavie)**  
**(Lab):** We have just heard a plea for poor solicitors.

I welcome the progress that has been made by a number of members in clarifying the budget. A lot needs to be done to link budget allocations better to policy priorities and, more particularly, to performance targets. I sat on two major local authorities and Scotland's biggest health board, all of which were much clearer about where their money was going and what they would deliver than the Executive is in its budget. We must move towards greater transparency, so that members can carry out their scrutiny role more effectively.

In the previous budget debate, I welcomed the minister's announcement of three-year funding for local government, to which Kenny Gibson referred. When the minister sums up, I would welcome his comments on the impact that the introduction of three-year budgeting has had on the budget planning process in local authorities.

I would also welcome his comments on whether there are plans to extend three-year budgeting. Voluntary sector organisations in Scotland are often dependent on a cocktail of local authority and central Government funding and it would be important for three-year funding to reach them, too. Each year, they spend a lot of time and overheads on scrabbling around for next year's budget. Three-year funding would have a profound impact on voluntary sector organisations, and I hope that ministers' efforts in relation to the budget process will result in three-year funding for that sector.

I also ask the minister to indicate what progress is being made on the development of an appropriate financial underpinning of the partnership agenda, which has been central to what the Administration is seeking to achieve. In the context of the Finance Committee's recommendations on outcome budgeting, partnership must be underpinned by flexible and responsive financial systems. We must move away from partnerships that are board-level talking shops that have little or no impact on public bodies' operational delivery mechanisms, towards systems that involve proper shared ownership of outcomes—which happens in relation to community schools—and towards more effective resource sharing and mobilisation of resources from Executive and non-Executive sources, such as lottery and European funds.

We might learn something from the way in which budgets are managed and developed in other parts of the United Kingdom. For example, we could learn from the single regeneration budgets that are making a profound difference in some less

advantaged areas in England. The introduction of single regeneration budgets would involve the Executive yielding detailed budget control to local partners and substituting alternative mechanisms of accountability. I recognise that, in relation to the detailed management of budgets, there is a lot of pressure on the Executive to ensure that it gets a bang for its buck. However, departmentalism can get in the way of effective action.

There is a trade-off. People are proud of the way in which the creation of the Parliament has stepped up accountability and accessibility and introduced greater legislative capability. However, as was made clear during the election, people are interested in effective delivery. We must strike the correct balance between the processes of consultation, inspection and budget management, and ensuring that the budgets deliver change where people want change. For example, we must get on with improving health in Glasgow—we must get moving on transforming that situation. People who came to the recent launch of the cross-party group on cancer made that clear.

We have the money, but how we manage it—and how we make a difference—is crucial. It is important that the Parliament makes progress on that task.

11:45

**Iain Smith (North-East Fife) (LD):** This has been an interesting debate, but what frustrates me about finance debates is that they tend to be about processes rather than outcomes. We do not get to grips with what the budget is about and tend to consider how information has been presented and how that presentation could be improved. I am not saying that no work needs to be done on that, but it is a bit surprising that, in a debate on a £20 billion budget, we have heard nothing about how any of that money could be allocated differently.

The budget process is important. We must consider how to judge the way in which the Executive provides resources to meet its policy objectives. We have made some progress on the budget documents, which have improved since last year, but there is still a long way to go.

The committees must also consider how they deal with the budget process, identify the policy objectives within their area of responsibility and hold ministers to account to make them show that they are providing the financial resources to back up those policy objectives. We are still learning—this is only the second year that we have gone through the budget process. It is clear that more could be done to improve the process.

We should not lose sight of what the budget is about and the important factors that it addresses. The budget will make real improvements to public

services in Scotland. There will be more money, in real terms, for the health service and for our schools. The budget contains funding to pay for student tuition fees, grants for students for the first time in years and more police on our streets.

As a member of the Local Government Committee, I draw attention to that committee's report to the Finance Committee which identified a number of areas of concern. There is a clear difference between the local government community's view and that of ministers about how generous the settlement is. No one disputes that there has been an improvement, in that local government funding is moving in the right direction for the first time for some years, but clear concerns remain about the gap between what local government perceives it needs to provide services in areas such as community services, which have suffered many cuts, and what the Government is providing. Part of that debate is about ring-fencing and Government direction.

Capital expenditure is the area of greatest concern. There has been an increase in capital expenditure, but there is a major backlog of school, road and other repairs in many areas, which must be addressed. Capital expenditure is only just beginning to make progress in the right direction. There is a long way to go and more money must go into that area.

I was not really surprised by Alasdair Morgan's speech. Although he is a new spokesman—he has been in the job for only a few days—it was not a new speech. We heard the same speech that we always get from the SNP. He talked about communicating with the voters. The SNP communicated with the voters during the general election campaign and the voters said, "No, thank you very much." The SNP vote decreased by a substantial amount and voters rejected its financial proposals for Scotland. The Liberal Democrat vote increased, so our communication sent our votes in the right direction. The more people heard about the SNP's proposals, the fewer people voted for that party. The more people heard about Liberal Democrat proposals, the more they voted for us. I would like the results to continue in that direction.

Alasdair Morgan made an interesting comment about the cost of the Scottish Parliament. He talked about money to pay for the building coming out of our wages. He suggested that if we had a mortgage, it would not come out of our wages, but people pay for mortgages from their wages over a long period of time; they pay interest on mortgages as well, so his point was not very sensible.

The SNP has offered nothing in today's debate. Although it is the principal Opposition party, the SNP has never made a sensible proposal on how the Scottish budget should be spent differently. It

never tells us how it would deliver any of its spending pledges or what it would cut to find the money. The SNP has nothing to offer the debate.

I welcome the Finance Committee's report.

11:50

**Miss Annabel Goldie (West of Scotland) (Con):** Yesterday, I had occasion to address the Finance Committee convener in the street. The exchange was brief. I said to him, "If you were a squirrel, my dog would chase you up a tree." He took that in good spirit. I am now overcome with contrition: I had not realised that in his late teens he was subjected to such a searing experience as admission to the accountancy profession. Accountancy's loss is our gain. His champagne-style delivery was a welcome and sparkling innovation in what has tended to be the leaden tedium of finance debates.

The Finance Committee is to be commended for its constructive report on stage 1 of the budget process. As Donald Gorrie rightly said, positive comments can be made about that process. The annual expenditure report is a better document than last year's equivalent, "Investing in You". This year, subject committees were able to undertake a review of departmental activity, which was virtually impossible last year, owing to the deficiencies of "Investing in You". This year, an effort was made to increase the provision of disaggregated information, but it is still not sufficient. Progress is being made too slowly. It is only right to record that there was a helpful ministerial and departmental response to the Enterprise and Lifelong Learning Committee's requests for information. I endorse David Davidson's comment that the Finance Committee report should be used as a template for how the Executive deals with the budget process.

Those are the positives, but there are a considerable number of negatives that must also be highlighted. There is a lack of standardisation in departments' presentation of information and a shortage of specific information about departmental costs, which is unacceptable in a devolved Scotland. There is no mechanism to achieve outcome budgeting: what is spent means little unless it is known what is got and when. The budgets for health and enterprise are a prime example of that dilemma. The lack of performance comparators in those budgets means that there is no transparency and that it is not possible to compare costs between departments or quangos or local authorities. For example, are the administration costs in the department of enterprise and lifelong learning higher than those of the department of health? If they are, should they be? I do not know the answer, but the Parliament is entitled to ask such analytical

questions and, under the devolution structure, the people of Scotland are entitled to answers.

Donald Gorrie made a useful point about whether it is more expensive to repair a pothole in one local authority area than in another. It is right that that information should be available. The people of Scotland should have some basis on which to judge how well their money is being spent.

Another material omission in the annual expenditure report is its lack of information about sources of income. A much fuller picture of how expenditure is being set against the money that is available would be obtained if the annual expenditure report included information about whether the income came from last year's budget, from comprehensive spending reviews, from UK budget consequentials, from Barnett consequentials, from end-year flexibility or from the reserves. That would greatly assist us because we could determine whether we are talking about new spend or recycled money. That would assist us in identifying what items and elements of money are devoted to the provision of particular services or delivery of particular policies.

In short, I welcome the Finance Committee's report. The committee is to be congratulated on a constructive piece of work, but there is still a long way to go. Huge deficiencies still exist. Until they are addressed, the budget process will still be lamentably deficient.

11:54

**Mr Adam Ingram (South of Scotland) (SNP):** The key message of the Finance Committee's report is:

"The budget process can only be as good as the information presented."

The budget information that is presented to the Parliament's committees is still not up to scratch.

The committee has accepted that progress has been made since last year, but not to the extent that the Executive's plans can be properly scrutinised by the subject committees to ensure full democratic accountability. Transparency needs to be significantly improved. The committee's report and several members who have spoken have highlighted a variety of deficiencies in the annual expenditure report. They include the failure to pick up proofreading errors; the absence of explanations for changes to expenditure and policy compared with the previous year's plan; the lack of quality information, which prevented subject committees correlating departmental aims with expenditure; and the lack of disaggregated spending details for policies that are delivered through local authorities, health boards and quangos—which constitute the bulk of the

Executive's budget. Little progress has been made on the reporting of cross-cutting expenditure, which is disappointing, and no progress has been made on gender impact analysis.

I welcome the ministerial commitment, which I believe to be sincere, to fill those gaps. The minister has said that he will act to bring the budget process into line with the Finance Committee's recommendations. I was also impressed by the willingness of the Deputy Minister for Finance and Local Government to move towards a performance assessment framework for departments and towards a system of priority-based budgeting. The focus on the outcomes of spend rather than on the amount of inputs that are purchased is welcome.

I am sure that the deputy minister expressed a consensus view when he said:

"All politicians have a habit of simplifying policies for election periods, saying that they will employ X more teachers, doctors and nurses, for example. There is very little focus on the end product."—[*Official Report, Finance Committee*, 8 June 2001; c 1318.]

The question is whether we in the Parliament can raise our game to conduct a more relevant debate to re-engage the growing number of people who have lost faith in the democratic process as an instrument of social and economic progress.

In my swan-song as a finance spokesperson, I wish to advance the argument that no matter how well the Executive manages its financial resources, the constraints that are imposed by block and formula funding from Westminster under the current devolution settlement will, sooner or later, limit the Executive's room for manoeuvre. That will be to the detriment of the aspirations of the Scottish people. Already, the Executive is struggling to find the resources to pay for its commitment to fund the teachers' pay settlement, free personal care for the elderly, the abolition of up-front student tuition fees and the cost overruns on the new Scottish Parliament building. Given all that, how will it deliver on its election promises to improve the health and education services?

Problems are arising despite the influx of new money coming into the budget at the rate of £1 billion a year in each of the years that were covered by the most recent comprehensive spending review. That flow of funds will almost certainly slow down in the next CSR period; the Barnett squeeze will bite deeper; and the credit available from the ministers' flexible friend—otherwise known as end-year flexibility—is bound to dry up. When that happens, the Executive will be reduced to having to fund any new initiatives from the 1 or 2 per cent of departmental budgets that it will be feasible to change or redistribute between expenditure programmes. That is not my analysis but that of Professor Arthur Midwinter in

the research that was commissioned by the Finance Committee.

How, then, will the Executive—although it might find itself in opposition by that time—respond to the Scottish public's overwhelming support here and now for increased powers for the Parliament? Will we still need to hang onto nurse for fear of something worse? Will the line be held by assuring us that, to secure our wealth, a political and economic union that has brought Scotland the lowest economic growth rate in Europe—a structural deficit of £5 billion per annum, according to the minister—must be retained, despite the cost? I doubt it.

It would be advisable for everyone with Scotland's interests at heart—and I believe that that includes everyone in the chamber—to grasp hold of an idea whose time has come. Independence.

**The Deputy Presiding Officer:** Peter Peacock will wind up for the Executive, but his microphone does not appear to be working. In fact, I have just been advised that the entire sound system has gone down.

12:00

*Meeting suspended.*

12:11

*On resuming—*

**The Deputy Presiding Officer:** I have been advised that we can proceed, although when I switched my microphone on, nothing happened. However, it seems to be working so, optimistically, I call Peter Peacock to close for the Executive.

12:11

**The Deputy Minister for Finance and Local Government (Peter Peacock):** As others have done, I will start on a personal note, and welcome Alasdair Morgan to his new role. I also wish Adam Ingram and Andrew Wilson well in their new jobs, whatever they turn out to be.

Andrew Wilson performed his finance role with considerable good humour. Of course, his finance policies were also hilarious and caused us great amusement. It looks as though Alasdair Morgan is set to continue in the vein of SNP finance spokespersons, as Andrew Wilson did, if today's evidence is anything to go by. There was more flirting with full fiscal freedom, or foolish fiscal folly, which it is, as it would bring Scotland a deficit of £5 billion a year. That is why the Scottish people rejected that approach at the recent election.

SNP members continue to scoff at the Barnett formula as a hand-me-down or cast-off from

Westminster, yet the Barnett formula is bringing Scotland extra cash, not less—£1 billion this year, £2 billion next year and £3 billion the year after. That money will allow us to continue to improve health, education and transport services, and to do all the things for which Scottish people voted in the recent election.

There are no proposals from the SNP on how to use our existing fiscal powers. While calling for full fiscal autonomy, the SNP has not produced a single proposal on how to use the powers that the Parliament already has.

**Alasdair Morgan:** Does the minister concede that in those key areas, Scotland's share of expenditure is declining as a proportion of UK expenditure?

**Peter Peacock:** I emphasise the truth, which is that the money that is coming to Scotland from Westminster through the Barnett formula is increasing significantly, which will allow Scotland to develop its services in a variety of ways. The SNP and the Tories have not produced a single proposal on what they would do differently with the Scottish budget. They are prepared to come here and carp and moan, but they are not prepared to produce a single constructive suggestion on how we use our fiscal powers or on what they would do differently. That begs the question, what would they do differently? What would they do to make priorities different for education and health?

I am in a generous mood, and I fully accept that Alasdair Morgan took over his job just yesterday. No doubt he had handed to him a cast-off speech from Andrew Wilson, which he felt obliged to deliver. I look forward to better things as time goes on and to Alasdair Morgan's understanding why full fiscal freedom would be a folly for Scotland matures.

The purpose of today's debate is to consider the constructive contribution that the Finance Committee has made to the budget process. As Mike Watson indicated, we are in only our second year of the budget process and there is far more scrutiny of that process now. Angus MacKay and I have been before the Finance Committee—as were our predecessors—for many more hours in total than was the case previously. As Donald Gorrie said—and I share his aspiration—it is important that we try to widen the Scottish people's understanding of the budget process, so that they can influence it in a variety of ways.

The Finance Committee's report is a useful contribution to improving the budget process. Many comments from today's debate reinforce the report's conclusions. Any serious observer of the budget in Scotland ought to take seriously what the Finance Committee has said—we take it seriously.

Many detailed comments were made during the debate and it will not be possible to reply to them all, but I will try to address some of the main themes.

One of the themes that emerged was on the approach of Executive departments. Mike Watson, David Davidson, Richard Simpson and Kenny Gibson pointed to that, particularly in relation to the health and local government budgets. I am sure that we can do more to shed light on expenditure from those budgets and on the outcomes that we seek from that expenditure, but we must strike a balance between the scrutinising role of the Parliament and the local accountability of councils justifying to their electorates their decisions and priorities within the block sums of money that they receive. That is starkly contrasted in the light of comments such as that which Kenny Gibson made about the need to move away from hypothecation in local spending and to allow more freedom. We agree with that. However, how do we at parliamentary level then scrutinise that expenditure? That involves a tension and we must work at getting round that.

Mike Watson, David Davidson, Richard Simpson, Annabel Goldie and other members asked about the consistency of the supply of information to the budget process and asked us to take up those points with other ministers to ensure that greater consistency is achieved. I am happy to confirm that we will do that and seek to improve consistency.

Members asked about the presentation of information in the annual expenditure report. Members recognise the changes that were made to place information about increases in budgets in real terms as well as cash terms. However, the recognition that progress has been made does not remove the need to make further progress, which I confirm that we want to make.

Almost every member asked about focusing our budget process on outcome measures for spending, rather than inputs. The Executive and the Parliament want to be much clearer about what our money purchases from those to whom we give it. Mike Watson, Alasdair Morgan, David Davidson, Donald Gorrie, David Mundell, Des McNulty, Annabel Goldie and others discussed that. I share the intention and desire that lie behind those points about adopting outcome measures. We will spend much more time doing that. I am pleased that the Finance Committee is commissioning independent research on that, because we are travelling into comparatively unknown territory. We need to learn techniques and what others have done. We must develop our own techniques to explore the matters more fully. That is a priority for us. In that context, several members asked the Executive to set better targets



from which we can better measure outcomes.

Alex Neil, Mike Watson, Donald Gorrie and others asked about non-departmental public bodies and the significant amounts of money that they receive from the Executive. Such bodies are at arm's length from the Executive, but they are not absolved of the need to be clear about the outcomes that we are purchasing with our expenditure. The Executive and the Parliament need to apply the same rigours to them that we apply to ourselves and others. We must know what we are purchasing for the money that we are giving and the outcomes against which we can measure performance. David Mundell asked about best value in expenditure from our NDPBs. I confirm that a best-value review process is operating throughout the Executive. That rolling programme of reviews over the next five years will examine a range of aspects of expenditure to ensure that we have best value.

**The Deputy Presiding Officer:** Please wind up.

**Peter Peacock:** I am happy to wind up.

The annual expenditure report sets out our plans for spending £21 billion on delivering essential services, improved health and better education for our children and bearing down on crime. The Executive has budget plans that deliver for the people of Scotland. Throughout the remainder of this year's budget process and into the future, the Executive will continue to engage constructively with the Parliament, its committees and the people of Scotland to refine its approach and respond to the people's needs. On that basis, we will continue to deliver.

12:19

**Elaine Thomson (Aberdeen North) (Lab):** We are at the end of stage 1 of this year's budget process—a process which is becoming more familiar to us all. The Finance Committee was again ably assisted by Professor Ashcroft—to whom thanks are due—and by the clerking and research staff. I welcome Alasdair Morgan, in his new role, to the Finance Committee. This year, the Finance Committee and the subject committees felt more able to fully engage in the budget process, even allowing for the many improvements that are still required, many of which were highlighted in the debate.

One result of the Finance Committee's work is Professor Midwinter's report "The Real Scope for Change: Appraising the extent to which the Parliament can suggest changes to programme expenditure". That report indicated the areas of the Scottish budget in which spending could be modified. Research is also being carried out in other areas, such as the gender-based budgeting research that was commissioned by the Equal

Opportunities Committee.

In future years, committees will have better information and a clearer understanding of the budget, which will result in a more transparent process and allow more meaningful input. I take Donald Gorrie's point that the budget process in the Scottish Parliament is already well in advance of the process at Westminster. As the minister said, our process is already subject to more scrutiny.

By 2003-04, the Scottish budget will have risen in cash terms from £18 billion in 2001-02 to more than £22 billion in 2003-04. In real terms, that is an increase of some 14.5 per cent over the four-year period. In his recent research for the Finance Committee, Professor Midwinter concluded that public expenditure is currently undergoing sustained growth. In his report, he noted:

"the margins of budgetary choice have increased dramatically."

Over £1 billion of new resources are being made available over the 2003-04 period.

Much discussion has taken place about the presentation of the budget document and most committees recognise that considerable improvements have been made to this year's summary budget document. As a result, committees have felt able to take a longer and deeper look at their areas of the budget. They have called more witnesses and have produced much more comprehensive reports as feedback to the Finance Committee.

The budget document has been improved by additions such as the tables that show cash and real terms at levels 1 and 2, which were welcomed by the Local Government Committee. Further improvements are sought, such as the need for tables showing areas of income from UK budget consequential. I believe that, in a few minutes, the minister will announce the most recent of those in his budget statement. Other improvements that are sought include tables showing funding for new burdens and capital expenditure on PFI and PPP projects, which many members mentioned in the debate.

Outcome-based budgeting has also been discussed at some length, as it has been over the past year or so at meetings of the Finance Committee. The committee has commissioned external research in that area and welcomes the minister's clear commitment to movement towards outcome-based budgeting. As the minister said, we look forward to further discussions as to how outcome-based budgeting is developed so that a clearer emphasis on performance evaluation measurement is achieved, as that would allow us to identify trends. As Des McNulty mentioned, we would then be able to see that policy objectives

are being met.

Several committees have highlighted concerns, in particular the Health and Community Care Committee and the Local Government Committee. Those committees have concerns about the detail of information that is received. Health and local government represent some two thirds of the Scottish budget. Health boards and local authorities hold most of the detailed information in those expenditure areas. However, we need to look at how we can make more information available and how cross references can be made to underlying information, such as the five-year financial plans that are produced by the health boards. As Richard Simpson pointed out, reference could also be made to the health improvement plan, so that policy objectives can be linked to the money that is available to meet those objectives.

One of the Finance Committee's recommendations on the budget document is that those two committees should have direct discussions with the Scottish Executive finance and central services department about the information that they seek and what they would like to see in the AER next year.

Other committee members highlighted various issues. Christine Grahame and Tavish Scott both highlighted some of the issues that were included in the Justice 2 Committee's report. Although no committee has recommended that this year's budget should be spent differently, committees are nevertheless engaging much more directly in the budget process. As a result of that engagement, they are able better to scrutinise areas that may need greater clarity, such as the Procurator Fiscal Service.

David Davidson and others mentioned the need for different departments to produce information in a standardised format. I look forward to seeing that in next year's report.

Members mentioned the new Scottish departmental expenditure limit reserve and end-year flexibility and the need for clarity over how the reserve can be used. The Finance Committee welcomes the intention of the Minister for Finance and Local Government and his deputy to consider the matter over the summer.

Gender-based budgeting has been heavily criticised, mainly by the Equal Opportunities Committee. The committees felt that little or no improvement had been made. Kenny Gibson mentioned that the subject was raised at the Local Government Committee. It is to the credit of the Scottish Parliament that it is discussing gender-based budgeting and giving the issue considerable weight. We are probably advanced compared to Parliaments elsewhere. However, one of the

difficulties of being at the leading edge of anything is that the methodologies and techniques that are required to give us the kind of information that we want have sometimes still to be developed. While he acknowledged the difficulties, I was pleased to hear the minister give a clear commitment to progress in that area.

The Finance Committee is looking forward to the development of equality performance indicators by the end of the year, followed by an initial equality impact assessment of budgets, leading to a pilot next year. That work will be informed by the equality proofing advisory group, which includes representatives from various organisations such as the Equal Opportunities Commission Scotland and Engender's budget group. Other committees have identified something that affects equality budgets, which is the lack of good baseline data. Another problem that has been raised is how to develop information for monitoring cross-cutting budgets, not only for gender, but for drugs and rural affairs. That was mentioned by Alasdair Morgan.

Various members have raised the issue of how we involve the public in the Scottish budget-making process. There has been a clear commitment on the part of the Minister for Finance and Local Government and the Finance Committee to open out the process to a wider audience. That has led to a number of innovations, such as holding meetings outside Edinburgh. The Finance Committee has undertaken to meet outside Edinburgh once during stage 1 of the budget process and on a second occasion as part of stage 2. Last year, I was pleased that the committee went to Aberdeen as part of stage 2.

This year, the committee met in Perth the day after the general election and took evidence from the minister. It is to the credit of the minister and members that we had almost full attendance of the committee. Considering which day it was, it was a creditable performance by the committee and the minister. However, attendance by the public was poor. I accept that Finance Committee deliberations are not always of the most riveting nature, but given that we are discussing the expenditure of about £20 billion we should continue to try to engage the Scottish public.

As part of that, we recommend the reintroduction of a pocket-sized version of the budget. Academics and parliamentarians form specialist audiences for the budget—we are looking for detailed information, which we now have in the summary and in the full, detailed version of the budget documents. There is room, however, for a more public-friendly version, which shows simply and clearly how much money there is and where the main areas of expenditure are. The audience for information about the Scottish

budget is diverse and has undoubtedly increased since devolution. It is difficult to meet all needs. I accept the minister's point that we must consider cost, which is why the committee is recommending that we review the use of reports.

The budget process is not static; it evolves with time and the development of devolution. However, I agree with Iain Smith that we need to move from process to outcome so that now and in future we can meet the objective of having an open, accessible and accountable budget process.

## Scottish Budget

**The Presiding Officer (Sir David Steel):** The next item of business is a statement by Angus MacKay on the Scottish budget.

12:30

**The Minister for Finance and Local Government (Angus MacKay):** I welcome the opportunity to make a statement that will show how we can both deliver a balanced budget and meet the ambitious policy objectives of the Scottish Executive. I will set out our plans against a background of the strength and stability of the UK public finances and the very substantial programme of UK public sector investment, which is now secured until 2004.

Our spending plans are informed by our determination to improve the focus, flexibility and effectiveness of public spending in Scotland, not just for the several hundred million pounds that I shall announce today, but so that, in the medium term, the entire Scottish Executive budget of £20 billion is better allocated, better scrutinised and better matched to the priorities of the Executive and the people of Scotland.

This statement sets out structural and management changes in the handling of Scotland's finances, spells out how we have reshaped the Scottish budget to match our policy priorities for this and the next two years and shows how we have put in place the funding to match our promise on free personal care for the elderly. It does so according to Scottish priorities agreed by Cabinet and taking account of the broad responsibilities of the Executive. Those responsibilities are, of course, to the people of Scotland.

The real significance of this statement is that it goes beyond the traditional inter-departmental numbers game of who is up and who is down and instead looks ahead to better management of Scottish public spending, with new focus, flexibility and effectiveness. In other words, it combines rigour with reward.

This budget statement signals the start of a new approach, in which the focus of our public finances must be on what the money does and not just on where it goes. That is why we have established the new finance and central services department. It will bring greater coherence and expertise to the challenge and to the support role of finance in government, helping ministers and departments to achieve the Executive's priorities, particularly in driving forward our agenda for social justice and the attack on poverty. We have also established a new ministerial-level working group on best value

and budget review, which will ensure delivery of agreed outputs in return for investment and lead a series of strategic reviews with departments. Taken together, those initiatives mean that, over the next three years, public spending in Scotland will be more closely matched to our priorities, more accountable and more effective.

I now turn to the first set of results of the new approach. Today I am allocating the £200 million in new money from the recent UK budget announcement, as expected. In addition, as a result of sustained and detailed work with Cabinet colleagues over the past six months to realign existing expenditure, I can go further. I am pleased to inform the chamber that I am today announcing, on top of the £200 million of new money, a further £289 million as a result of that realignment work. That combination of new and realigned money gives us a total of £489 million to allocate today.

I will now set out how we are allocating those moneys across the departments to meet our policy priorities. We are directing £286 million of the £489 million total to spending on health. Of the £286 million health total, £200 million—£100 million next year and again the year after—is to fund the various recommendations of the care development group in its work on implementing free personal care for older people. The roll-out of that work will begin from April 2002. The remainder of the money for health will go on new health initiatives that the Minister for Health and Community Care will outline in due course.

We will direct £146 million of the £489 million to spending on education and children. There has been speculation that the money in the education budget would contribute to the cost of the Parliament. Let me make it clear: no such contribution will be made. Some £99 million is new money for the education budget. The balance has been realigned from within the Education budget. For example, over the next two years, £40 million within the education budget was scheduled for the implementation of broadband in schools. Instead, ministers have agreed that broadband will be paid for from the capital modernisation fund. That means that £40 million has been freed up for reallocation within the education budget and schools will still get their broadband connections.

Some of the money for education will go towards meeting the costs of the teachers' pay settlement in 2003-04, but most of the £99 million will be spent on new initiatives. The Minister for Education, Europe and External Affairs will outline those initiatives in due course.

The Administration is determined to continue to tackle Scotland's drugs problem. We have created the Scottish Drug Enforcement Agency and last year we announced £100 million extra in the fight against drugs. We are now committing £28 million

to the justice department and Crown Office over three years to tackle criminals and support the victims of drugs.

In addition, £3 million will be directed to sport and culture to raise Scotland's profile around the world. I cannot give details of the package, but I am sure that golf and football fans will be pleased. We have committed £5 million to transport for key priorities such as making roads safer for our children. We will direct £9 million more to support higher and further education students in Scotland through the enterprise budget. Ministers, including Jackie Baillie, will announce shortly how that will extend access and help us to deliver social justice. In addition, £2 million will support creative industries.

Full details in table form of all the realignments—where money has come from and where it is going—have been lodged with the Scottish Parliament information centre.

I have one further announcement to round off the £489 million package that I have made available. The impact of foot-and-mouth disease has been felt widely throughout Scotland. That impact has been particularly heavy in farming communities, but it has also damaged our tourism economy. As a result of our efforts, I can announce a £10 million post foot-and-mouth disease recovery package, which will be directly targeted to help both farming and tourism. Ross Finnie will announce the full details of the package in due course.

Almost all the new money—£200 million—has been invested in new initiatives. Almost 90 per cent of the overall £489 million that we have made available—£432 million—is being allocated to our highest priorities of education and health. No money from the £200 million—or the £489 million—will go to the costs of building the new Parliament.

I have set out the start of a new process—an approach that will result in the better management of Scottish public finances. I have announced not only how we will spend £200 million of formula consequential from UK public finances, but the realignment of a further £289 million to the Executive's priority policies.

It might take some members a little time to accept the new approach, but that approach—not the simplistic call for more constitutional change via the deficit route of fiscal autonomy—will make devolution work. The approach is one of fiscal delivery, not fiscal deficit. We are taking the responsibility that comes with devolution and getting down to the hard work of delivering for Scotland. We are making things add up while others are just making things up.

We have considered the £20 billion of our public

expenditure in Scotland and started to make choices, which reprioritise that spend to match our policies. That realignment process is a blend of replacing lower-order priorities with emerging higher-order priorities and finding new funding streams for some existing plans. That will be an enduring feature of Scottish public finance. Our willingness to embrace it demonstrates a mature approach to finance and governance—it is rigour that brings reward.

We have balanced the budget and we have met our commitment on free personal care for older people. The biggest boosts will be for our key priorities of health and education. I commend that mature approach and this statement to the chamber

**Alasdair Morgan (Galloway and Upper Nithsdale) (SNP):** I thank the minister for the advance copy of his statement. I welcome the announcement on personal care, which is a victory for the Parliament. Needless to say, we will be watching to see that it is properly implemented.

As always, it is difficult to cut through the spin to get to the facts. When I heard that the budget was being balanced, I wondered how we could unbalance it, given that this Parliament has no power to borrow.

“Realignment” is a lovely word. The minister told us at great length, if not in great detail, who has been given money. He told us the good news. He said that he wanted to go beyond the game of what is up and what is down and of who is up and who is down. He has just told us who is up. Can he say, before we get all the detail that will be available in SPICe, who is down? Who will the losers be?

On education, can the minister say what the £40 million from the capital fund, which is now going to be spent on broadband, was going to be spent on? Will the school building programme suffer even more? Can any of the £99 million of new money that is going into the education budget be spent on buildings or are all our buildings going to be funded by private finance initiative? What was the gap in funding in relation to the McCrone recommendations at the beginning of the year? When will answers be available to all the questions on McCrone in the Education, Culture and Sport Committee section of the budget report that we debated this morning?

The minister said that some of the £10 million for foot-and-mouth disease will be targeted towards agriculture. Under previously announced schemes, farmers—other than those with slaughtered stock—have been excluded from getting cash aid because of the state-aid rules. Has a way around that been found?

**Angus MacKay:** I promised Alasdair Morgan before the debate that I would be relatively gentle with him because he is new to his portfolio, but he has raised one or two points that I must address head on.

It is somewhat ironic that the SNP should be demanding that the Executive parties say where the money will come from to pay for the spending. In the election campaign, our endless search for the truth on SNP budget finances showed that, unlike in “The X-Files”, the truth is not out there where the SNP is concerned.

I have said that I do not want this process to be anything other than transparent—[*Interruption.*] I welcome noise from the Opposition because, when things are hurting, that is when they are making an impact.

We have put the tables that accompany this statement in SPICe. Those tables show where the allocations will go, which departments the savings will be taken from and the net changes.

**Andrew Wilson (Central Scotland) (SNP):** Name them.

**Angus MacKay:** The former, or perhaps still current, finance spokesman for the SNP asks me to name them. I will do that.

In my statement, I talked about matching rigour with reward. Earlier this year, much noise was made, especially by the Opposition, about savings on trunk roads maintenance. Those savings—more than £30 million—are now available to us for reallocation to deliver on free personal care for the elderly, because we followed the rigour of making those savings to allow us to have the reward to invest in the Parliament’s priorities. The key point is that we are identifying where the resource is coming from and how we will fund our priorities. The Opposition cannot and will not identify either.

Alasdair Morgan raised a couple of specific points. I am not going to go into detail today about how the spending will be rolled out; it is for other ministers to make those announcements in due course. However, I will address the point about the £40 million in the education budget. As I said, the budget contained £40 million to implement the roll-out of broadband to Scottish schools. We are now proposing to meet the costs of that implementation from the capital modernisation fund. As a result, that £40 million is freed up for reallocation elsewhere in the education budget. If SNP members are patient, they will find out where when the Minister for Education, Europe and External Affairs makes his announcements.

**Mr David Davidson (North-East Scotland) (Con):** I thank the minister for prior sight of his statement. I would have had it earlier, but we will have to get our new whip into training so that he

can get up the road a bit quicker.

In the debate this morning, several Labour members accused me of having an honesty fetish. I am deeply worried about the new central department that the minister mentioned. Will it be a new ministry for spin and recycling or will all members be able to access it and benefit from it?

The Conservatives welcome some parts of the minister's statement. As the chamber knows, our party was the first one officially to adopt the Sutherland proposals as a main line of policy and I am very pleased that the Parliament has managed collectively to deliver on that issue. However, we do not know exactly how the Executive has reached the figure that it has announced. As there has been a huge amount of speculation, the minister should be honest and tell us what the new money will deliver. We also welcome the money for the fight against drugs and the support for problems arising from foot-and-mouth.

However, I must be fairly frank and say that many of the minister's proposals will be funded through realignment of existing funds, not through new money. Realignment is nothing more than shuffling things around. However, if the minister is prepared to introduce a new policy of telling us what is being realigned as it happens, the Conservatives will welcome that. The minister also failed to tell us whether realignment will be used to balance the blank cheque for the Holyrood project, but we might receive an answer to that in due course.

On education, will this statement address the difficulties that rural councils face in funding teachers' pay settlements in full? The statement contains no reference to school fabric, which is in a terrible state of repair.

As for health, why has the minister not mentioned the fact that many health trusts in Scotland are in deficit and that there is a huge problem with bedblocking? Perhaps he will also tell us why the statement says nothing about compensating for the unfairness of the Arbutnott package.

Finally, on the £10 million that the minister has allocated to the tourism industry after the foot-and-mouth crisis, how did the Executive arrive at such a small sum? What evidence was used to reach that figure? Is that money enough? Will the minister revisit the issue, especially as support for tourism is vital this year? If he compares the amount money that he has offered with what is being spent in Ireland and elsewhere, does he really think that he has fully addressed the problem?

**Angus MacKay:** I note from the questions asked by the SNP and Conservative spokespeople and from this morning's debate that

neither party has made one proposal about how we should spend the money in these budgets over the next three years any differently. During this question session and in the Finance Committee's scrutiny process, neither of the Opposition parties has proposed shifting a penny. They are abdicating responsibility instead of engaging in the devolution process and standing up for Scotland. That is astonishing.

Someone more qualified than me recently said that the Conservatives would love to cut public services and so ruin our economic stability, whereas the SNP would choose to ruin our economic stability first and then cut public services. The questions from their spokespeople this morning have shown ample evidence of that. We have had po-faces from the SNP and a question from the Conservative member that began with an attack on his own whip. That leads me to believe that neither party has much to say about what is an excellent budget settlement for Scotland.

As I said, from next year £100 million will be given for free personal care. If I were to describe what that money was to be spent on, the Opposition parties would accuse me of prejudging the proposals of the care development group. We are more than content to allow those individuals, who are very well-qualified, to come to their conclusions in their own time and to tell us how the money that we have put on the table through our work can be used to deliver on the Parliament's commitment.

We have made the decision to identify the source of the finance to pay for free personal care. Every member supported the proposal to provide free personal care. It is time to put up or shut up, if members do not like what we are proposing. Neither the SNP nor the Tories are doing anything to tell us how they would pay for any of those commitments other than by what we are proposing today.

My colleague Susan Deacon has helpfully informed me that the national health service budget this year is within £400,000 of balance, compared with an overspend of £22 million last year. I am sure that David Davidson will be much cheered by that good news about the excellent state of the finances of the health budget—although I see that good news does not go down well in the Conservative party.

As I said, a number of announcements will be made in due course by a range of my colleagues who control the individual departmental budgets. They will make clear exactly what the spending priorities are to which they will allocate the £489 million that we are announcing today. The key point is that, now that we have balanced the budget and decided not simply to say, "Let's take

£200 million in consequentials and decide how to spend it," but to be more ambitious and discover how we can free up existing resources to enable us to invest better and more wisely, substantially greater investment is being made in health and education than would have been the case if we had simply stuck to the figure of £200 million. I would have thought that the Opposition parties would welcome that.

**Donald Gorrie (Central Scotland) (LD):** My colleagues and I very much welcome the statement and the good work that is being done by the minister. I have in my hand a sheaf of press cuttings from the past six months, which say that the coalition will never deliver on free personal care and that the Liberal Democrats are a bunch of wimps and chancers who will not achieve anything. [Applause.] Why are members applauding? The Opposition parties have been saying things that are simply not true. We have delivered, and that is commendable. The minister is delivering and the coalition is delivering. If the whole Parliament supported us in that work, instead of constantly whining and sniping about the good will of the coalition partners, we might get somewhere. This is a success for devolution. We are doing things differently from what is happening in England, and that is something in which we should all take great pleasure and pride. The minister has delivered, so to say that the Executive will never deliver is a waste of time.

I have three questions for the minister, which may come under the heading of future ministerial announcements. First, in connection with free personal care, will the minister clarify whether and how residential accommodation for elderly people and others in the voluntary and commercial sectors is being funded? Secondly, the funding of the implementation of the McCrone recommendations is welcome, as we were told that that would never happen. Over the past year, schools have welcomed the money that was issued reasonably directly from the Executive to the councils to the schools, which has helped them to budget. Will that happen again, or will the new initiatives that the minister spoke about be different? Thirdly, will money for sport be allocated at the grass-roots level? There is a risk of our policy being too top-down and not sufficiently bottom-up. If money is allocated to sport at the grass roots, in due course we will produce champions.

**Angus MacKay:** The Convention of Scottish Local Authorities and the care sector are in deliberations at the moment and I do not want to impact on or prejudice the outcome of those discussions about what might be required to ensure that the sector is capable of continuing to deliver the care that is required. Donald Gorrie should rest assured that those discussions are

continuing and that both parties are engaged willingly in trying to find a sensible solution.

Donald Gorrie asked a question about education. I must ask him to be patient a little longer until the Minister for Education, Europe and External Affairs, Jack McConnell, makes his announcement.

On funding sport at the grass-roots level, I am sure that the relevant ministers—Allan Wilson and, again, Jack McConnell—will have listened carefully to Donald Gorrie's words. I know that, in recent months, Jack McConnell has been working on ways to improve that aspect of the education system and I am sure that some policies will come to fruition as a result.

Mr Gorrie made the important point that Opposition members should not deride what has been announced. The fact is that the budget takes care of issues that are of great importance to every member of the Scottish Parliament and to the Scottish people. The reason why Opposition members laugh and guffaw is that they have little else to say. The SNP cannot make its policies add up, cannot say how our policies should add up differently, has a deficit that it cannot fill, an oil fund that will not fill up and public service trusts that will not work. It has John Swinney sitting in the Scottish Parliament as the leader of the official Opposition and Alex Salmond in London as the unofficial leader of the Opposition and it does not know which leader to follow. Either way, the SNP is leading itself up the garden path, as it is in coalition with Plaid Cymru, a party that does not even support independence. I understand that the Official Monster Raving Loony Party refused to join forces with the SNP because it deals only with serious parties.

**Mr Duncan McNeil (Greenock and Inverclyde) (Lab):** I welcome the minister's statement, as will many of my constituents. The glum faces of the forces of darkness, represented in this chamber by the Tories and the Scottish nationalists, only add to my pleasure.

How can we reassure the patients and the professionals that the additional money for the health service will directly affect front-line services and will not end up in some black hole of bureaucracy?

**Angus MacKay:** That is an important point, which Duncan McNeil has raised with me previously. I intend to discuss with colleagues how we will roll out the detail of the spend that we are announcing today and, as I have said, ministers will make announcements in due course. It is important that the money gets to the front end of service delivery as quickly as possible. Those are the areas in which people in Scotland depend on the decisions that are announced in statements

such as this one being translated into reality. That is what makes a substantial difference to the quality of services that they experience and the value that they attach to the Scottish Parliament. If people genuinely believe in devolution and the value of the Parliament, they should engage in that process rather than sitting on the sidelines, picking up MSPs' salaries but not engaging in the serious hard work of deciding how much money should be spent on what policy priorities.

**The Presiding Officer:** The parties have all had their say but five members would like to be called. As we are running out of time, I propose that we take five brief questions together and allow the minister to give an omnibus reply.

**Mr Kenneth Gibson (Glasgow) (SNP):** What?

**The Presiding Officer:** I did that yesterday. It went well and enabled everyone to be called. I hope that members approve.

**Dennis Canavan (Falkirk West):** Will the Executive give more priority to expenditure to help homeless people instead of defending a decision taken behind closed doors to hand out public money for a minister's second home?

**Andrew Wilson:** Given what you said, Presiding Officer, I am tempted to say that we will have to wait until the recess to find out what the minister's reply to these questions will be, as we will have to wait until the recess to find out about all the spending commitments. Are the ministers really running from parliamentary scrutiny and accountability?

The minister is still the only finance minister who does not trust himself with the nation's finances. It seems that the people do, and I think that they might be correct to do so.

What we have heard today—and I ask Labour members to consider this—is the chancellor's statement from a few months ago and its consequentials, which we welcome. For the first time, the chamber has been given details of the reallocation of the underspend, which last year was announced in a press release, much to the chagrin of the Minister for Health and Community Care. Three months ago, the Executive published a budget document—

**The Presiding Officer:** Order. I want a brief question, Mr Wilson.

**Andrew Wilson:** The budget seems to have changed to the tune of £289 million. Is that evidence of the reallocation of the underspend? If it is, what happened to the rule that says that 75 per cent of the underspend should stay with departments? If it is not, what has changed since March? Is the Executive in such chaos at its heart that it has not noticed the change?

The minister has said that no money has been diverted to pay for Holyrood or the burgeoning cost of ministerial flats. In that case, where is the money coming from? As it must have come from front-line services, what front-line services are being cut to pay for Holyrood and the associated costs of ministers?

**Miss Annabel Goldie (West of Scotland) (Con):** Can the minister say how the £10 million to assist farming and tourism that he has just announced will relate to the £10 million previously allocated to the Minister for Enterprise and Lifelong Learning? How much of that money has been allocated and how will the Minister for Finance and Local Government avoid confusion in the allocation of the additional money?

**Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** The minister will know that the Liberal Democrats are delighted that he has earmarked £100 million from next April for the implementation of free personal care. Can he confirm that the Executive, through the care development group, is now on schedule to make personal care free for elderly folk from next April? I know that the money is there, but I would like reassurance that the Executive is on schedule to deliver that from April 2002.

**Alex Neil (Central Scotland) (SNP):** I repeat Alasdair Morgan's welcome of the statement, particularly the announcement on free personal care. I just wish that the Scottish Parliament had the power to realign the money wasted on nuclear weapons in the Clyde to front-line services in health and education.

Will the minister give a straightforward yes or no answer to whether the planned investment in school equipment and buildings will remain intact or even be increased? If it is to be increased, by how much? The minister mentioned a realignment of £30 million from trunk roads. What are the implications of that realignment?

**The Presiding Officer:** I apologise to the minister—there were rather a lot of questions.

**Scott Barrie (Dunfermline West) (Lab):** On a point of order, Presiding Officer. Is it in order for a member to ask a question and then not stay to listen to the reply?

**The Presiding Officer:** Who has done that? [MEMBERS: "Andrew Wilson."] No, it is not in order. Thank you for drawing that to my attention.

**Tricia Marwick (Mid Scotland and Fife) (SNP):** On a point of order, Presiding Officer. Andrew Wilson had been paged and he has asked me to convey his apologies to the minister. I am in the process of writing a note to the minister to that effect.



**The Presiding Officer:** I would not have called Mr Wilson if I had known that he would not be here to listen to the minister's answer. Nevertheless, let us have the answer.

**Angus MacKay:** I do not want to pass comment on that because we do not know why Andrew Wilson had to leave the chamber. That is a matter for you, Presiding Officer, rather than for me.

I will take the questions in reverse order. Alex Neil asked a question on education initiatives, but he will have to wait to hear what the Minister for Education, Europe and External Affairs announces on the range of education initiatives.

Mike Rumbles asked whether free personal care would begin by April 2002. My understanding is—and I do not have detailed knowledge of the matter—that the care development group is on schedule to make its recommendations within the timetable and that we will commence the roll-out of free personal care from April 2002. I hope that that satisfies Mike Rumbles.

On the astonishing set of inaccurate assertions and questions from Andrew Wilson, the money for the new Parliament building, whatever it may turn out to be, will be met from our reserve. Over the next two years, our reserve totals more than £100 million. No member is suggesting that any additional cost of the Parliament will amount to more than another £100 million. However, I make the observation that, when we set up our reserve and at various stages sustained it, the SNP—Andrew Wilson in particular—opposed the idea of carrying a reserve. If we followed the SNP's advice, we would end up cutting health, education and other budgets to pay for the new Parliament. The SNP must take some responsibility for its position.

Andrew Wilson asked a direct question: whether the change in the budget is a result of end-year flexibility or underspend. The answer is that it is neither EYF nor underspend. We will deal with that matter later in the year.

Andrew Wilson made another astonishing assertion, which was that I must be the only finance minister in the world who does not trust himself with more power. Well, Alasdair Morgan must be the only finance spokesperson of an independence party who is not trusted by his own party with the full finance brief. Andrew Wilson has walked off with half the brief, leaving Alasdair Morgan as spokesperson for nothing very much in particular. Perhaps Alasdair Morgan should engage in that discussion with Andrew Wilson.

Dennis Canavan raised a point about ministers' homes. I will treat that assertion with the contempt that it deserves.

**Dennis Canavan:** What about the homeless people?

**The Presiding Officer:** Order. That concludes the statement and questions.

## Business Motion

13:04

**The Presiding Officer (Sir David Steel):** The next item of business is consideration of business motion S1M-2046, in the name of Tom McCabe.

*Motion moved,*

That the Parliament agrees—

(a) the following programme of business:

Wednesday 5 September 2001

2.30 pm                      Time for Reflection  
*followed by*                Parliamentary Bureau Motions  
*followed by*                Executive Business  
*followed by*                Parliamentary Bureau Motions  
 5.00 pm                      Decision Time  
*followed by*                Members' Business

Thursday 6 September 2001

9.30 am                      Committee Business  
*followed by*                Business Motion  
 2.30 pm                      Question Time  
 3.10 pm                      First Minister's Question Time  
 3.30 pm                      Executive Business  
*followed by*                Parliamentary Bureau Motions  
 5.00 pm                      Decision Time  
*followed by*                Members' Business

Wednesday 12 September 2001

2.30 pm                      Time for Reflection  
*followed by*                Parliamentary Bureau Motions  
*followed by*                Stage 3 Debate on the International Criminal Court (Scotland) Bill  
*followed by*                Parliamentary Bureau Motions  
 5.00 pm                      Decision Time  
*followed by*                Members' Business

Thursday 13 September 2001

9.30 am                      Scottish Conservative and Unionist Party Business  
*followed by*                Business Motion  
 2.30 pm                      Question Time  
 3.10 pm                      First Minister's Question Time  
 3.30 pm                      Executive Business  
*followed by*                Parliamentary Bureau Motions  
 5.00 pm                      Decision Time  
*followed by*                Members' Business

and (b) that the Justice 1 Committee reports to the Justice 2 Committee by 10 September 2001 on the draft International Criminal Court (Immunities and Privileges) Order 2001.—[Mr Tom McCabe.]

*Motion agreed to.*

13:04

*Meeting suspended until 14:30.*

14:30

*On resuming—*

## Points of Order

### **Michael Russell (South of Scotland) (SNP):**

On a point of order, Presiding Officer. In the budget statement this morning, we heard that ministers were to make further spending announcements over the next few weeks.

As you are aware, Presiding Officer, we go into recess this afternoon—many of us are happy with that fact. A key function of the Parliament is to scrutinise the Executive's expenditure. I suggest that the announcements that are to be made on expenditure by departmental ministers should be made to meetings of the relevant subject committees that have been convened for that purpose, rather than that we have no scrutiny over the next eight weeks, which—I am sure—the Executive would not wish and members should not tolerate.

**The Presiding Officer (Sir David Steel):** That is not a point of order for me. It is up to each committee to decide whether it wishes to meet during the recess. If each convener wishes to contact the appropriate ministers, no doubt they could come to some agreement. It is certainly not a matter for the Parliament as a whole. It is a matter for each committee.

I think that there is another point of order.

### **Roseanna Cunningham (Perth) (SNP):**

Presiding Officer, I have written to you to explain my point of order. It concerns this morning's announcement about the Sexual Offences (Procedure and Evidence) (Scotland) Bill, which I read with great interest on the front page of *The Scotsman*. I looked in vain for anything regarding the bill on the Scottish Executive or Scottish Parliament websites. I discovered that the document supply centre in the Scottish Parliament information centre had nothing and then endured a 45-minute radio programme, still with no information at all, during which I understand the Executive was having a press briefing about the bill.

I am still none the wiser on the detail of the bill. I seek your guidance on such matters. I do not expect a ministerial statement on everything, but, when the press is being advised, it is at least courtesy to ensure that members of the Parliament have the same advice as the press.

**The Presiding Officer:** I have some sympathy with that point of order. I should explain that the delay may be partly my fault. No bill can be introduced in the Parliament, as members know,

until I have signed a certificate of legislative competence. I received the bill only yesterday afternoon. I dealt with it this morning and signed the certificate at around noon today. After the certificate is signed, the bill has to go to the printers. Although, technically, it is introduced in the Parliament the minute that a copy is handed into the chamber office, no copies will be available until tomorrow.

That being the case, I will say that, when press briefing occurs, that ought to be simultaneous with the introduction of the bill, not the day before. I hope that that will be noted.

I think that there was a third point of order, but the member is not here.

## Question Time

### SCOTTISH EXECUTIVE

**The Presiding Officer (Sir David Steel):** We now come to question time. I will add on three minutes of injury time to each section of question time.

#### Roadworks (Utility Companies)

**1. Robert Brown (Glasgow) (LD):** To ask the Scottish Executive what research it is undertaking into any link between roadworks carried out by utility companies and levels of city congestion. (S10-3672)

**The Deputy Minister for Transport and Planning (Lewis Macdonald):** Our transport research programme includes a project on assessing the effectiveness of roadworks. The results of the project will help measure the impact of roadworks by utility companies on urban congestion, and on other road users.

**Robert Brown:** Is the minister aware of the high level of failure of reinstatement roadworks after utilities have had the roads up? Is he aware of the recently published roads authorities and utilities committee Scotland report, which indicates, for example, that there was a pass rate of 19 per cent in Glasgow and 28 per cent in South Lanarkshire for such repairs? Does he accept that it is high time that there were some effective national standards on those matters and that consideration might be given to restricting the times at which the utilities companies uplift the roads? Does he also accept that some attention should be paid to the financial implications of the damage that is done to the fabric of the roads and pavements of our cities?

**Lewis Macdonald:** We recognise the concerns that Robert Brown mentions. They are among the matters that the research that I mentioned will investigate. Sarah Boyack also gave a commitment some time ago to the Transport and the Environment Committee, to consult on precisely the matters that Robert Brown raises and how best they should be tackled. We will carry out that commitment in the summer.

**Shona Robison (North-East Scotland) (SNP):** Is the minister aware of the recent damning report on the standard of the reinstatement work that is done in Dundee by the utility companies after they have dug up the roads and pavements in the city?

The report showed that fewer than one in 10 reinstatements met the required standard. Those that did not meet the standard had to be done again, which resulted in double the inconvenience

to the public—in addition to the threat to the condition of our roads and the extra burdens on local authorities, which have to issue improvement notices. Will the minister reassure us that he will consider that report and comment on it?

**Lewis Macdonald:** The research that we have commissioned will certainly build on the findings of the report to which Shona Robison refers. We will seek to measure the impact of roadworks that are carried out by utilities companies, and will consider reinstatement time, which Robert Brown mentioned. A number of options will be open to us once we have completed that study, and we will consult on those options. Powers exist under the New Roads and Street Works Act 1991 for local authorities to introduce charges for delays in the completion of roadworks. We will consult on that and consider whether it would be appropriate for us to follow the same course here.

#### Argyll and Clyde Health Board (Meetings)

**2. Mr Lloyd Quinan (West of Scotland) (SNP):** To ask the Scottish Executive when it last met representatives of Argyll and Clyde Health Board. (S10-3646)

**The Minister for Health and Community Care (Susan Deacon):** My officials and I regularly meet representatives of all health boards and national health service trusts, including those in Argyll and Clyde. The chief executive of the NHS in Scotland and other officials met representatives of Argyll and Clyde Health Board and its NHS trusts on 1 May at their annual accountability review meeting.

**Mr Quinan:** Does the minister have any comment to make on a letter from Mr D L Ellis, consultant haematologist at Inverclyde royal hospital, which says:

"The only concern of Health Board and Trust Management appears to be to keep on the right side of the Management Executive in Edinburgh and not to rock the boat by making deficiencies known. Thus, despite them being told of inadequacies of staff and equipment they are now demanding a £900,000 saving at a time when politicians speak of investment. Has the word 'investment' acquired a new meaning?"

**The Presiding Officer:** Order. We cannot have a long speech—

**Mr Quinan:** Mr Ellis says:

"I have worked in the Health Service for 35 years but never before have I known such demoralisation".

**Susan Deacon:** Let us talk about investment in the NHS in Argyll and Clyde. I am happy to do so: in the current year, Argyll and Clyde Health Board's budget is £384 million, which is a 5.5 per cent increase compared with last year. We have given a commitment that, next year, there will be an increase of at least 6.5 per cent. I think that that

is testament to our commitment to invest in the health service, to invest in services and to ensure that patients benefit from the improvements.

It is a pity that, not for the first time, the SNP wants to blow one comment—one view—out of all proportion, rather than to engage in the real challenges and opportunities that face the health service in Argyll and Clyde and across the country.

**Mr Duncan McNeil (Greenock and Inverclyde) (Lab):** Does the minister accept that, as I said in relation to the Minister for Finance and Local Government's statement earlier today, there seems to be a real problem in getting the money that we allocate into front-line services? I was comforted to hear Angus MacKay say that he would do all that he could to ensure that that happened in future.

Is the minister aware of the local review of maternity services? Will she confirm that it is the role of Argyll and Clyde Health Board to ensure that any review of maternity services in that area is compatible with the principles of the Scottish maternity framework, with its emphasis on the wider needs of the family, in terms of choice—[MEMBERS: "Speech!"]—continuity of service and accessibility?

**Mr Quinan:** On a point of order, Presiding Officer.

**The Presiding Officer:** On we go. I call Susan Deacon.

**Susan Deacon:** I am delighted to give Duncan McNeil the assurance that he has asked for. We produced the national maternity services framework because we realise that there are certain key standards and principles in the organisation of maternity care that ought to apply across the country. That framework was developed with the full co-operation of a range of clinicians, including midwives, and with women themselves. Like every other health board, Argyll and Clyde Health Board will be required to demonstrate that any plans that it has for maternity services comply with that framework and accord with its principles.

On getting resources to the front line, I share the commitment that Angus MacKay gave this morning, and I can certainly give the assurance that the £286 million of additional resources for health that Angus MacKay announced in his statement today will be directed to the front line—to areas throughout Scotland, where they will impact positively.

**The Presiding Officer:** Before we go any further, I remind members that the standing orders are specific in saying that supplementary questions must be brief. Therefore, long quotations in the middle of supplementary

questions are inconsistent with the standing orders.

**Mr Quinan:** On a point of order, Presiding Officer.

**The Presiding Officer:** Is it on the point that I have just made?

**Mr Quinan:** No. I would like an explanation of why I was cut off during my question.

**The Presiding Officer:** I drew attention to the fact that you were quoting a long statement. I simply read out to you what the standing orders say. We must all obey standing orders. If members want to change them, they can do that.

### Scottish Advisory Committee on Alcohol Misuse

**3. Dr Richard Simpson (Ochil) (Lab):** To ask the Scottish Executive what progress is being made by the Scottish Advisory Committee on Alcohol Misuse. (S1O-3660)

**The Deputy Minister for Health and Community Care (Malcolm Chisholm):** The Scottish Advisory Committee on Alcohol Misuse, which I chair, is closely involved in advising the Executive on the development of a national plan for action on alcohol misuse. Our wide-ranging consultation exercise on the action that is required runs to the end of June.

**Dr Simpson:** Once again, in the past couple of weeks, a teenager has died from acute alcohol overdose. That is a timely reminder of the significance of underage drinking. What steps are being taken to improve young people's understanding of alcohol misuse?

**Malcolm Chisholm:** Richard Simpson raises an important issue. Young people are one of the key groups on which our action plan will focus, although they are by no means the only such group. We have commissioned a piece of work from Save the Children to establish young people's views on alcohol. That will help us to decide how we can engage most effectively with young people on that important matter. The action plan will focus on both prevention and education, and on developing a framework for treatment and support services.

**Christine Grahame (South of Scotland) (SNP):** In today's budget statement, the Minister for Finance and Local Government announced an additional £28 million, on top of £100 million last year, to tackle drugs issues. That money is welcome. However, why is only £2.5 million over three years being directed at dealing with alcohol misuse, when alcohol abuse is a far greater problem than drugs misuse? The bill for drink-related crime is running at £50 million per annum and national health service costs for dealing with

alcohol-related illnesses stand at £180 million. Does the minister agree that that represents an enormous imbalance in resources? What is being done about that?

**Malcolm Chisholm:** As I indicated in my answer to Dr Simpson's question, the action plan will lead to the creation of a framework for support and treatment services. It will involve an audit of existing services, because a great deal of money is already spent on dealing with alcohol misuse. We will, therefore, address the issue that Christine Grahame raises. I remind Christine Grahame that, on the ground, many of the drug action teams work on drugs and alcohol together.

**Mary Scanlon (Highlands and Islands) (Con):** Will the work and findings of the Scottish Advisory Committee on Alcohol Misuse be included in the current Health Technology Board for Scotland appraisal of alcohol intervention?

**Malcolm Chisholm:** We want to see how all the bits of work add up. I am sure that the Health Technology Board will want to examine the action plan on alcohol misuse, just as the Scottish Advisory Committee on Alcohol Misuse will pay heed to what the Health Technology Board says on such matters.

#### **"Better Behaviour—Better Learning"**

**4. John Farquhar Munro (Ross, Skye and Inverness West) (LD):** To ask the Scottish Executive whether it will take into account the cost implications for rural local authorities of implementing the recommendations in the report by the discipline task force, "Better Behaviour—Better Learning". (S10-3639)

**The Minister for Education, Europe and External Affairs (Mr Jack McConnell):** Many of the task force recommendations can be implemented within existing education budgets or through better targeting of the excellence fund, which is currently under review. The allocation of any additional resources that are provided will take into account local needs and circumstances.

**John Farquhar Munro:** I am glad that the Executive is not adopting a head-in-the-sand approach to discipline.

Will the minister assure us that, in rural areas, money for the programme will be allocated on a per-school, rather than a per capita, basis, and that the money will come from a central fund, rather than from local education budgets?

**Mr McConnell:** Some of the resources will, rightly, come from local education budgets. Some of the best facilities that I have seen in recent weeks for dealing with behavioural problems are in Highland, where the council has been using its resources to develop such facilities in places such

as Lochaber High School. That work is already under way in many authorities. We will, of course, consider better targeting of the excellence fund, with a view to improving the use of those resources. At all times, resources will be allocated on the basis of need, as opposed to any other basis.

#### **Legislative Programme**

**5. Robin Harper (Lothians) (Green):** To ask the Scottish Executive when it proposes to inform the Parliament of its legislative intentions for 2001-02. (S10-3666)

**The Minister for Parliament (Mr Tom McCabe):** The First Minister will make a statement on the Executive's legislative intentions after the summer recess.

**Robin Harper:** In March, the Executive published its proposals for the reform of wildlife legislation and, generally, those proposals have been well received. Does the minister agree that it is important that those proposals are implemented? Without the necessary legal changes, wildlife criminals will target Scotland, and our special sites will continue to deteriorate. Does the minister also agree that not introducing such legislation could be interpreted as a sign that the Executive's reshuffle has downgraded its commitment to the environment?

**Mr McCabe:** I am happy to confirm that the Executive attaches considerable importance to the subject raised by Mr Harper. There is a list of priorities for our legislative intentions, but we recognise the importance of that subject and I assure him that we will look for the appropriate legislative vehicle to give our intentions proper expression as soon as possible.

**Johann Lamont (Glasgow Pollok) (Lab):** I congratulate the Scottish Executive on highlighting a willingness to pursue the goal of equal access to justice for all, and particularly for those who have survived crimes of sexual violence, through the introduction today of the Sexual Offences (Procedure and Evidence) (Scotland) Bill. Will the minister reassure me that there will be a continuing willingness to challenge the all-too-conservative approach of many in the legal system in future legislative programmes?

**Mr McCabe:** I am more than happy to confirm that that will be the Executive's approach.

I welcome the work that has been done by Johann Lamont and other members on the Sexual Offences (Procedure and Evidence) (Scotland) Bill. In the new devolved settlement, there is a need for Scotland to take a more radical approach and to challenge the establishment and the status quo. That is what we have tried to do. We have every intention of carrying on in that manner.

**Alex Neil (Central Scotland) (SNP):** Will the Minister for Parliament confirm whether the new debt recovery measures will be introduced after the summer recess? Will he guarantee that the appropriate Scottish statutory instruments to implement the Abolition of Poidings and Warrant Sales Act 2001 will also be introduced after the summer recess?

**Mr McCabe:** As I said in my earlier answer, the First Minister will make a statement after the summer recess on our legislative intentions. I am sure that Mr Neil is well aware that it would be inappropriate for me to say anything that pre-empted that statement.

### **Trunk Roads (Maintenance Contracts)**

**6. Mr Andy Kerr (East Kilbride) (Lab):** To ask the Scottish Executive what steps it is taking to ensure proper monitoring of the current trunk roads maintenance contracts. (S1O-3635)

**The Deputy Minister for Transport and Planning (Lewis Macdonald):** The Scottish Executive employs a performance audit group to audit and report on compliance with the quality plan, which the operating companies have agreed with us as part of their responsibility under the terms of their contracts. The companies are also required to provide information in relation to 30 key performance indicators.

**Mr Kerr:** I wonder whether one of those key performance indicators is the maintenance of grass verges. I have never seen the grass verges in East Kilbride look so poor. It was mid-June before the first cut took place, and it was a shambles. In my view, health and safety rules were broken and the quality of the work was poor.

Will the minister ask the performance audit group whether it should impose penalties on the relevant contractor for poor performance?

**Lewis Macdonald:** We are aware of certain areas in which grass cutting and other roadside issues have not been addressed as quickly as they should have been. We are also aware of other areas in which contract compliance has not been as quick as it should have been.

We are in constant communication with the contractors on those issues. We follow the usual, best-value regime: if the work is not done, the money will not be paid.

**Linda Fabiani (Central Scotland) (SNP):** On 10 May, Rhona Brankin, the Deputy Minister for Environment and Rural Development, said that the new operating companies had had to tackle the backlog of litter left on motorways

"during the final months of the old contracts".—[*Official Report*, 10 May 2001; c 609.]

However, on 11 June, I received a written answer from Sarah Boyack, in which she stated that "no evidence" to support that position had been received.

Will the minister apologise to the local authorities and their workers for that slur on their work and character?

**Lewis Macdonald:** Litter is an area for which some of the responsibilities between local authorities and those who maintained trunk roads were blurred when trunk road maintenance was carried out by local authorities. I have no doubt that councils and the trunk road maintenance operating companies will be in communication about that matter. Members should be aware that responsibility for removing litter on trunk roads is not universally that of the trunk road maintenance operating companies. On streets that are neither motorways nor special roads, litter remains the responsibility of the local authority.

**Mr Keith Raffan (Mid Scotland and Fife) (LD):** Does the minister accept that one of the most worrying consequences of the award of the trunk road maintenance contracts has been the proposed closure of road depots, such as the depots at Killin and Kinross? Will he agree to keep a watchful eye on that issue, as it could seriously affect both maintenance and road clearance?

**Lewis Macdonald:** We are keeping a watchful eye on the clearance and maintenance of roads, both those that are the responsibility of local authorities and those that are the responsibility of the trunk road operating companies.

**John Scott (Ayr) (Con):** The minister will also be aware of the problems with uncut verges on South Ayrshire roads. Will he undertake to work with South Ayrshire Council to resolve the issues, given that safety is also at stake?

**Lewis Macdonald:** I am aware of those issues. Only last week, Cathy Jamieson raised a similar issue with Sarah Boyack, as a result of which Sarah Boyack has been in contact with the contractor for that area and with South Ayrshire Council. In that case, interim measures are in place that will result in work being done by the contractor.

### **Education (Early-intervention Schemes)**

**7. Karen Whitefield (Airdrie and Shotts) (Lab):** To ask the Scottish Executive what impact early-intervention schemes are having on literacy and numeracy standards. (S1O-3675)

**The Minister for Education, Europe and External Affairs (Mr Jack McConnell):** The impact of the early-intervention programme and other initiatives to raise attainment can be seen in the five to 14 national survey of attainment. The

overall number of pupils who achieved appropriate levels in reading for P3 to P7 has risen from 73.1 per cent to 76.4 per cent. The equivalent figures for writing rose from 60.4 per cent to 66.4 per cent, and for mathematics from 76.4 per cent to 76.7 per cent. I expect those figures to continue to rise as the benefits of the early-intervention programme and other initiatives continue to feed through the school system.

**Karen Whitefield:** I thank the minister for that detailed response and welcome the positive news. Does the minister agree that it is vital that we involve parents in such initiatives if we are to ensure meaningful change in the standards that are attained by Scotland's children? Does he agree that early intervention presents an opportunity to improve future school discipline by accepting the discipline task force's recommendations to involve parents at an early stage?

**Mr McConnell:** Karen Whitefield will be aware of the good work that the early-intervention programme has achieved in her constituency and—neighbours as we are—in mine. The programme has helped parental involvement in primary schools. The early-intervention programme can help in a number of different ways and can build a strong relationship between parents and schools that will last for the rest of a child's school life. It will undoubtedly help to prevent discipline problems from occurring in later years.

The early-intervention programme has also helped to improve the links between pre-five provision, such as nurseries, and primary school. That will help parents to be much more comfortable when dealing with primary schools in those early years. That can only benefit the children concerned and the environment in which they are learning.

**Dorothy-Grace Elder (Glasgow) (SNP):** I am glad to hear that the minister, who is a former teacher, has an interest in basic literacy. I have just received a letter from a graduate who spelled denim as "denham". There is a national assumption that we have reached a standard of English up with which we will not put. Will the minister kindly consult teachers to see whether there is, for instance, over-use of computer spellchecks, which are about as reliable as weather forecasts and political promises?

**Mr McConnell:** I had better give a cautious and grammatically correct answer. Dorothy-Grace Elder is known for many things, but poor use of English is not one of them.

We need to ensure that not only our youngest primary schoolchildren, but our pupils who are going through our secondary schools, have a

basic level of literacy. The decline in the use of calculators in the teaching of mathematics and of spellchecks and such things in the teaching of basic grammar and spelling is to be welcomed. The increased use of individualised learning programmes that get the children themselves to check their literacy and numeracy accuracy should also be welcomed. I hope that we can continue to encourage that in the years ahead.

### Freight Facilities Grants

**8. Mr Adam Ingram (South of Scotland) (SNP):** To ask the Scottish Executive when it will evaluate the impact of freight facilities grants in diverting freight from road to rail. (S10-3647)

**The Deputy Minister for Transport and Planning (Lewis Macdonald):** The Executive recently commissioned a research study that will inform the development of a strategic view about priorities for rail, inland waterway and sea freight movements around Scotland. An integral part of the work will be to assess the rail projects now up and running with the aid of freight facilities grants from the Scottish Executive.

**Mr Ingram:** From correspondence that I have had with his office, the minister will be aware of the concerns in East Ayrshire that opencast mining companies have not fully fulfilled their part of the bargain in shifting coal from road to rail through railheads funded by freight facilities grants. Does the minister agree that the construction of railheads and of haul routes to supply them has a damaging effect on the environment and that such things should not be publicly subsidised without cast-iron guarantees that the benefits derived will outweigh the costs for the local communities concerned?

**Lewis Macdonald:** I am indeed aware of the issue that the member raises. It is a condition of the freight facilities grant that the money is spent in the way that the member describes. Systems are in place and we will conduct further research to ensure that money is spent in that way. We do not want to divert from the policy directive of encouraging the shift from road to rail, but we will investigate any significant complaints of breaches.

**Phil Gallie (South of Scotland) (Con):** Does the minister accept that there is a downside to transferring freight from rail to road? Does he have any plans to provide grants for railside dwellers who have suffered considerable build-up in noise and vibration nuisance as a consequence of the recent build-up of freight on rail?

**Lewis Macdonald:** I think that Mr Gallie said "from rail to road" but I am sure that he meant "from road to rail".

**Phil Gallie:** Indeed. I apologise.



**Lewis Macdonald:** Our policy objective is to encourage the shift from road to rail. People will clearly want to raise any impact on neighbourhoods with their local authorities. However, let us be clear that there is an overall strategic purpose behind the encouragement of that modal shift—we want environmental gains and we want benefit to people for whom road usage is essential and to communities that are affected by lorry movements. We will not be deflected from our objective of transferring 18 million lorry miles from road to rail. As the member may know, we have upped that target in the past few months. I advise communities that have concerns to take them up with their local authorities. Clearly, the planning provision that exists for rail transport should take the levels of freight movement into account.

**Mr Michael McMahon (Hamilton North and Bellshill) (Lab):** Is the minister aware that Peter D Stirling Ltd, a haulage company that operates out of the Mossend railhead facility in my constituency, has encountered difficulty in obtaining a freight facilities grant for the past 18 months? Is he further aware that for many years the company has been taking freight from road on to rail and that the delays are preventing the company from expanding and increasing the levels of freight that it transfers? Can the minister assure me that the obstacles—which appear to include the fact that the company deals with 17 commodities rather than just one—will be addressed with greater urgency?

**Lewis Macdonald:** Michael McMahon is right to draw our attention to one of the problems with the freight facilities grant, which is that it is in many ways a victim of its own success. Applications have been outstanding for too long precisely because of the freight industry's level of interest in obtaining public support for the transfer from road to rail. We are urgently addressing those issues.

Mr Stirling, of the company that Mr McMahon mentioned, spoke to me at the rail freight conference that I addressed a few weeks ago. I am familiar with his case, as is Sarah Boyack. Individual applications on commercial issues should be treated in confidence—I am sure that neither Mr McMahon nor Mr Stirling would expect them to be treated otherwise. We are trying to ensure that applications are processed. We advise all applicants to base their applications on secured custom—in other words, on commercial agreements with customers to move freight. That is an appropriate basis on which to proceed.

## Lamb Market

**9. Alex Johnstone (North-East Scotland) (Con):** To ask the Scottish Executive whether it has any plans to support a private storage scheme for the lamb market. (S1O-3677)

**The Deputy Minister for Environment and Rural Development (Rhona Brankin):** The prospects for the sheep and lamb trade over the remainder of the year are of great concern to the Scottish Executive. All options to help with the situation, including the possible use of private storage of lamb, are being considered.

**Alex Johnstone:** I am delighted to hear that that measure is being considered. Is the minister aware of the extent to which the lamb market could end up in crisis if there is not a return to fair and open trade by the end of this year? There is a disaster waiting to happen—one that we do not want to see.

**Rhona Brankin:** We acknowledge the importance of exports to the Scottish livestock industry, especially to sheep producers in more remote areas. The Minister for Environment and Rural Development will be discussing with the other UK agriculture ministers the best way to put a case to the European Union that will result in exports recommencing. It is anticipated that any requirements that will be imposed by the EU to achieve that will be demanding, but I assure Alex Johnstone that we are very aware of the seriousness of the case and will do all that we can to support those farmers.

**Tavish Scott (Shetland) (LD):** Will the minister undertake to examine urgently opening up existing livestock auction marts, specifically in the provisionally free area, given that sales are but a matter of weeks away? Will she also consider allowing slaughtered animals to leave the islands—Orkney, Shetland and the Western Isles in particular—because, as no animals will be coming into the islands, there will be no disease issues?

**Rhona Brankin:** We acknowledge the important role that is played by breeding sales and store sales in Scotland. We also appreciate how important it is to get a decision soon on whether sales will be able to go ahead in the foreseeable future. However, livestock sales were directly implicated in the foot-and-mouth disease outbreak and mixing animals and farmers from throughout the country and concentrating vehicles, which can spread disease, pose a serious risk. We do not rule out some controlled market transactions this autumn, but we cannot give any guarantees, as the subject is being examined thoroughly. In answer to Tavish Scott's second question, we will be looking at the issue he raises.

### Economic Growth

#### 10. Andrew Wilson (Central Scotland) (SNP):

To ask the Scottish Executive what its target rate of growth is for the economy. (S1O-3669)

**The Deputy Minister for Enterprise and Lifelong Learning and Gaelic (Mr Alasdair Morrison):** The Executive is committed to increasing Scotland's prosperity and to stimulating high levels of sustainable growth. We are pursuing that through a range of policies and programmes, including those embraced in our strategy for the enterprise network, "A Smart, Successful Scotland".

**Andrew Wilson:** In the absence of a target, I suggest that the Deputy Minister for Enterprise and Lifelong Learning and Gaelic gets one and gets one fast. Is the minister proud that after four years of the Labour party being in government, Scotland's economy is growing more slowly than any other economy in Europe? That is not an abstract statistic; it affects the standard of living of everyone in Scotland. Our economy is growing sluggishly. Labour isn't working. Far from this being the golden age that the Labour party presented last month, the Scottish economy is slugging along. Is the minister satisfied with that? What does he intend to do?

**Mr Morrison:** I am delighted that Andrew Wilson managed to get through last night's festivities unscathed because, as we know, last year he was the recipient of special hospitality. However, with regard to last night, I congratulate him. The same cannot be said in connection with the Swinney shuffle, which gripped the nation two days ago.

We have been dealing with the Tory legacy of high debt, high unemployment and high levels of spending on economic failure. If Mr Wilson is looking for answers, I gently remind him that three weeks ago today, the British people and the Scottish people endorsed our strategy for handling the economy.

**Miss Annabel Goldie (West of Scotland) (Con):** If there is no target—I share Andrew Wilson's concern, because there ought to be one—does the minister consider it germane to his ambitions for the economy to comment on the recent report by the Enterprise and Lifelong Learning Committee on the new economy and its impact on Scotland? What aspects of that report in particular does he consider helpful?

**Mr Morrison:** We are considering that report. We are grateful to the Enterprise and Lifelong Learning Committee, with which we work constructively. Increasing Scotland's rate of growth is set out in our enterprise strategy, which lays out the international conditions for economic success, growing businesses and ensuring that the country is globally connected.

### Education (Scottish Borders)

**11. Christine Grahame (South of Scotland) (SNP):** To ask the Scottish Executive whether it has any concerns with regard to the provision of education in the Scottish Borders. (S1O-3650)

**The Minister for Education, Europe and External Affairs (Mr Jack McConnell):** I share current local concerns about Scottish Borders Council's education budget and I expect the council to do all in its power to ensure its continued ability to provide a high quality of education in its schools.

**Christine Grahame:** The minister is well aware of the £3.9 million hole in Scottish Borders Council's education budget, to which he did not refer. Is he aware of the consequences of that hole? Today, I received a letter from a teacher about the cancellation of national grid for learning computers. Her question, which I will adopt as my own, is:

"How can we teach a modern course like Administration on 10 old Apple Macs for 20 pupils?"

How can she do that? Will the minister put in place an independent inquiry into that growing crisis?

**Mr McConnell:** The immediate priority is to resolve the financial crisis, to deal with some of the internal implications of that in Scottish Borders Council and to do so with minimal impact on the education service in the Borders. I hope that the council is considering the most creative solutions to ensure that it can balance its books and not damage the local education service. The problem concerns the council's budget and is its responsibility, which I hope it takes seriously.

**Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD):** The chamber will understand how distressed, upset and angry I am at the turn of events, as I taught in the Borders for 30 years. Does the minister agree that there must be complete transparency and accountability on financial matters? Public disquiet will be satisfied only if a clear process of external scrutiny is established.

Will the minister pay close attention to the effects that Scottish Borders Council's proposed budgetary adjustments will have on education services? Will he do everything in his power to safeguard and maintain the high standards that have existed in Borders schools? If necessary, will he consider employing HM Inspectorate of Education to scrutinise the management of the education service in the Borders?

**Mr McConnell:** I am prepared to consider a role for the inspectorate, but that would have to be over a longer period—it could not happen overnight. The immediate issues that require to be addressed are balancing the books and

minimising the impact on the education service this year. I hope that Scottish Borders Council is taking that seriously. I continue to monitor the situation. Transparency is vital. I hope that the council has made sufficient provision in reserves or otherwise for such an emergency to be tackled properly locally.

**Mr Murray Tosh (South of Scotland) (Con):** Has the minister investigated complaints referred to him by Euan Robson that ring-fenced money that was awarded for schools in the Borders was clawed back by the council to offset its overspending? If so, what has he found? What will he do to ensure that money that is meant for schools and their pupils gets there to meet issues such as that highlighted by Christine Grahame about the roll-out of modern network computers?

**Mr McConnell:** Earlier today, demands were made for an immediate announcement about money for schools in this year's budget. One reason why that announcement has been delayed is that I want to be clear that the money for schools that was announced last winter reached schools. We asked Scottish Borders Council to publish information locally about the allocation of money to schools, but it has not done so yet, despite the fact that the deadline is tomorrow. I want to be sure that that money is being spent. I am monitoring the situation, but I understand that the example that Mr Tosh discussed relates to different allocations of finance and that money has gone through. We want to see that information in black and white in a proper report.

#### **Grampian University Hospitals NHS Trust**

**12. Richard Lochhead (North-East Scotland) (SNP):** To ask the Scottish Executive what steps are being taken to ensure that patient care does not suffer as a result of any cuts to be made by Grampian University Hospitals NHS Trust. (S10-3636)

**The Minister for Health and Community Care (Susan Deacon):** Grampian Health Board's budget for this year is almost £440 million. That represents an increase on last year of £21.3 million—or 5.5 per cent—which is well above the rate of inflation. It is the responsibility of Grampian Health Board and its NHS trusts to manage those resources effectively and to ensure that the needs of patients are met.

**Richard Lochhead:** Is the minister aware that it is feared in Grampian that local health services are about to implode as NHS bosses prepare to inflict a further £9 million of cuts on an already overstretched budget? The public are concerned that that will lead to greater postcode prescribing, a cut in general services and longer waiting times. Will the minister reassure residents of Grampian that she will consider allocating some of the

unallocated £86 million of her budget announced by the Minister for Finance and Local Government to ensure that people's worst fears in Grampian are not realised?

**Susan Deacon:** I was struck to hear of Dorothy-Grace Elder's interest in use of the English language. Perhaps she could encourage her colleagues to be a wee bit more precise in their use of language. Richard Lochhead is apparently concerned about the fears of local people. Perhaps he should think about not feeding those fears by talking about a package of cuts when Grampian Health Board and its component trusts are developing a package of measures. The board set out that the package would

"ensure that modern, effective and appropriate NHS services are provided in the right place, at the right time, based on need and within available resources."

We know that the SNP lives in a fantasyland when it comes to economics. We know that its sums do not add up. Perhaps the SNP should welcome the fact that in government and in the NHS we have people who operate sound and effective financial management systems and who do so in a way that is of benefit to the people we represent.

**Elaine Thomson (Aberdeen North) (Lab):** Will the minister assure me that Grampian Health Board will benefit from the £286 million increase in health spending that was announced this morning? That money would enable Aberdeen and the north-east to continue to build on current improvements that were made possible through previous increases in health spending, such as has happened with the new children's hospital for Grampian.

**Susan Deacon:** I am delighted to assure Elaine Thomson that Grampian will benefit from the £286 million of additional resources for health that was announced this morning by Angus MacKay. Over the weeks ahead, I look forward to setting out further details of how that investment will be put to work for the people of Grampian and for those in other parts of Scotland.

#### **Scottish Parliament (Elections)**

**13. Dennis Canavan (Falkirk West):** To ask the Scottish Executive whether it has been consulted by Her Majesty's Government on the potential impact on the coalition partnership of any proposals to change the method of electing additional members of the Scottish Parliament. (S10-3655)

**The Minister for Parliament (Mr Tom McCabe):** No. As far as the Scottish Executive is concerned, no such proposals exist.

**Dennis Canavan:** Will the Executive make it

clear that it is absolutely opposed to any reduction in the number of members of the Scottish Parliament? In view of the fact that any political party may have a vested interest—real or imagined—in its own preferred voting system, will the Executive demand the setting up of an independent commission to consider any change that may be made to the method of election to the Scottish Parliament? Will it demand such a commission rather than have a unilateral decision imposed by the ruling party at Westminster—a party that was elected with the support of less than a quarter of the electorate?

**Mr McCabe:** I have to preface my reply by making it perfectly clear that, under the Scotland Act 1998, those matters are reserved to the Westminster Parliament. As Mr Canavan knows, on previous occasions the First Minister has made it clear that we will do our best to secure the Parliament's existing number of members. That will involve discussion with our Westminster colleagues. I stress that that decision is ultimately reserved to the Westminster Parliament, but we recognise the concerns that have been raised and we will do our best to echo them.

**Lord James Douglas-Hamilton (Lothians) (Con):** The Minister for Parliament is aware that his answer will give some reassurance to members of the Parliament. Will he make it clear that the Scottish Parliament and the Executive will be fully involved in any discussions before proposals for fundamental constitutional changes are put forward?

**Mr McCabe:** It was my intention that my previous remarks would offer some reassurance to members of the Scottish Parliament on that subject. I stress again that I recognise absolutely the right of the Westminster Parliament to decide on these matters. As I said earlier, we will engage in discussions with our colleagues in Westminster, but the Scotland Act 1998 is the act that applies. As all members are aware, under that act, these matters are reserved. As Lord James Douglas-Hamilton rightly said, my previous remarks should offer some reassurance.

**Mr John Home Robertson (East Lothian) (Lab):** The forthcoming review of parliamentary boundaries will make it necessary to review electoral arrangements for the Scottish Parliament. Does the minister agree that the opportunity should be taken to clarify the role of members who are elected to the Parliament from party lists and to address the ludicrous anomalies such as the situation in Pinkie Road, Musselburgh which is represented not only by me and Susan Deacon but by no fewer than 14 MSPs who were elected under the assisted places scheme? *[Interruption.]*

**The Presiding Officer:** Let us hear the answer.

**Mr McCabe:** We always want to examine anomalies, but it is important that we recognise that we first need to engage in discussions about the size of the Parliament. We want to do nothing that suggests to our Westminster colleagues that we are in any way being pre-emptive. The discussions that will be held will be of a delicate nature. I hope that every member in the chamber recognises that fact and will constrain their comments accordingly.

## First Minister's Question Time

### SCOTTISH EXECUTIVE

#### Prime Minister (Meetings)

**1. Mr John Swinney (North Tayside) (SNP):** To ask the First Minister when he will next meet the Prime Minister and what issues he plans to raise. (S1F-1186)

**The First Minister (Henry McLeish):** I expect to meet the Prime Minister soon.

**Mr Swinney:** I thank the First Minister for his answer.

Earlier this week, the Prime Minister established a review of United Kingdom energy policy, which is to be chaired by one of the First Minister's confidants, Brian Wilson. Can the First Minister tell me whether the Scottish Executive supports the construction of any more new nuclear power stations in Scotland or an extension to the lifespan of existing stations?

**The First Minister:** Everyone is aware that a review of energy policy is taking place in the United Kingdom; the Scottish Executive will be very much part of that. It would be premature to discuss the details of what may emerge from the review. Suffice it to say that Scotland's interests will be well taken care of by the involvement of the Scottish Executive.

**Mr Swinney:** I thank the First Minister. I am aware that the review is taking place and, from Brian Wilson's remarks, that the remit of the group involves a close working relationship with the devolved Administrations. I want to establish the stance of the Scottish Executive in those discussions.

At the 1997 general election, the Labour party fought on a ticket of there being

"no economic case for the building of any new nuclear power stations".

That had evaporated by the time of the 2001 election manifesto. On the other hand, the Liberal Democrats have just fought an election on a commitment to

"decommission and not replace nuclear power stations as they reach the end of their safe operating lives".

Just for absolute clarity, the Scottish National Party is opposed to the development of any more nuclear power stations in Scotland.

As the First Minister of Scotland, will Mr McLeish give the Parliament a guarantee that there will be no more nuclear power stations in Scotland? Will that be the Scottish Executive's stance?

**The Presiding Officer (Sir David Steel):** Order. We are trespassing on reserved matters. *[Interruption.]* Order. It is no use members arguing—the Scotland Act 1998 is quite clear that nuclear installations are a reserved matter.

**The First Minister:** I am sure that the chamber appreciates your judgment on the matter, Sir David.

**Bruce Crawford (Mid Scotland and Fife) (SNP):** On a point of order, Presiding Officer. Given the ruling you have just given, will you explain why you have selected question 4, lodged by Nora Radcliffe, on UK energy policy?

**The Presiding Officer:** I can certainly explain that. There are matters of energy policy that are devolved. I am ready to watch that supplementaries to question 4 are in order. We are in danger of trespassing on matters that are not in order. That is all I am saying.

**Bruce Crawford:** On a point of order—

**The Presiding Officer:** Order. I have not ruled John Swinney out of order; I am merely saying that we are in danger of straying on to reserved matters.

**Bruce Crawford:** On a point of order on the point that you have just made, Presiding Officer. Question 4 clearly mentions UK energy policy, not matters devolved to this Parliament. You need to reconsider your situation.

**Members:** Ooh!

**The Presiding Officer:** Order. I considered the matter carefully when I chose the question. The fact is that there are devolved matters within UK energy policy that are properly for the Parliament; the commissioning or decommissioning of nuclear power stations is not one of them.

**The First Minister:** I do not want to intrude on any private grief among the SNP, but I confirm what I said initially: a review is taking place, which everyone should welcome. That is an important, commonsense approach.

The Prime Minister and the Cabinet Office performance and innovation unit will want to look to 2050 and consider what is in the best interests of the United Kingdom in the long term. I underline the fact that the Scottish Executive—and, I hope, the committees of the Parliament—will want to be involved and reflect on the views of Scotland. There is a shambles to my left among the SNP, but I think people in every part of Scotland take energy policy very seriously. After two years of a very successful Parliament, we should be talking up devolution issues today rather than hearing the SNP trying again to create a piece of political opportunism on a very serious subject.

**Mr Swinney:** The First Minister cannot have it both ways: he cannot sign up to a remit for a United Kingdom energy policy review that is supposed to involve close working with devolved Administrations and then refuse to involve himself in legitimate debate about those issues. On a day when the Scottish Environment Protection Agency, which is responsible to this Parliament, has unveiled the fact that the largest radioactive particle has been discovered at the Dounreay nuclear power station, is not it legitimate for us to examine whether this country and its Executive should take a stance on whether we should have more nuclear power stations in Scotland? Is it right that London should take the decisions and Scotland should take the risk? *[Applause.]*

**The First Minister:** Did I just detect a bit of manufactured hysteria on the benches opposite?

**Tommy Sheridan (Glasgow) (SSP):** So the matter is not serious?

**The First Minister:** If Tommy Sheridan had taken the cotton wool out of his ears, he would have heard me make the point that energy policy is absolutely vital to the United Kingdom and to Scotland. SNP members find themselves in another sorry mess. We hear their constant harping that, "We're the party that stands up for Scotland," in a week when Alex Salmond seems to be standing up for London. There is a new deal with Plaid Cymru. The nationalists are in bed with Plaid. What did Plaid say this week? It said that the nationalists agree with Plaid that the talk of independence is unhelpful and outmoded. Does John Swinney agree with Plaid?

We need no lectures from the SNP about Scotland's interests. Three weeks ago, the people of Scotland recorded their vote for a significant Labour victory. John Swinney would be better to read the runes of that than to come to the chamber every day with another piece of political opportunism.

**The Presiding Officer:** Before we go any further, and before we get to question 4, I advise members to look at section D4 of schedule 5 to the Scotland Act 1998, where they will see exactly where the division lies.

**Mr Swinney:** Will the First Minister simply tell Parliament, in answer to a question that is legitimately asked—and which we are entitled to hear an answer to because the First Minister is here to answer the questions of this Parliament—whether the Scottish Executive will go into the working party reviewing UK energy policy arguing for more nuclear power stations in Scotland or the same number as we have now? Will he reconcile the stance of the Liberal Democrats with the stance of the Labour party and give clarity to the people of Scotland?

**The First Minister:** It is worth repeating the points that I made earlier—I am sorry if that is rather repetitive for members. Other parties, which are actually in government in Scotland and forming a coalition, do not have the luxury of making instant decisions about issues that are of paramount importance to the United Kingdom and to Scotland. Saying that we see the review being undertaken is a commonsense approach. It will unfold and we will be intimately involved in projecting the interests of Scotland. That is what good government is about.

### Secretary of State for Scotland (Meetings)

**2. David McLetchie (Lothians) (Con):** To ask the First Minister when he will next meet the Secretary of State for Scotland and what issues he plans to raise. (S1F-1177)

**The First Minister (Henry McLeish):** I last spoke to the secretary of state on 19 June. We have no immediate plans to meet.

**David McLetchie:** I am sure that the secretary of state will be looking for an explanation of the latest chaos that has engulfed the Scottish tourism industry. Following hard on the heels of the Rod Lynch debacle, and with the industry still reeling from the impact of the foot-and-mouth outbreak, the promotion of that important industry has once again descended into farce. Six directors of visitScotland have been sacked at the height of the tourist season, when only one of their replacements is in place. Will the First Minister tell us whether the Executive, or his tourism minister, had prior knowledge of, and gave approval to, that summertime cull of the entire senior management team?

**The First Minister:** I welcome David McLetchie's raising two weeks running a serious issue that affects Scotland. Earlier today, we invested another £10 million in both tourism and farming to acknowledge some of the serious concerns that people have been putting forward. The issue that David McLetchie raises is very much another stage in the restructuring process triggered by the PricewaterhouseCoopers management review report.

Let us consider matters over a period. We came up with a tourism strategy that has been well received. We knew that investment was required. That has been injected into the industry. We knew that a major change of personnel was required to drive a modern industry forward in the 21<sup>st</sup> century. That is being done. David McLetchie and the Parliament should welcome the fact that we are strengthening management in the tourist board. That will be good for tourism and ultimately for the country.

**David McLetchie:** I thank the First Minister for

his reply, but the issue is one of accountability. I asked whether the matter was one on which the Executive's prior approval was sought. Is it not the case that when such important organisations are divorced from the Scottish Executive, there is a fundamental lack of accountability? Is that one of the reasons why people have apparently become disillusioned with the Parliament? It seems that ministers are happy to take credit when things go well, but when things go badly with, for example, the Holyrood building, the Scottish Qualifications Authority fiasco or visitScotland, they run a mile. Is that lack of accountability and openness—which are two of the key consultative steering group principles on which the Parliament was founded—one of the fundamental reasons for the disillusionment that has been evident this week? Does the First Minister accept that he bears a significant share of responsibility for that?

**The First Minister:** David McLetchie talks about significant disillusionment and refers to one survey that is incredibly out of date. He should recognise—as I did earlier—that the past two years have been enormously successful for a Parliament that is still in its infancy. On 30 April 1997, Parliament was merely an idea that the Scottish people had to vote through. Four years later, a remarkable success story has taken place. That is reflected in many policies, from tuition fees through to the announcement today about personal care for older people in Scotland.

David McLetchie made a valid point about accountability—that is why the Minister for Finance and Local Government submitted a paper last week that set out clearly our future policy on quangos. No member thinks that we had the right solution on ensuring quangos' accountability. That is why we have agreed to get rid of 52 quangos and to review another 60 and why the remaining 60 will satisfy a more rigorous set of accountability criteria.

David McLetchie also made a point that I want to stress. The Parliament as well as the Executive should be involved in ensuring that scrutiny and accountability exists. It would be a very significant step forward if David McLetchie were to sign up to that today.

**Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** Mr McLetchie talks about disillusionment setting into Parliament. Does the First Minister recognise that when the survey originally took place 25 per cent took Mr McLetchie and the Conservative party's view that Parliament should be scotched? Only 10 per cent now take that view. Is that an indication of how successful the Parliament has been?

**The First Minister:** I could not agree more. The Labour party, the coalition, the Government and the Parliament can take pride in an awful lot.

This is the final question time before the recess. The deal for fishermen, the cull of quangos, personal care policy, the most ambitious housing act that this country has ever seen and the maintenance grants that are being introduced are all significant for a Parliament that is two years old. In addition—I do not make any apologies for stressing this—we are developing links in Europe so that we can improve our profile. We are bidding for the European championships and the Ryder cup. Scotland is walking tall. People may snipe from the sidelines, but those are great achievements by all members in two years. Let us walk away today with some pride in achievement. That would be good for the country and Parliament.

### **Social Justice (Agriculture)**

**3. Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab):** To ask the First Minister how the Scottish Executive's plans for Scottish agriculture will contribute to its objective of securing social justice. (S1F-1187)

**The First Minister (Henry McLeish):** On Tuesday this week, Ross Finnie launched "A Forward Strategy for Scottish Agriculture", which sets out a framework for the future development of farming and related industries in Scotland. Its aims are wide-ranging and include the creation of a prosperous farming industry, which will generate wider economic and social benefits, particularly in rural areas. We are committed to tackling poverty and social exclusion throughout Scotland. The creation of a stronger and more diversified farming industry will help us to achieve that aim.

**Cathy Jamieson:** I thank the First Minister for that answer. He will obviously be aware that many people who live in rural communities depend on agriculture and related industries for their livelihoods. Can he give me an assurance that jobs in agriculture, horticulture and similar industries will continue to be seen as a vital part of the rural economy and that efforts will continue to be made to ensure that those who work in the sector have a safe working environment and access to training to allow them to update their skills and knowledge?

**The First Minister:** I am happy to give that assurance. The aim is to look after the safety issues that Cathy Jamieson has raised in relation to workers in rural areas. We must consider the employment consequences of any strategy. The level of earnings of workers in rural Scotland is an issue. All those matters will be safeguarded.

An important step that we have taken is the establishment of a rural poverty and inclusion working group so that we can understand the issues surrounding rural social exclusion. That will report in the future. It will tackle the issues that

Cathy Jamieson has raised. The message for the whole of Scotland—urban or rural—is that those issues are germane to the future of the Parliament and the country.

**Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP):** The First Minister has stated his commitment to tackling poverty. Is he aware that the current income of small farmers in Scotland is barely £1 per hour? Can he identify one provision in the new agriculture strategy document produced by the Labour and Liberal parties that will address that problem?

**The First Minister:** A great deal in the strategy will address many issues, two of which have been raised this afternoon. It is important to seize the opportunity that we now have. There have been problems in the agriculture industry this year, but now we are looking forward. *[Interruption.]* This orchestrated nonsense among the shambles of the SNP should not detract from the fact that the rural strategy is vital. It is perhaps important that people in rural areas appreciate that the SNP does not take rural issues seriously, while the rest of this Parliament does. That is a terrible disgrace.

**Robin Harper (Lothians) (Green):** Although the report contains some good things about the direction that should be taken and details the assistance that will be given to many farmers—most of them large-scale farmers—does the First Minister agree that all the report does on organic farming is list the five ways organic farmers should be helping themselves? Does he regard that as socially inclusive of the many hundreds of small-scale organic farmers in Scotland?

**The First Minister:** That slightly distorts the position on organic farming in the United Kingdom and Scotland. A significant attempt is being made to develop organic farming further. That is reflected in the strategy. I assure Robin Harper that everything possible will be done to ensure that that happens.

### UK Energy Policy

**4. Nora Radcliffe (Gordon) (LD):** To ask the First Minister what involvement the Scottish Executive will have in any future review of UK energy policy. (S1F-1179)

**The First Minister (Henry McLeish):** As energy policy is a reserved matter the review will be undertaken by the UK Government. There will, however, be a close working relationship and active dialogue between the Scottish Executive and the UK Government as the review proceeds.

**Nora Radcliffe:** I thank the First Minister for his response. The UK Government has made a commitment to reduce significantly, UK-wide, dependence on energy from fossil fuels and there are concerns about the long-term implications of

nuclear energy generation. There is enormous potential for generation of electricity from renewable sources, such as wind, wave and tidal power in Scotland, especially in remoter areas. We should remember that Scotland is, with good reason, making a disproportionately higher contribution to meeting the existing UK targets in renewable energy. Will the First Minister press the UK Government to put up, from UK resources, the investment needed to extend and strengthen the national grid in Scotland to enable this potential to be fully utilised?

**The First Minister:** I am very willing to respond positively to that question. The gist of my comments on the energy review is to ensure that Scotland's interests are represented in every part of the energy sector. That will be done. I look forward to the whole of the Parliament and the two coalition partners ensuring that that happens.

**Dr Sylvia Jackson (Stirling) (Lab):** I congratulate the First Minister and the Executive on their success in attracting the Danish renewable energy company Vestas Wind Systems to Scotland. Does he agree that there is a need not only for more such inward investment but for the development of an indigenous renewables sector?

**The First Minister:** Yes. We want to ensure that such issues are raised strongly in the review, because Scotland has some very special qualities and resources that must be harnessed. I assure Sylvia Jackson that the issue she has raised will be part of the review.

**The Presiding Officer:** In spite of the fact that he thought that I should not have selected this question, I will call Bruce Crawford to ask a supplementary, provided that it is in order.

**Bruce Crawford (Mid Scotland and Fife) (SNP):** The First Minister's answers so far on his Government's view of the UK energy policy have been either confused or at worst downright evasive. Quite frankly, the Scottish people deserve better in this area.

**The Presiding Officer:** Order. I want a question.

**Bruce Crawford:** Will the First Minister tell the Parliament and the Scottish people, in the clearest terms, whether the Government supports the building of new nuclear power stations—or does he agree that they should remain in the previous century and not be part of a 21<sup>st</sup> century Scotland? He is paid £90,000 a year to have an opinion; it is time we heard one.

**The First Minister:** I do not want to dwell too much on the previous century; the SNP certainly exemplifies most of the characteristics of a party that is struggling to escape from it.



I am sorry that common sense affects the SNP in the way that it does. SNP members always preface their points with the phrase, "the Scottish people". Do they not think that every MSP represents the interests of Scotland and the Scottish people? The simple point is that the election showed that the Scottish people have no confidence whatsoever in the SNP. The best way forward is to say that energy is vital to us and will form part of the review. We hope that the whole chamber will participate in that review to ensure that Scotland's interests are represented.

**The Presiding Officer:** That concludes question time. We have well overrun our time.

## New Opportunities Fund

**The Presiding Officer (Sir David Steel):** The next item of business is the debate on motion S1M-2043, in the name of Allan Wilson, on the new opportunities fund, together with two amendments to the motion. [*Interruption.*] Can we settle down, please.

15:38

**The Deputy Minister for Sport, the Arts and Culture (Allan Wilson):** We are a bit demob-happy this afternoon. However, I am delighted to be opening this debate on a motion that acknowledges that new opportunities funding has significant implications for devolved policy areas in Scotland. Furthermore, as the Scotland Act 1998 and the setting of policy directions recognise, Scottish ministers have a significant role to play in such funding.

Our primary purpose in initiating the debate is to raise awareness of the work of the fund in the Parliament and more widely in Scotland, and to call attention to the important consultation exercise that is currently under way on the third round of new opportunities fund initiatives.

The UK national lottery is the most successful in the world, raising more than £9.5 billion for good causes. The new opportunities fund was established in 1998 to provide lottery funding for education, health and environment projects, which will create lasting improvements to the quality of life across the UK.

The fund is allocated about a third of the moneys accruing to the national lottery fund, and through the good offices of my former colleague Sam Galbraith, Scotland receives 11.5 per cent of the available funding. That amounts to £167 million across 11 current grant programmes.

As with the other lottery distributing bodies, the fund operates its programmes to ensure that it funds only projects that are additional to current and planned expenditure. It seeks to complement funding that is available from other sources and to support strategies, plans and partnerships that are developed both nationally and locally. In common with the practice for other lottery distribution bodies, ministers determine the amount of funding that is available to the fund and give it policy directions. However, decisions on the detail of the policy directions and programmes or individual applications are a matter for the fund itself.

**Robin Harper (Lothians) (Green):** Does the minister regret the fact that the lottery fund will be £5 billion less than was originally estimated when Camelot bid?

**Allan Wilson:** We would all regret any diminution in the amount of money that was available to the Scottish Executive or the UK Parliament, which could be spent on good causes. We would all want the maximum income to be secured from the national lottery to go to those causes.

**Phil Gallie (South of Scotland) (Con):** We note the fact that there is thought to be a reduction in the amount of money that is coming in. Does the minister recall that, during parliamentary debates on the national lottery, Labour members in particular insisted that funding from the lottery should not go into what were perceived as Government-funded projects? Does he feel that the new opportunities fund does that, in many ways? Does he agree that perhaps that is one reason why people are now shying away from the lottery?

**Allan Wilson:** No, I do not believe that to be the case. The new opportunities fund and its spending priorities are popular with the people, who want their lottery money to be spent on good causes such as health, education, sport, the environment and combating drug abuse. That policy is demonstrably popular among the Scottish people, and it is complementary to direct Executive spending in those areas.

For example, the new opportunities fund has committed £23 million over three years to a programme that is aimed at bringing all school teachers and school librarians in publicly funded schools up to a published standard of expertise in information and communications technology.

A further £23 million is available for the development of new or extended study support activities that are held outside school hours. The target has been set to allocate 50 per cent of those funds to the most deprived 15 per cent of primary schools and the most deprived 25 per cent of secondary schools.

The fund is also making £23 million available to start-up projects that provide accessible and good-quality child care outside school hours. We recently made changes to the out-of-school care programme, to encourage uptake in those disadvantaged areas and to ensure that revenue funding is available over three years to maintain the projects once the capital investment has been secured.

In health and other areas too, the new opportunities fund has already made a significant impact. Health is worst in deprived communities, and the new opportunities fund's healthy living centre initiative has the potential to make a major contribution towards improving Scotland's health and reducing health inequalities. That initiative is aimed at raising the level of health of the 20 per

cent of the population who live in the most disadvantaged communities to the level of health of the rest of the Scottish population.

In that context, partnerships are essential in identifying needs and developing relevant and successful centres. To date, 12 successful Scottish healthy living centres have been created through the initiative and, from discussions with those who run the new opportunities fund last week, I understand that the rest of the programme will be oversubscribed.

The second round of funding for health saw the development of the living with cancer programme. Cancer is a major cause of morbidity, mortality and bereavement among the Scottish population. I suspect that all of us have lost somebody through that disease. Four out of 10 people develop cancer, which is why cancer is one of the top priorities for the Scottish Executive and for the national health service in Scotland.

The Scottish cancer group has, for the past three years, worked with the new opportunities fund to develop a cancer strategy for Scotland. That will be published next month and will set out the Executive's strategy to ensure better awareness and prevention of the disease as well as earlier diagnosis and better, faster treatment of cancer. I say to Phil Gallie that that is what the people of Scotland want their lottery money to be used for.

One of the primary objectives that I have set myself in my new post in the short time that I have been in it is to ensure that the benefits of lottery money are felt throughout the country. Some areas that have suffered the worst effects of economic and social deprivation have seen all too few of those benefits. I intend to ensure that those areas are prioritised in the directions that we give.

It is important to stress that the focus on selected areas will not mean that other areas are now relegated and that targeting money at specific areas under the new initiative will not mean simply throwing money at them and lowering standards. However, if the medium amount from all lottery distributors is £77 a head, it cannot be right that certain areas receive only £28 a head.

**Tricia Marwick (Mid Scotland and Fife) (SNP):** I cannot agree more with what the minister says about the fact that disadvantaged areas are losing out on new opportunities fund money and money from other sources. However, there is a lack of support given to projects when applications for funding are being made. What does the Executive intend to do to support the organisations in developing programmes to enable them to get grants?

**Allan Wilson:** Yesterday, I issued a statement on the new directions that have been given to the

community fund to ensure that money is targeted on those areas that need it most. Those policies will be followed across the UK and, importantly, will ensure that we can build the capacity in deprived communities that will enable those communities to apply for funds so that they can compete with institutions such as private schools that benefited from the Conservative party's years in power.

The UK Government, in conjunction with the devolved Administrations in Scotland, Wales and Northern Ireland, consulted widely last year on the priorities of the third round of new opportunities fund initiatives. Within a common set of overall initiatives, the proposals set out in that consultation paper took account of differing priorities of each of the four Administrations. This country's priorities were: physical education and sport in schools; reducing the burden of coronary heart disease, stroke and cancer care; palliative care; child care; transforming communities; and community drugs rehabilitation. I am pleased to say that the new opportunities fund will be joining the existing awards for all scheme in Scotland.

Members will forgive me if I concentrate on PE and sport in schools, as it is my primary responsibility. There has been a warm welcome for the proposal to give high priority to developing facilities for sports in schools that can be used by young people and the community more generally.

I submit that that is wholly in tune with the Scottish Executive's policy of encouraging community use of school-based facilities and the building of closer links between schools and their local communities, including local sports clubs. That is central to putting in place the pathways that will encourage young people to remain actively involved in sport as they leave school and progress through adulthood. We are committed to providing young people with attractive alternatives to criminal and other anti-social behaviour. Some of the funding will be used to support sports-based projects aimed at diverting young people away from such activity as well as for out-of-hours sporting and cultural activity.

The other third-round initiatives build on the significant impact that the new opportunities fund has made. I welcome the £10 million that the fund has made available to provide new kinds of community-based rehabilitation for people who have misused drugs, the £32 million that has been given to projects that aim to reduce the burden of coronary heart disease, stroke and cancer care and the £5.25 million that has been invested in projects that aim to expand community sector waste reuse, recycling and composting.

As I mentioned earlier, those involved in the new opportunities fund are consulting widely on the detailed arrangements—I hope that all members

have a copy of the consultation document. I encourage every organisation, MSP and individual with an interest to respond positively to the consultation paper before the closing date of 3 September.

I move,

That the Parliament welcomes the New Opportunities Fund's commitment to social inclusion, equality and diversity and to working in partnership with other agencies and organisations at a national and local level; endorses the priorities identified by the Scottish Executive for the third round of initiatives; welcomes the Fund's intention to join the small-scale grants Awards for All scheme in Scotland; further welcomes the contribution which New Opportunities Fund funding will make to reinvigorating sport in schools, increasing community use of school based sports facilities and providing attractive alternatives for young people to criminal and anti-social behaviour, and notes with approval that the Fund is currently consulting widely on the detailed arrangements for delivering these initiatives.

15:49

**Michael Russell (South of Scotland) (SNP):** I welcome many of the grants that have been made and many of the projects that have emerged. Although in my speech I will be critical of the Executive's policy and will point out some of the difficulties in that policy, I make it clearly understood that I do so in the context of welcoming the money and its effect.

For example, I notice from the latest announcements that North Ayrshire Council has received £227,000 to extend the work of the art school project to primary school children in rural areas. The activities will include creative arts, drama, music and dance workshops. That will make a big contribution to young people in North Ayrshire. Equally, I note that the Dunoon new community schools project—I declare an interest in that as my wife teaches in the community school in Dunoon—has received £20,000 to extend and enhance summer school provision.

Those grants are to be welcomed. However, there are problems in the Executive's motion and policy. This has been a long year in Parliament and we draw to the close of it.

**David Mundell (South of Scotland) (Con):** It is only long when Mike Russell is speaking.

**Michael Russell:** I shall ignore that remark.

There is one rather unusual element in this afternoon's debate: we see Allan Wilson cast in heroic mould in relation to the constitution of this country. In *The Herald* on Monday, there was a report of an attack by Lord McIntosh of Haringey, who is apparently a Labour front bencher, on what the Scottish Parliament can discuss. Lord McIntosh made it clear that the London Government had not yet decided whether there

should be a reduction in the number of MSPs. A source was quoted as saying:

"Although the Scottish Parliament is perfectly entitled to debate reserved matters and Westminster, devolved matters, the fact is, MPs have never debated devolved issues while Holyrood has so far held 16 debates on reserved matters".

The point of that was to say that MSPs were wasting their time and could not be overworked. The debate that the source used as an example was:

"tomorrow they are due to debate the new opportunities fund."

I am glad that Allan Wilson is challenging the constitutional settlement radically, although I suspect that the Labour members will not be happy, because it might result in many of them having to squabble like ferrets in a sack for a reduced number of seats. I congratulate him on bringing the debate to the chamber.

However, the motion is disappointing and flawed. The primary critic of the motion is not the Scottish National Party; it is the Scottish Council for Voluntary Organisations. In its briefing, the SCVO says:

"SCVO believes the structure and accountability of the NOF currently fails to take adequate account of the Scottish context, leading to ineffective use of significant funds. It is also subject to obvious incorporation into Government agendas leading to rapid erosion of the principle of additionality."

The main voluntary organisation in Scotland is making the point that the Government's motion is deeply flawed.

**Allan Wilson:** Does Michael Russell also agree with the SCVO when it says that the reasons for the apparently arbitrary nature of delegation of the third-round initiatives are unexplained and that some, notably the £87 million for sport, are highly questionable? Does Michael Russell agree that the £87 million that has been allocated to community sport and school sport is highly questionable?

**Michael Russell:** I shall come to school sport in just a minute and the minister will discover exactly what my views are, but I want to develop my argument first.

The reality is that, according to the SCVO and many others, the method by which the funds are disbursed and scrutinised in Scotland is flawed. It is flawed because there is no legislative responsibility for the funds in Scotland and the Scottish Executive is consulted by grace and favour. Many people argue that the right way for Scotland to be involved in the new opportunities fund is to have a Scottish committee—that is the SCVO's view—and to ensure that the Scottish Executive is formally involved in the process, not

involved on a grace-and-favour basis. That is the basis on which the Executive is involved.

The minister wanted to talk about examples and about sport in schools. It is interesting to note the opinion of the Scottish Sports Association on the example that the minister used about money for sport in Scotland and in schools. The SSA said, in its response to the minister, that the programme that he is proposing

"would be warmly welcomed but this alone will not deliver the desired outcomes"

and that there should be a joined-up approach that incorporated

"broader national and sport specific strategies in place or under development by sportscotland, the governing bodies and local agencies."

That is necessary for the initiative to work.

**Allan Wilson rose—**

**Michael Russell:** If the minister will allow me, I will proceed a bit further on my point about sport. The situation is similar with school sport co-ordinators. That shows a fascinating set of difficulties that are inherent in the motion.

The first difficulty is that experienced by Aberdeenshire Council, for instance, in implementing the sports co-ordinators, as it does not have the resources to do so. The same programme is being supported south of the border by the new opportunities fund to the extent of 50 per cent.

That example illustrates something else. In that instance, money is going from the new opportunities fund towards Government initiatives rather than towards additional activity. I presume that the Tory amendment aims to make that point. Money is going to shore up Government initiatives, not additional activity. The SCVO is worried about that too.

The new opportunities funding then becomes the underpinning of Government schemes in the short term, rather than allowing a diversity of new schemes to emerge across the spectrum. I am not saying that that is always the case, but there is sufficient worry in the voluntary sector that that is happening quite often for the Executive to have recognised that in its motion, as I hoped that it would. However, it does not; indeed, it trumpets what is taking place.

**Allan Wilson:** I will put the same question to Mike Russell again. Having listened to his dissertation on funding priorities, I ask whether he agrees with the Scottish Schoolsport Federation, which welcomes the £87 million that is being invested in school and community sport, or whether he agrees with the Scottish Council for Voluntary Organisations, which does not.

**Michael Russell:** I have made it absolutely clear that I welcome the investment in sport, whether it is £87 million, £80 million or £90 million. However, the minister will have to take on board the fact that many concerns have been raised by a range of organisations, to the effect that the principle of additionality is being eroded, that there is an underpinning of Government schemes and that the mechanisms that are being used to deliver the money in Scotland are neither accountable nor transparent.

My amendment is designed to say that we heartily welcome investment in all sorts of things in Scotland. However, the structure for the good investment that takes place is wrong. The question of how to use the proceeds of the national lottery in Scotland—and that of the proper interface between the Parliament and the people of Scotland, with that money being available to voluntary and community groups—has not yet been answered. I think, and hope, that our amendment points the way to find the answers.

I move amendment S1M-2043.1, to leave out from “endorses” to first “initiatives” and insert:

“notes that the priorities identified by the Scottish Executive are merely consultative and not binding on the New Opportunities Fund; believes that on matters devolved to the Parliament, the New Opportunities Fund should take its instructions from the Scottish Executive and not from the Secretary of State for Culture, Media and Sport;”

15:57

**David Mundell (South of Scotland) (Con):** I will begin by making a general point in relation to national lottery funding, and I seek the minister's undertaking that he is doing all that he can in conjunction with Her Majesty's Government to modify the lottery rules so as to alter the balance between the capital and revenue funding that currently make up lottery funding.

In my view, too much money is allocated on the basis that it facilitates capital projects. Without money to fund the operation and maintenance of the facilities concerned, they are not able to continue operating. That issue has been raised by various members in the chamber, particularly in the context of the fact that it is not possible to fund swimming pools once they have been constructed.

That is a particular problem in rural areas, for example in Dumfries and Galloway, where there is never likely to be the throughput of bodies to make an individual facility pay its way. I know of two potential projects, one in Newton Stewart and one in Lockerbie, for which capital funding is potentially available for swimming pool projects at schools, through the new opportunities fund and other funding. However, the deficit funding to keep the facility running would not be available.

If the minister were to get on his bike—as someone else once said—he would find a lengthy cycleway through Dumfries and Galloway, which is essentially funded through the lottery, but for which no maintenance funding whatever exists. Instead of being an asset for the local authority, it has become a liability. I hope that the minister will address those points, and the important issue of the balance between capital and revenue.

**Michael Russell:** On the question of capital projects being liabilities rather than assets, which I agree is a key point, one suggestion has been to have an endowment associated with smaller projects, such as the cycleway to which David Mundell referred, as happens when a house is gifted to the National Trust. The funding package will then include an element of endowment, which pays for upkeep, that payment perhaps going to the local authority. Would David Mundell consider that as a possibility, and would the minister comment on it when summing up?

**David Mundell:** That would certainly be worth considering. We must consider anything that would allow us to ensure that we not only get projects going, but are able to maintain them once they are up and running.

Members may call me cynical, but every time I hear the word “new” it conjures up for me the idea of spin over substance. New Labour, new deal and now the new opportunities fund—Allan Wilson even said that he was new in his post. As Mike Russell made clear, nobody disputes the worthiness of the causes that are benefiting from money provided by the new opportunities fund. I have been pleased to welcome a number of distributions across the south of Scotland. However, the use of lottery funds in that way was never envisaged in the initial lottery proposals and calls into question the boundary between the use of public funds generated by taxation and funds that are supposed to be additional to those.

The lottery that the Conservative Government set up in 1993 has helped countless good causes and aided many charities throughout Scotland. Initially, 28 per cent of the proceeds from ticket sales went to the five good causes of the arts, charities, heritage, the millennium and sport. That was the appropriate format, as the lottery was always intended to provide additional funds to charities. It was never viewed as a substitute for charity funding.

As the minister suggested, when people are asked, they agree that the individual causes that receive money from the new opportunities fund should be funded. However, they do not think that charities should receive less funding. Because of the introduction of the new opportunities fund, money has effectively been taken away from charities.

The new opportunities fund is the sixth good cause and is administered by the national lottery distribution fund. As a result, charities and voluntary organisations have inevitably received less funding. I believe that, generally, charities and voluntary organisations are best placed to deliver locally the services that make a real difference to the public.

The use of lottery money to fund the national health service may have a superficial appeal, but no more than that. Closer analysis shows that the overall effect that such funding can have on the NHS is minimal at best. It is a great irony that under new Labour health care receives lottery funding, whereas patients receive a lottery in health care.

I move amendment S1M-2043.2, to leave out from "endorses" to end and insert:

"and further notes the arbitrary movement of lottery funding away from community-based projects and from support for Scotland's vital voluntary sector."

16:03

**Donald Gorrie (Central Scotland) (LD):** We welcome the good work that is funded by the lottery. Many of the schemes that are paid for by the new opportunities fund are excellent and very welcome.

Although we support the minister's motion, we are concerned that he should take account of the points that are made in the two amendments and in the speeches supporting them. The Scottish Council for Voluntary Organisations is not the only body that has views on these matters. Recently, on behalf of the Finance Committee, I interviewed eight groups that represent all sectors of the voluntary movement in Scotland. Many of them were strongly of the view that the new opportunities fund is London-based, and that it has no real presence here and does not operate as well as it should, with the result that money is being wasted.

As a way of testing that, my assistant tried to get details of child care ventures that are supported by the lottery. He contacted the address that the lottery gives in Glasgow, but was told that all information about child care schemes is held in Newcastle. The Glasgow address is just an accommodation address. It is essential that the Executive and the Parliament get a grip on the disbursement of lottery funds in Scotland, so that it is done in accordance with our priorities.

Additionality is a separate issue. It is clear that lottery funds are being substituted for what should be mainstream UK Government and Scottish Executive funding. That is not what the lottery was meant to be used for and it should stop.

The motion refers to the fact that the new opportunities fund is "currently consulting widely". I was told by voluntary organisations from throughout that wide sector that ministers should listen to the voluntary sector, which is critical of many of the proposals.

The minister spoke about the large investment in school sport. He will not get me to say, "I am against investing in school sport", but I will say that there is no point in investing in sport in schools unless investment is also made in adult sports clubs. The point of getting young people interested in sport is so that they will continue to participate in sport. They can continue to do so only by participating in sports clubs. The clubs that came to see me said that they were in crisis, because they have been grossly underfunded for years. They are finding it harder to get referees.

**Karen Gillon (Clydesdale) (Lab):** Although I accept many of Mr Gorrie's points, will he accept that one of the main problems with children and young people in Scotland is that they do not have an attitude that enables them to take part in sport? Getting them involved in school sport will help to develop that attitude. In turn, that will enable them to take part in sport in their communities. However, children and young people do not participate in sport at present, and school is the best starting point.

**Donald Gorrie:** One should not cure a bottleneck in order to create another. Funds must be distributed in a way that allows funds to support clubs. Sports clubs are among the main pillars of our communities. They are in a bad way, however, and they say that they are in crisis and that many risk going out of business soon.

The idea that sport feeds through from schools has been mentioned. A person from a curling organisation told me that there had been a pilot scheme in her area to teach curling in schools. She said that there had been no follow-through and that there was no increase in the number of people joining adult curling clubs as a result of that pilot project. We must examine carefully how the money from the new opportunities fund is used and we must support sports clubs to help them work in the community, where they can do much good.

The new opportunities fund undermines informal education and makes life harder for scouts and youth clubs. Environmental groups that spoke to me told me about endowments, which have been mentioned. As well as paying for start-ups, money must be made available to enable such groups to maintain their activities. Environmental groups are particularly perturbed by the fact that they have been dropped from the new opportunities fund lists on which they used to figure and cannot understand why.

There are many concerns about the new opportunities fund's figures; for example, the voluntary sector is unhappy about the fund. We must consider funding as a whole and use money better. We must control the funds in Scotland and develop a partnership between the voluntary sector, the Executive and the Parliament. We might then make much better use of funds to create a better society, which was supposed to be the objective of the new opportunities fund.

16:09

**Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab):** I welcome the opportunity to speak in the debate.

I always try to assess the success of ventures on whether they deliver for people on the ground. We should not forget that, in some instances, the money that is to be distributed through the new opportunities fund—like the other funds that are connected with the lottery—has come from the poorest people in our communities, who spend proportionally more on the lottery per head of population than better-off people spend. I have no difficulty with the fact that Bellsbank adventure playground in my constituency was a beneficiary of the out-of-school child care fund. I have no difficulty with the fact that the Girvan after-school care project, which is based in a social inclusion partnership area, also got money to develop that project. I have no difficulty with the fact that the yipworld.com project in Cumnock, which is a new and innovative project that works with some of the most disadvantaged young people in the community, has just been awarded another grant to assist in the creation of after-school and before-school care places and holiday places for young people.

The important thing to remember is that those schemes are run by the voluntary sector in partnership with the local authorities. Other organisations, such as the health boards and health trusts, have also been supportive. In order to benefit our communities, we need to ensure that that partnership approach is developed.

As someone who previously worked in the voluntary sector, I am aware of the SCVO's concern that the money must not simply be used to supplement or replace funding that some people feel should be provided from Government resources. My understanding is that the proposals in no way prevent the voluntary sector from developing its proposals. Indeed, we would welcome the development of proposals in partnership with the Executive and local authorities.

In particular, I welcome the opportunity to expand the provision of sports facilities in schools

and communities. It has now been acknowledged that the provision of such facilities can be a preventive measure. They can involve young people—in particular, young boys—in sporting activities while they are in school, and give them the opportunity to continue with those activities when they leave school. Such activities can be a useful way of diverting them from other activities that young people sometimes get up to.

The fund presents many opportunities for organisations such as the Cumnock Juniors Boys Club in my constituency, which could with a small amount of money develop its facilities to provide real opportunities for young people to participate in football.

I acknowledge Donald Gorrie's point that young people sometimes try out sports in school and do not continue with them. Part of what we need to do is to make sport appear to be something that it is cool for young people to participate in—they should not need to be forced into doing sport at school. Sports should be played for enjoyment. Young people should be encouraged to continue to participate in sport throughout their adult lives, so that they adopt a healthy outlook.

Finally, I want to comment on swimming pools—an issue that was raised earlier. If, on a sunny day during the summer, people wish to visit New Cumnock, I encourage them to come and see the refurbishment work that a group of local volunteers has done in order to reopen the New Cumnock open-air swimming pool. It is a sight to behold and it is an absolutely wonderful place to go on a sunny day. The pool is a testimony to what local people can do when they decide that the continuation of a sporting or leisure activity is important to their community. I genuinely hope that people will take that opportunity.

I hope that, when the minister sums up, he will agree that the new opportunities fund does not limit opportunities for the voluntary sector, but rather that it creates them. I defy anybody to deny that the priorities that are identified—funding for sport, reducing the level of coronary heart disease, tackling the drugs problem, improving child care, transforming communities and the awards for all programme—are the kind of opportunities that we want to see being offered to our most disadvantaged communities.

16:13

**Linda Fabiani (Central Scotland) (SNP):** Debates such as this are always difficult because the great measure of consensus means that many of the things that I wanted to say have been said. Before members tell me to sit down again, let me say that it never prevented any of the guys in other parties from standing up and speaking for a wee

while. I will indulge myself.

The first thing that bothers me a wee bit is that the minister's motion talks about how admirable it is that we have a commitment to

"social inclusion, equality and diversity and to working in partnership".

I agree that that is admirable, but I wonder why the term "social inclusion" has come back in instead of "social justice". My personal view is that "social justice", which is the term that we use in the Parliament, is a much more inclusive term than "social inclusion" because it display fairness, which is what we should all be striving to achieve.

That said, I will examine some of the things that have been said and some other matters that I want to mention. I share the valid concerns of the SCVO about the lack of Scottish input to the disbursement of the new opportunities fund, although—like Mike Russell—I welcome the cash injections that have been given. However, there is a lack of Scottish control.

Another concern of mine has already been mentioned by members—the use of lottery money to finance the core operations of Government when that money should be truly additional. It is wonderful that health spending has gone up by £32 million, that £10 million is being spent on drug rehabilitation and that £87 million is being spent on physical education and sport in schools—which I will come back to. However, it concerns me greatly that, if we keep going as we are, we are heading towards a situation in which public expenditure could, quite literally, become a lottery.

I am also concerned about comments that were made earlier this week by the chairperson of the National Lottery Commission to the effect that there is likely to be a shortfall from what Camelot expected when it made its bid. I hope that that does not point to a future shortfall in funding. Will we see a lottery squeeze that is far worse than the Barnett squeeze?

I mentioned social justice. I am concerned that, although we all welcome the wonderful social justice initiatives that come through lottery funding, Angus MacKay's budget speech this morning showed that the social justice budget for the Parliament over the next two years will lose £35 million. I wonder whether Allan Wilson will address that issue.

I said that I would come back to sport. Like everybody else, I welcome the injection of money to improve sports in schools. I also agree with everything that Karen Gillon said about trying to create an attitude among young people so that they want to participate in sport. However—in acknowledging all that Cathy Jamieson said—it is problematic that the majority of lottery money

comes from those who can least afford it. I remember that there was a bit of a stushie last year when the private Mary Erskine School in Edinburgh was given a lot of lottery money for its sports facilities. I will be interested to know how much of the sports money that will be distributed this time will go to private schools.

**Cathy Jamieson:** Does Linda Fabiani welcome the fact that the new opportunities fund aims to use the Arbuthnott indices to target areas that would get the most benefit from the money? Does she regard that as an appropriate mechanism?

**Linda Fabiani:** Yes, it is appropriate. I am expressing my personal opinion that we should do more than use the Arbuthnott formula. We should target areas that have no facilities and we should encourage sport in those areas.

The other thing that I want to say about sport is much more personal. Although I agree that we should promote sport in every way, I want to make a plea on behalf of kids at school who hate sports, because that was me. Let us not be prescriptive and force absolutely every child to enjoy sport. For me, it was absolutely awful—I hated every minute. There were no sports that I wanted to play apart from darts and snooker, and I do not suppose that those are the kinds of sport that will be promoted.

**Cathy Peattie (Falkirk East) (Lab):** Will the member give way?

**The Deputy Presiding Officer (Patricia Ferguson):** No—the member is winding up and must continue.

**Linda Fabiani:** That is my plea for the kids who do not want to play sports—do not start making them do so.

I welcome many things that have happened. In Central Scotland, which I represent, East Kilbride, Hamilton, Motherwell and Falkirk are all seeing the benefits of lottery funding. However, let us be cautious: we must not start to regard lottery funding as a replacement for core funding.

16:19

**Mary Scanlon (Highlands and Islands) (Con):** I am delighted to contribute to the debate. The new opportunities fund was launched on 29 January 1999. It required a change in legislation to allow the use of lottery funding for health and education. As colleagues have said, the Conservatives always welcome additional funding for the NHS and education. However, I would like to express the concerns of a Labour MP, who contributed to the original debate on the National Lottery etc Bill in the House of Commons in 1993. That member said:

"The reservation that I and many of my hon. Friends have is that the revenue will not supplement Government



expenditure, but will supplant it. It will be used as a source of revenue to pay for things that could and should come from general taxation. That is the real fear.”—[*Official Report, House of Commons*, 28 April 1993; Vol 223, c 1122.]

I listened to my colleague David Mundell’s speech about cycle paths that are financed for the short term, but which lack revenue for care and maintenance in the long term. Lottery funding can be used for the prevention, detection, diagnosis and treatment of cancer, coronary heart disease and strokes, and to improve the provision of associated support and information services. It can be used to improve the provision of palliative care, of the support and information services that are associated with such care, and of counselling services. It is one thing to build a cycle path and not maintain it, but to raise expectations and fund services, such as the health services that I listed, without offering secure long-term funding is cruel and misleading.

As Linda Fabiani mentioned, spending on lottery tickets is volatile, which is evident in this week’s announcement of lower funds for good causes. Many people in Scotland are concerned that Government spending on core services in the national health service is being replaced by lottery spending. For example, public health spending is a major priority in Scotland, yet the core network of healthy living centres is funded by the lottery. Cancer is one of the three top clinical priorities, yet programmes for cancer prevention, treatment and palliative care are funded by the lottery.

As an ex-lecturer, I am aware that information and communication technology training for teachers, school librarians and public library staff is funded by the lottery.

Like other members, I welcomed Peter Peacock’s initiatives on out-of-school-hours activities, but I did not hear him say that they would be funded by the lottery. I would like there to be more honesty, and I would like an assurance that the services will exist in the longer term.

The problem of service sustainability was raised by Tessa Baring, a member of the National Lottery Charities Board, who—according to Derek Wyatt MP—argued in *Lottery Monitor*

“that many people in the voluntary sector feel dismayed by the creation of the new opportunities fund, which they consider to be breaching the principles of arm’s length and additionality ... The Department for Culture, Media and Sport published a consultation paper in November 1998 outlining three initiatives. One initiative concerned cancer care.”—[*Official Report, House of Commons*, Westminster Hall, 11 April 2000; Vol 348, c 2WH.]

The then Minister for Tourism, Film and Broadcasting responded:

“As with all lottery funding, the new opportunities fund supports only initiatives additional to those funded from

taxation.”—[*Official Report, House of Commons*, Westminster Hall, 11 April 2000; Vol 348, c 8WH.]

My question is, how additional is the funding? Is it pound for pound, or are we seeing creeping and increasing lottery funding, which will do what the Labour member whom I quoted suggested in 1993, and supplant rather than supplement Government funding? When it announces new money and new initiatives, will the Executive be honest and state what is to be funded in the long term from general taxation and what is funded by the lottery?

16:24

**Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD):** Mary Scanlon talked about additionality, but would the Tories levy the taxes that they would need to fund it?

This has been a good debate, but whatever the result of the vote on the motion at decision time, there are issues that must be discussed further, for example additionality and revenue funding.

We should take the opportunity to thank the new opportunities fund and contest the idea that no Scottish operation exists. When I was first elected, I examined the information from the various lottery funds and thought that the Borders had not received its fair share. Not long after that, I was contacted by Pauline Cameron, head of the Scottish office of the new opportunities fund, which wanted to go to the Borders and investigate how it could make people more aware of the opportunities that exist. An activities week was held, and I was asked—through another channel—to open a nursery, which was the first project that was funded by the new opportunities fund.

That happened less than a year and a half ago. Since then, the Borders has had tremendous input. Only this week, it was announced that £90,000 would be provided towards the establishment of seven out-of-school care projects. They will change the prospects of children and give them valuable educational experience. The projects will also make opportunities available to parents, who will be able to study and take work that they could not before. In isolated communities, that is important.

Of course, some changes could be made. Some criteria are flawed. As only start-up money is provided, problems can occur, because it is difficult for a small group to be viable within one year, as it should be. I know that deprivation indices allow some areas to have three-year funding, but sometimes the areas do not seem to be targeted terribly well.

**Michael Russell:** The SCVO’s criticisms include criticism of short-term funding. Ian Jenkins is right

to identify the difficulty of that. How does he respond to the SCVO's other criticisms about transparency, having a Scottish committee work on the fund and the erosion of the principle of additionality, which are key issues?

**The Deputy Presiding Officer (Mr George Reid):** Ian Jenkins is in his last minute.

**Ian Jenkins:** Am I in my last minute already? In that case, I will not respond to those criticisms now. I have said that the debate must continue.

Mary Scanlon talked about health issues. Funding for palliative care and for a cancer unit allied to Borders general hospital has been promised. That will be valuable and might not have been created from normal funding, because technically treatment was available elsewhere. If we can bring treatment closer to the people in that way, I would think of that as additionality. I do not want to niggle about that.

When we consider the range and reach of the scheme and the work that has been led by the Scottish office of the fund, it seems churlish to criticise. Some adjustments must be made, but we should go home for our holidays today feeling good about things. We should warmly welcome the new opportunities that people are being given.

16:28

**Dr Elaine Murray (Dumfries) (Lab):** Like the Labour MP whom Mary Scanlon quoted, I was one of many who opposed the national lottery when it was introduced in 1993. A Calvinist streak in me remains slightly uncomfortable with the idea of Governments promoting gambling to provide services. Some of the most high-profile recipients of lottery funding have not helped the lottery's image. I acknowledge the concerns of several members that the principle of additionality must be adhered to. The published criteria for the new opportunities fund make that clear—I checked that in their most recent publication.

Mike Russell referred to a briefing that the SCVO e-mailed to all MSPs this week before the debate. I felt that the briefing had a strangely nationalistic tone.

**Michael Russell:** What is strange about nationalism?

**Dr Murray:** I take some exception to Mr Russell's quotation about the effective use of significant funds. To illustrate that, I will refer to several projects in Dumfries and Galloway that received funding this year.

The first is a Macmillan Cancer Relief project that received £1.5 million. That went not to the national health service in Scotland, but to a charity, to provide 50 per cent of the construction

costs of a purpose-built cancer, oncology and palliative care facility at Dumfries and Galloway royal infirmary.

At the present time, some of my seriously ill constituents are forced to travel to Edinburgh, Glasgow or Carlisle for cancer treatment. Far from being ineffective, when taken together with funding for the training of staff in the voluntary and statutory sectors, those are important and welcome funding developments for the Dumfries and Galloway region.

Over £1 million has been allocated to healthy living centres in Dumfries and Galloway. The centres support community health development workers in four areas including, as it so happens, the area in which I live.

**Mary Scanlon:** Will the member take an intervention?

**Dr Murray:** No, I am sorry, I am pressed for time.

Some of the areas that are benefiting from the investment are rural and others are urban. All have a higher-than-average level of deprivation. Seventeen partner organisations, including voluntary sector organisations such as the Maxwellton umbrella group, worked hard for two years to secure funding. Over £500,000 has been allocated to summer-school and after-school projects across the region. Those projects are additional to work that is being done by the council, and they allow it to extend the range of opportunities that are on offer to young people.

At the turn of last year, a further £100,000 went to Dumfries and Galloway College to enable it to develop a website as part of its on-going lifelong learning partnership—a partnership that is becoming an extremely important facility with an emphasis on skill development in rural areas. That is also an effective use of funding.

The third round of NOF initiatives, currently under consultation, will be worth an additional £1.5 billion. My attention was drawn to the section on youth work and the funding for building and refurbishing outdoor adventure facilities. I was approached recently by about 30 young men from my constituency, aged between 13 and 25, who want to develop a BMX and skateboarding facility. We had a productive meeting with the council. I see that as a great opportunity to empower those young people and to allow them to take ownership of and to develop a partnership project that would otherwise not be open to them. That is potentially an effective use of lottery funding.

Back in 1993, when the lottery was introduced, donations to charity fell. Many people saw the lottery as an alternative way of giving funds to charity. The debate gives us an opportunity to

encourage people to try to contribute directly to charities that they wish to support. That would be a better way for people to support charities.

16:32

**Ms Sandra White (Glasgow) (SNP):** I want to make it clear that no one is against money being distributed to good causes. For a long time, I have championed and campaigned for the good cause of using schools for sports activities outwith school hours.

What concerns me and other members who have spoken in the debate is that the lottery funding road that we are going down is one of pushing through Government policies without adequate consultation. I hope that the minister will look at that. Members have discussed where lottery money is going—into sport in schools, cancer care and child care. As members have said, those are all good causes. That is true, but should not those projects be funded by national money rather than propped up by lottery funding?

I will dare to mention the £5 billion of lost lottery funding. In essence, that loss means that projects may fall and that in other cases, as Mary Scanlon mentioned, it will be impossible to do long-term planning. We must get away from the assumption that we can give money to good causes on a hit-and-miss basis. What will happen to lottery funding next year? Will it fall yet again? We cannot prop up Government policies through lottery funding.

I want to mention the criteria that are used to decide on lottery funding for projects. The groups that seek funding must meet criteria set by the funder. That puts the cart before the horse and it is the wrong way for money to be made available. Local examples of that problem include Maryhill, Whiteinch, Partick and—dare I say it—even Govanhill, which has recently been in the news. All those communities, and many others, want to improve their facilities and yet community centres, swimming pools and schools are being closed down. If local people and their young children are to be encouraged to use their schools, sports facilities and community centres, they should be encouraged to apply for lottery funding, but they cannot get that funding because the projects for which they want it do not match the criteria. That issue has been raised by various members. I hope that the minister will consider it.

I welcome any funding at all, but we should not use lottery money to prop up Government policies. My fear is that we are pushing through those policies with that money. We should have an explanation about that—it should be changed. Mary Scanlon mentioned honesty; I would use the word “dishonest”.

16:35

**Robin Harper (Lothians) (Green):** Short-term funding is an area where there may be an opportunity to issue national policy guidelines and for the Executive to make recommendations to all funding bodies, not just the national lottery.

I have met people running playbuses, for which there is a clear and continuing demand. They provide a welcome service, not least in Edinburgh and Perthshire.

The Polbeth market garden project, which provides encouragement for young people with learning difficulties to find ways into work and many other community initiatives, receives—for example—funding for two or three years. During that period it has a staff of two or three, but from the beginning of the project, one member of that staff spends most of his or her time chasing the next round of funding. That is a complete waste of a project's funding. The Executive and the funding bodies should pay more attention to the effects of that, especially if the funding to the charity concerned is awarded on a rolling basis.

Once a project has received its first round of two-year funding, if clear and continued demand and need and quality of delivery have been proven over those two years, the next round could be for four years. I have raised the point before, and I hope that the minister addresses the issue in his closing speech.

16:37

**Robert Brown (Glasgow) (LD):** This has been an interesting debate. Unfortunately, the consensus throughout the chamber on the issue is not reflected in the motion and the various amendments. There is a greater degree of consensus than it would appear.

It is right, as some members have said, to celebrate the achievements of the national lottery and, in particular, the new opportunities fund, which has funded a range of good, innovative, productive projects that would not otherwise have happened. People have expressed concern about additionality. I share that concern, but the context of that issue is important. If there is adequate local government funding—there has been an increase in that funding in real terms this year—there is less need for councils to rob Peter to pay Paul and the difficulties with voluntary sector support and so on are decreased. The long-term stability of mainstream funding in central and local government is the important back-cloth to the issue of additionality.

What is additionality and which existing projects are we talking about replacing? There would be unanimity throughout the chamber that for a council to close a project and then reopen it with

lottery funding is not an acceptable way of going about things. On the other hand, councils may have powers that are not being used, but which can be advanced or enhanced by new opportunities funding that is more flexible on the fringe. Any advantage that is taken of such opportunities should not necessarily be criticised.

There is a need for a Scottish focus on how priorities are set. The issue should not be seen as an opportunity for an argument between the Parliament, the Executive and Westminster. The issue here is primarily the way in which the voluntary sector's independence of decision making can be enhanced and the sector given some degree of control.

After all, priorities in different parts of the voluntary sector may be slightly different from the priorities of the Parliament, of local authorities or of the Government. I would like to err on the side of giving greater independence and power to the voluntary sector. In that context, the opportunity to have some sort of Scottish committee might be readily enhanced by considering the different sectors of support that the new opportunities fund deals with. I was slightly surprised that Robin Harper did not touch on the environmental aspects of that support and on the transformation fund for environmental projects. Perhaps there is a need for an enhancement of environmental interest in the way that lottery funds are dealt with.

Mike Russell and Donald Gorrie made useful points about the need for endowment and longer-term funding. I support that. Times without number, good projects go forward—under new opportunities funding or otherwise—but when they come to the end of that funding they are not realistically going to be sustained in the long term by private sector income. The idea of enhancing such funding through endowment funding of some sort is a useful and valid concept for projects. The curse of the voluntary sector is the problem of short-term funding and the lack of ability to continue funding in the long term.

None of that should go against the value, interest and importance of the new opportunities fund and the things that it has been able to do. We can say that Scotland is considerably better off today because of the fund's existence than it would otherwise have been. We are talking about ways in which we can tweak the arrangements to make the fund work more effectively, more sensitively, more locally and more in the context of the priorities that the voluntary sector sets.

16:42

**Mr David Davidson (North-East Scotland) (Con):** It is clear that most members understood what I was driving at when I took a simplistic

approach in my amendment to the motion. The original lottery fund was supposed to deliver 25 per cent of its moneys to sports, arts, heritage and charities. That has been cut back to just over 16 per cent.

When the Conservatives left power, funding for the Scottish Arts Council was £32 million. In 2000, it was £21 million—a cutback of 35 per cent. Similarly, sportscotland had a 20 per cent cutback, which highlights my question about where the money went. Did it simply move across, as Mary Scanlon said, to fund announcements from ministers? Are those announcements being paid for from the lottery? We need honesty and transparency and that sort of activity is very depressing to those people who struggle manfully—and womanfully, if that is the right word—to cope in the voluntary sector.

Some very good points have been made in the debate. We all welcome any resource, but we are quite concerned about how things work out in Scotland. After David Mundell talked about modifying the rules on capital and revenue spending, Mike Russell came up with the endowment idea, which has been supported by many.

I have a couple of examples of projects in the north-east of Scotland—a heritage project and a community project with a health benefit. The Dundee Heritage Trust runs the Verdant works and Discovery point, and does major pieces of heritage work. Millions of pounds have gone into the trust from the Conservative Government and from the current Government, but the trust is short of £75,000 of revenue to get through the present lull in tourism and cannot get it. I know that Allan Wilson has kindly got himself involved in that case, but it is an example of the short-sightedness of systems that put in capital, but no revenue support or deficit funding until such groups get themselves under way.

The other example is a project that has been going on for a long time in central Buchan: the Mintlaw community pool project. The local people raised a lot of money and got their lottery applications, but the council claims that, since the new spending round, it cannot afford to put in any deficit funding. That project is supported by doctors and local people. It would be a good resource and would improve people's health, but they cannot have it. They have a load of cash, but they do not have anything to finish off the project and run it in the short term.

Those are two examples of how, if we are to have a discussion, we should discuss the practicalities of how to deal with such matters.

Apart from the minister, I think that most members agree about additionality. Additionality

should be clear. Scotland's voluntary sector has produced things that are impossible to quantify. We know what the voluntary sector has done for the quality of life. It needs encouragement and basic resources. The changes under the Labour Government have removed some of the supports that the voluntary sector had. There is a very bureaucratic system for making applications. That costs money and manpower and many charitable organisations simply cannot cope with it. They will therefore never be in the running to put in a bid for anything. That point has been well made by many members.

We also have to consider the use of the Arbuthnott formula. In Aberdeen and other cities, there are huge areas of terrible deprivation and the Arbuthnott formula actually moves money away. That is not the purpose of the good works that we are discussing.

A Labour Government that is one of the highest-taxing Administrations that this country has known should do better than raid what is voluntarily given in the lottery to fund Government projects.

16:46

**Tricia Marwick (Mid Scotland and Fife) (SNP):**

The debate has been useful and informative. MSPs from all parties have highlighted the increasing importance of lottery funding to communities throughout Scotland and the Government's increasing reliance on lottery funding to deliver its policy objectives. The SNP will support the Conservative amendment.

The stated aims of the new opportunities fund are to address the needs of the most disadvantaged and to encourage community participation. It was good to hear members highlighting the awards in their areas, but I am sure that Cathy Jamieson will forgive me if I do not take up her invitation to jump into the open-air swimming pool, however warm it might be this summer.

The projects that the new opportunities fund is tackling and prioritising are in health and education and include out-of-school learning and child care. The projects in the new round of funding include drug support, palliative care, sport and schools. All those projects are welcome and all are devolved matters.

The new opportunities fund projects are meant to complement the national and local strategies. As many members have said, the new opportunities fund has no Scottish committee to provide a focus or to decide on Scottish allocations. The SNP agrees with the SCVO, which said:

"SCVO would like to record its continued view that all decisions about the Scottish proportion of the New

Opportunities Fund should be the subject of scrutiny by the Scottish Parliament after wide consultation in Scotland".

Elaine Murray said that the SCVO briefing had a fairly nationalistic tone. That notion would be rather bizarre to the authors of the briefing paper and I refer her to the report itself.

Elaine Murray also mentioned additionality as a concern. Donald Gorrie said that the current system is not working. I will return to that later. Ian Jenkins said that we should look at some of the problems.

Despite all the welcome news and the individual projects throughout the country that members have highlighted, the current system is failing in some areas and the basic aims of the new opportunities fund are not being met.

I will expand on the point that I made to the minister. Some of the most deprived areas in Fife—the ex-mining communities—have missed out completely. Not a penny has gone to Kirkcaldy, Levenmouth, Cowdenbeath, Methil or north-east Fife. There is not insufficient funding; money is simply not being accessed. I welcome the minister's comment that that issue has been considered and I would like him to expand on that when he sums up.

The Parliament has no role to scrutinise or oversee the new opportunities fund. We cannot find out why in some areas new opportunities fund money is being accessed and organisations are receiving it while other areas are simply losing out.

Robert Brown delivered a well-argued speech, which deserves further consideration. He made several valuable points. As I said, there is a problem with the new opportunities fund in some areas. Perhaps that is owing to lack of publicity or lack of support and assistance from the local authority. We must examine the new opportunities fund to find out where the problems are. That can be achieved only if this Parliament examines the matter, but it has no remit to do so. That is a failing.

The Parliament should rise to the challenges of the new opportunities fund. This is a useful first debate, but we must have more debates on the matter. There must be greater scrutiny in the Parliament about where the funding is going. More consideration must be given to the priority areas, which should be decided here in Scotland. We should not shy away from our responsibilities. It is our obligation to say that we know that there is a problem and that we want to provide a solution. The problem can best be addressed by this Parliament.

16:51

**Allan Wilson:** I reassure members in all parties

that I do not believe that everything is perfect in the lottery garden. There are parallels with, for example, the European structural funds, as there are peaks and troughs that should be sorted out.

However, several misplaced criticisms have been made. Tricia Marwick and Mike Russell referred to transparency in the powers of the Parliament. Scottish Executive involvement in setting policy directions is not on a grace-and-favour basis; it is part of our constitutional settlement. The concordat between the Department for Culture, Media and Sport and the Scottish Executive sets out that working relationship and provides the flexibility that Tricia Marwick and Mike Russell seek.

The powers to specify initiatives that are to be funded by the new opportunities fund have been split to allow the Scottish Executive to exercise them on devolved matters. The concordat ensures that the Scottish Executive identifies priority areas and funding. Decisions on the detail of individual programmes and applications are a matter for the new opportunities fund. That is an important distinction, because not all lotteries succeed. If a state lottery finds itself open to the accusation that it replaces the money raised in direct taxation, it is liable to fail.

Several of the points that have been made disregard the current arrangements under which the Scottish ministers can and do influence—I have done so myself—the policy and funding directions given to the NOF. There is a Scottish member of the NOF board and the NOF has a Scotland office in Glasgow. There are complete devolved and delegated powers for Scotland on a number of the programmes—on healthy living centres, for example. Powers are also delegated on the land fund. The powers on the fresh futures fund are devolved to Scotland Forward and Scottish Natural Heritage.

Cathy Jamieson made a good point. There would be no sport in schools or the community without the work of volunteers. The voluntary sports sector represents a substantial proportion of Scotland's third sector. That represents the opportunity that Cathy Jamieson mentioned. It is an opportunity for the voluntary sector, which is welcomed by volunteers in communities, even if not by the SCVO.

I repeat that I am delighted that PE and sport in schools have been identified as a high priority in the next round of NOF initiatives. Sport makes a substantial contribution to many areas of Scottish life. We want to make Scotland a genuinely sporting nation.

Sport and physical activity play a key part in our attack on health problems. Participation in sport can be an attractive alternative to anti-social

activities and criminal behaviour. It contributes to a modern inclusive society. Links between sport and children's academic attainment and overall achievement are increasingly being recognised. Sport helps to develop personal and social skills, to raise self-esteem and to promote self-discipline, respect, teamwork and a sense of fair play. All those skills are required in the new economy.

I say to Donald Gorrie that NOF investment complements existing programmes. It will not replace Exchequer funding or funding through sportscotland's lottery funding, including the active primary schools programme, the TOP programmes, the sports facilities programme and the school sports co-ordinator scheme. Those links will continue and will be expanded.

Although Scotland's health record is getting better, we still have some way to go in improving the population's health. However, the coronary heart disease task force report proposes specific strategies to deal with heart disease and strokes and the Executive's new cancer strategy will be published early next month. Those strategies include targets to reduce inequalities in health, which is a priority embedded in the Executive's fight for social justice.

Mary Scanlon, Linda Fabiani and other members raised the issue of additionality. The UK Government, the Scottish Executive and the NOF are committed to the principle of additionality. Above all else, we are making a significant investment through our health spending, which is set to increase by more than £400 million each year, from £5.9 billion this year to more than £6.7 billion in 2003-04.

**Michael Russell:** Will the minister give way?

**Allan Wilson:** No. I have only a limited amount of time and I would like to continue. I am sure that the member will agree that we have had a fair debate.

An additional sum of £287 million was announced only this morning, and new opportunities funding is additional to such record resources.

The same applies to child care. Our child care strategy is vital to the provision of good-quality pre-school education and child care for the benefit of children and working parents. We should all welcome the new new opportunities initiative that will access all programmes and ensure continued success with a particular focus on supporting projects in areas of disadvantage.

David Davidson, Robin Harper and other members raised the issue of sustainability, which is reflected in the division between capital and revenue spending in the new initiative.

**Mary Scanlon:** Will the minister give way?

**Allan Wilson:** Not at the minute.

I agree with Robert Brown that the debate did not reflect the amendments, which are inaccurate and misleading and should be opposed. David Mundell and other Conservative members have said throughout that, when the Conservatives set up the system, lottery funding was not meant to be distributed in the way that it now is. I agree—we have changed it and there will be no return to the Conservative methodology of lottery funding that benefited those with the most at the expense of those with the least.

The new opportunities fund programmes are popular with the people and we will prioritise spending within them on health, education, sport and the environment and on combating drug abuse. In doing so, we will match the people's priorities.

As pleased as I was to see Mike Russell survive Mr Swinney's night of the long spoons, I do not believe that he and the SNP will survive the people's judgment. The people's priorities of health, education, sport, the environment and combating drug abuse do not equate with the SNP's fixation on constitutional navel-gazing.

Three weeks ago, the people spoke, and the SNP would do well to listen. If it maintains its current rate of electoral progress under Mr Swinney's leadership, it will pass the Tories on its way down the popularity stakes. I ask Parliament to support the motion and to reject the amendments.

## Parliamentary Bureau Motions

16:59

**The Presiding Officer (Sir David Steel):** The next item of business is consideration of two Parliamentary Bureau motions. I should tell the chamber that we ought to have notified members in this morning's bulletin that there have been two changes to the membership of the bureau. Tricia Marwick has been replaced by Fiona Hyslop and Lord James Douglas-Hamilton has been replaced by Alex Johnstone. Any member of the bureau can move the motions and I call on Fiona Hyslop to do so. [*Applause.*]

*Motions moved,*

That the Parliament agrees that the following instruments be approved—

the Food Protection (Emergency Prohibitions) (Paralytic Shellfish Poisoning) (West Coast) (Scotland) Order 2001 (SSI 2001/237); and

the Food Protection (Emergency Prohibitions) (Paralytic Shellfish Poisoning) (Orkney) (No.2) (Scotland) Order 2001 (SSI 2001/241); and

the Farm Business Development (Scotland) Regulations 2001 (SSI 2001/202).

That the Parliament agrees that the following members be appointed to committees—

Lord James Douglas-Hamilton to replace Phil Gallie on the Justice 1 Committee;

Jamie McGrigor to replace Alex Johnstone on the Rural Development Committee;

Phil Gallie to replace John Scott on the Public Petitions Committee;

Bill Aitken to replace Lyndsay McIntosh on the Justice 2 Committee;

Lyndsay McIntosh to replace Bill Aitken on the Social Justice Committee and to replace Jamie McGrigor on the Equal Opportunities Committee;

John Scott to replace Murray Tosh on the Transport and the Environment Committee.—[*Fiona Hyslop.*]

## Points of Order

17:00

**Fiona Hyslop (Lothians) (SNP):** On a point of order, Presiding Officer. I understand that a written question was lodged today concerning the Regulation of Care (Scotland) Bill. The Parliament may be surprised to learn that we have tried to amend UK reserved legislation. I thank the Executive in advance for its answer.

The SNP would like to complete the powers of the Parliament in areas such as finance, but we want to do so deliberately, not by accident. I understand that it is in nobody's interest to delay the progress of the bill, but I am concerned about how the Parliament has been informed about the problem and its remedy by use of section 107 of the Scotland Act 1998, which is what I understand has been agreed to by Scottish ministers today.

Do you agree that it is important that the Parliament should take a close interest in any proposed use of the Scotland Act 1998 in respect of our legislation? Will you reassure the Parliament that the procedure that is being followed today—a written question being lodged and answered on the same day—is not a precedent? Also, will you look at a procedure to determine how the Parliament views this use of the act? It may have more serious significance in future.

**The Presiding Officer (Sir David Steel):** I am grateful to the member for giving me notice of that point of order. I shall explain the situation for members who may not know what we are talking about.

As members know, after a bill has been passed by the Parliament, it goes to the law officers for a month before I send a letter to the Queen, asking her to give it royal assent. On this occasion, the lawyers spotted a minor technical problem with the Regulation of Care (Scotland) Bill, which was brought to my attention yesterday. With my agreement, the First Minister has agreed to rectify the matter under section 107 of the Scotland Act 1998. An answer to a parliamentary question, informing members of that action, was available from 4 o'clock this afternoon.

In answer to the member's point of order, I do not regard this as creating any kind of precedent. Should a similar problem arise in the future—and we hope that it does not—I would expect us to revisit the options that are open to us.

**Ms Margo MacDonald (Lothians) (SNP):** On a point of order, Presiding Officer. I wish to raise a point of order under standing order 1.6, which

refers to the code of conduct for members of the Scottish Parliament. Under section 2.10—accountability and openness—the code states:

“Members have a duty to be as open as possible about their decisions and actions.”

As the Minister for Parliament misled the Parliament last Thursday when he stated that to his certain knowledge no ceremony was being planned to take place in the new Parliament building in March 2003 and as he has not replied to the letter that I sent to him last Friday, in which I provided proof of the initial planning for such a ceremony, I ask you to rule that, in accordance with the Scottish ministerial code, paragraph 1.1(c), the minister should give

“accurate and truthful information to the Parliament, correcting any inadvertent error at the earliest opportunity.”

I refer to only the first sentence of that paragraph, as I have no proof of the relevance of the second sentence, which states that

“Ministers who knowingly mislead the Parliament will be expected to offer their resignation”.

I regret having to raise this matter at this time, but it is the last opportunity for the minister's misleading statement to be corrected before the Parliament goes into recess. It is also, presumably, the last opportunity for you to be made aware that the Parliament's information officer was able to confirm the possibility of a ceremony, although the Minister for Parliament, replying for the Executive, denied it and stated that such a ceremony was a figment of my imagination.

It cannot be in order for such a misleading statement to stand uncorrected on the record. That implies a corruption of the Parliament's processes of accountability and of responsibility for public finances, as the planning—never mind the organisation—of a closing or opening ceremony has budgetary implications.

**The Presiding Officer:** I heard the member say that she had written to the minister, but has not had a reply. No doubt she will get a reply in a few days' time. I am sure of that.

The minister may well have shared my view, which is that no such ceremony has ever been discussed by the parliamentary authorities and I make that quite clear. Reports that a ceremony is definitely going to take place on a certain date in March are simply untrue. It may well be that such a date is pencilled in on documents at the Holyrood site, because people must work to targets. As Presiding Officer, I would know if there were to be such a ceremony and I assure the member that there is not. If and when there is to be a ceremony, the Parliament will be the first to know. That is the answer to the substance of the question.



I do not think that the minister misled the Parliament.

**Ms MacDonald:** With respect, and further to your ruling, Presiding Officer, the letter to the Minister for Parliament was delivered by hand last Friday. As the matter concerns the misleading of the chamber—however inadvertently—it appears that I have not been replied to “at the earliest opportunity”, as the code of conduct for the Executive says I should have been.

**The Presiding Officer:** The phrase “at the earliest opportunity” is rather elastic. Given that the letter was sent last Friday and today is only Thursday, by the general standard of ministerial responses, you still have a bit of time to go. [*Laughter.*] I do not mean that unkindly. It is not unreasonable to expect some days to pass before a minister replies to a letter. I advise Ms MacDonald that, if she has still not had a reply by the time we reconvene after the recess, she should raise the matter again.

**Ms MacDonald:** On a point of order.

**The Presiding Officer:** I think that the chamber has been patient with the member.

**Ms MacDonald:** Indeed. I made a special effort to come here today because I think it important that the chamber not be misled. You have confirmed that the date may have been pencilled in and that there may be initial planning. If an Executive spokesperson confirms to newspapers that a plan has been pencilled in, can the allegation that it is a figment of my imagination be struck from the record?

**The Presiding Officer:** I can only repeat that there is no plan to hold a closing ceremony for this parliamentary session. No decision has been made and there has not even been any discussion that there might be one. I think that that is the point that the Minister for Parliament was trying to make in response to the member. However, I will let him make a response to the member in writing and she can decide whether she is satisfied or not.

## Decision Time

17:07

**The Presiding Officer (Sir David Steel):** We now come to decision time. The first question is, that motion S1M-1994, in the name of Alasdair Morgan, on the general principles of the Protection from Abuse (Scotland) Bill, be agreed to.

*Motion agreed to.*

That the Parliament agrees to the general principles of the Protection from Abuse (Scotland) Bill.

**The Presiding Officer:** The next question is, that motion S1M-2042, in the name of Mike Watson, on the budget process, be agreed to.

*Motion agreed to.*

That the Parliament notes the 10<sup>th</sup> Report, 2001 of the Finance Committee, *Stage 1 of the 2002/03 Budget Process* (SP Paper 364) and commends the recommendations to the Scottish Executive.

**The Presiding Officer:** The next question is, that amendment S1M-2043.1, in the name of Michael Russell, which seeks to amend motion S1M-2043, in the name of Allan Wilson, on the new opportunities fund, be agreed to. Are we all agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**FOR**

Adam, Brian (North-East Scotland) (SNP)  
 Campbell, Colin (West of Scotland) (SNP)  
 Canavan, Dennis (Falkirk West)  
 Crawford, Bruce (Mid Scotland and Fife) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Elder, Dorothy-Grace (Glasgow) (SNP)  
 Ewing, Dr Winnie (Highlands and Islands) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Ewing, Mrs Margaret (Moray) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Gibson, Mr Kenneth (Glasgow) (SNP)  
 Grahame, Christine (South of Scotland) (SNP)  
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)  
 Harper, Robin (Lothians) (Green)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Mr Adam (South of Scotland) (SNP)  
 Lochhead, Richard (North-East Scotland) (SNP)  
 MacAskill, Mr Kenny (Lothians) (SNP)  
 Marwick, Tricia (Mid Scotland and Fife) (SNP)  
 Matheson, Michael (Central Scotland) (SNP)  
 McLeod, Fiona (West of Scotland) (SNP)  
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Mr Gil (Central Scotland) (SNP)  
 Quinan, Mr Lloyd (West of Scotland) (SNP)  
 Reid, Mr George (Mid Scotland and Fife) (SNP)  
 Robison, Shona (North-East Scotland) (SNP)  
 Russell, Michael (South of Scotland) (SNP)  
 Sheridan, Tommy (Glasgow) (SSP)  
 Stevenson, Stewart (Banff and Buchan) (SNP)  
 Sturgeon, Nicola (Glasgow) (SNP)

Swinney, Mr John (North Tayside) (SNP)  
 Ullrich, Kay (West of Scotland) (SNP)  
 Welsh, Mr Andrew (Angus) (SNP)  
 White, Ms Sandra (Glasgow) (SNP)  
 Wilson, Andrew (Central Scotland) (SNP)

#### AGAINST

Aitken, Bill (Glasgow) (Con)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Barrie, Scott (Dunfermline West) (Lab)  
 Brankin, Rhona (Midlothian) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)  
 Davidson, Mr David (North-East Scotland) (Con)  
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)  
 Douglas-Hamilton, Lord James (Lothians) (Con)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 Fergusson, Alex (South of Scotland) (Con)  
 Finnie, Ross (West of Scotland) (LD)  
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)  
 Gallie, Phil (South of Scotland) (Con)  
 Gillon, Karen (Clydesdale) (Lab)  
 Godman, Trish (West Renfrewshire) (Lab)  
 Goldie, Miss Annabel (West of Scotland) (Con)  
 Gorrie, Donald (Central Scotland) (LD)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (Edinburgh Pentlands) (Lab)  
 Harding, Mr Keith (Mid Scotland and Fife) (Con)  
 Henry, Hugh (Paisley South) (Lab)  
 Home Robertson, Mr John (East Lothian) (Lab)  
 Hughes, Janis (Glasgow Rutherglen) (Lab)  
 Jackson, Dr Sylvia (Stirling) (Lab)  
 Jackson, Gordon (Glasgow Govan) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)  
 Johnstone, Alex (North-East Scotland) (Con)  
 Kerr, Mr Andy (East Kilbride) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Lyon, George (Argyll and Bute) (LD)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 Macintosh, Mr Kenneth (Eastwood) (Lab)  
 MacKay, Angus (Edinburgh South) (Lab)  
 MacLean, Kate (Dundee West) (Lab)  
 Macmillan, Maureen (Highlands and Islands) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McAllion, Mr John (Dundee East) (Lab)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)  
 McGrigor, Mr Jamie (Highlands and Islands) (Con)  
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)  
 McLeish, Henry (Central Fife) (Lab)  
 McLetchie, David (Lothians) (Con)  
 McMahan, Mr Michael (Hamilton North and Bellshill) (Lab)  
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)  
 Morrison, Mr Alasdair (Western Isles) (Lab)  
 Muldoon, Bristow (Livingston) (Lab)  
 Mulligan, Mrs Mary (Linlithgow) (Lab)  
 Mundell, David (South of Scotland) (Con)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Murray, Dr Elaine (Dumfries) (Lab)  
 Oldfather, Irene (Cunninghame South) (Lab)  
 Peacock, Peter (Highlands and Islands) (Lab)

Peattie, Cathy (Falkirk East) (Lab)  
 Radcliffe, Nora (Gordon) (LD)  
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Scott, Tavish (Shetland) (LD)  
 Simpson, Dr Richard (Ochil) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 Smith, Iain (North-East Fife) (LD)  
 Smith, Mrs Margaret (Edinburgh West) (LD)  
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Thomson, Elaine (Aberdeen North) (Lab)  
 Tosh, Mr Murray (South of Scotland) (Con)  
 Wallace, Ben (North-East Scotland) (Con)  
 Wallace, Mr Jim (Orkney) (LD)  
 Watson, Mike (Glasgow Cathcart) (Lab)  
 Whitefield, Karen (Airdrie and Shotts) (Lab)  
 Wilson, Allan (Cunninghame North) (Lab)

**The Presiding Officer:** The result of the division is: For 36, Against 81, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that amendment S1M-2043.2, in the name of David Davidson, which seeks to amend motion S1M-2043, in the name of Allan Wilson, on the new opportunities fund, be agreed to. Are we all agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

#### FOR

Adam, Brian (North-East Scotland) (SNP)  
 Aitken, Bill (Glasgow) (Con)  
 Campbell, Colin (West of Scotland) (SNP)  
 Canavan, Dennis (Falkirk West)  
 Crawford, Bruce (Mid Scotland and Fife) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Davidson, Mr David (North-East Scotland) (Con)  
 Douglas-Hamilton, Lord James (Lothians) (Con)  
 Elder, Dorothy-Grace (Glasgow) (SNP)  
 Ewing, Dr Winnie (Highlands and Islands) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Ewing, Mrs Margaret (Moray) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Fergusson, Alex (South of Scotland) (Con)  
 Gallie, Phil (South of Scotland) (Con)  
 Gibson, Mr Kenneth (Glasgow) (SNP)  
 Goldie, Miss Annabel (West of Scotland) (Con)  
 Grahame, Christine (South of Scotland) (SNP)  
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)  
 Harding, Mr Keith (Mid Scotland and Fife) (Con)  
 Harper, Robin (Lothians) (Green)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Mr Adam (South of Scotland) (SNP)  
 Johnstone, Alex (North-East Scotland) (Con)  
 Lochhead, Richard (North-East Scotland) (SNP)  
 MacAskill, Mr Kenny (Lothians) (SNP)  
 Marwick, Tricia (Mid Scotland and Fife) (SNP)  
 Matheson, Michael (Central Scotland) (SNP)  
 McGrigor, Mr Jamie (Highlands and Islands) (Con)  
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)  
 McLeod, Fiona (West of Scotland) (SNP)  
 McLetchie, David (Lothians) (Con)  
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)  
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)  
 Mundell, David (South of Scotland) (Con)

Neil, Alex (Central Scotland) (SNP)  
 Paterson, Mr Gil (Central Scotland) (SNP)  
 Quinan, Mr Lloyd (West of Scotland) (SNP)  
 Reid, Mr George (Mid Scotland and Fife) (SNP)  
 Robison, Shona (North-East Scotland) (SNP)  
 Russell, Michael (South of Scotland) (SNP)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Stevenson, Stewart (Banff and Buchan) (SNP)  
 Sturgeon, Nicola (Glasgow) (SNP)  
 Swinney, Mr John (North Tayside) (SNP)  
 Tosh, Mr Murray (South of Scotland) (Con)  
 Ullrich, Kay (West of Scotland) (SNP)  
 Wallace, Ben (North-East Scotland) (Con)  
 Welsh, Mr Andrew (Angus) (SNP)  
 White, Ms Sandra (Glasgow) (SNP)  
 Wilson, Andrew (Central Scotland) (SNP)

#### AGAINST

Baillie, Jackie (Dumbarton) (Lab)  
 Barrie, Scott (Dunfermline West) (Lab)  
 Brankin, Rhona (Midlothian) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)  
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 Finnie, Ross (West of Scotland) (LD)  
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)  
 Gillon, Karen (Clydesdale) (Lab)  
 Godman, Trish (West Renfrewshire) (Lab)  
 Gorrie, Donald (Central Scotland) (LD)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (Edinburgh Pentlands) (Lab)  
 Henry, Hugh (Paisley South) (Lab)  
 Home Robertson, Mr John (East Lothian) (Lab)  
 Hughes, Janis (Glasgow Rutherglen) (Lab)  
 Jackson, Dr Sylvia (Stirling) (Lab)  
 Jackson, Gordon (Glasgow Govan) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)  
 Kerr, Mr Andy (East Kilbride) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Lyon, George (Argyll and Bute) (LD)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 Macintosh, Mr Kenneth (Eastwood) (Lab)  
 MacKay, Angus (Edinburgh South) (Lab)  
 MacLean, Kate (Dundee West) (Lab)  
 Macmillan, Maureen (Highlands and Islands) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McAllion, Mr John (Dundee East) (Lab)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)  
 McLeish, Henry (Central Fife) (Lab)  
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)  
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Morrison, Mr Alasdair (Western Isles) (Lab)  
 Muldoon, Bristow (Livingston) (Lab)  
 Mulligan, Mrs Mary (Linlithgow) (Lab)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Murray, Dr Elaine (Dumfries) (Lab)  
 Oldfather, Irene (Cunninghame South) (Lab)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)

Radcliffe, Nora (Gordon) (LD)  
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)  
 Scott, Tavish (Shetland) (LD)  
 Sheridan, Tommy (Glasgow) (SSP)  
 Simpson, Dr Richard (Ochil) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 Smith, Iain (North-East Fife) (LD)  
 Smith, Mrs Margaret (Edinburgh West) (LD)  
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Thomson, Elaine (Aberdeen North) (Lab)  
 Wallace, Mr Jim (Orkney) (LD)  
 Watson, Mike (Glasgow Cathcart) (Lab)  
 Whitefield, Karen (Airdrie and Shotts) (Lab)  
 Wilson, Allan (Cunninghame North) (Lab)

**The Presiding Officer:** The result of the division is: For 52, Against 65, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that motion S1M-2043, in the name of Allan Wilson, on the new opportunities fund, be agreed to. Are we all agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

#### FOR

Baillie, Jackie (Dumbarton) (Lab)  
 Barrie, Scott (Dunfermline West) (Lab)  
 Brankin, Rhona (Midlothian) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Canavan, Dennis (Falkirk West)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)  
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 Finnie, Ross (West of Scotland) (LD)  
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)  
 Gillon, Karen (Clydesdale) (Lab)  
 Godman, Trish (West Renfrewshire) (Lab)  
 Gorrie, Donald (Central Scotland) (LD)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (Edinburgh Pentlands) (Lab)  
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)  
 Harper, Robin (Lothians) (Green)  
 Henry, Hugh (Paisley South) (Lab)  
 Home Robertson, Mr John (East Lothian) (Lab)  
 Hughes, Janis (Glasgow Rutherglen) (Lab)  
 Jackson, Dr Sylvia (Stirling) (Lab)  
 Jackson, Gordon (Glasgow Govan) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)  
 Kerr, Mr Andy (East Kilbride) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Lyon, George (Argyll and Bute) (LD)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 Macintosh, Mr Kenneth (Eastwood) (Lab)  
 MacKay, Angus (Edinburgh South) (Lab)  
 MacLean, Kate (Dundee West) (Lab)  
 Macmillan, Maureen (Highlands and Islands) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McAllion, Mr John (Dundee East) (Lab)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)

McLeish, Henry (Central Fife) (Lab)  
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)  
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Morrison, Mr Alasdair (Western Isles) (Lab)  
 Muldoon, Bristow (Livingston) (Lab)  
 Mulligan, Mrs Mary (Linlithgow) (Lab)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Murray, Dr Elaine (Dumfries) (Lab)  
 Oldfather, Irene (Cunninghame South) (Lab)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 Radcliffe, Nora (Gordon) (LD)  
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)  
 Scott, Tavish (Shetland) (LD)  
 Simpson, Dr Richard (Ochil) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 Smith, Iain (North-East Fife) (LD)  
 Smith, Mrs Margaret (Edinburgh West) (LD)  
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Thomson, Elaine (Aberdeen North) (Lab)  
 Wallace, Mr Jim (Orkney) (LD)  
 Watson, Mike (Glasgow Cathcart) (Lab)  
 Whitefield, Karen (Airdrie and Shotts) (Lab)  
 Wilson, Allan (Cunninghame North) (Lab)

#### ABSTENTIONS

Adam, Brian (North-East Scotland) (SNP)  
 Aitken, Bill (Glasgow) (Con)  
 Campbell, Colin (West of Scotland) (SNP)  
 Crawford, Bruce (Mid Scotland and Fife) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Davidson, Mr David (North-East Scotland) (Con)  
 Douglas-Hamilton, Lord James (Lothians) (Con)  
 Elder, Dorothy-Grace (Glasgow) (SNP)  
 Ewing, Dr Winnie (Highlands and Islands) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Ewing, Mrs Margaret (Moray) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Fergusson, Alex (South of Scotland) (Con)  
 Gallie, Phil (South of Scotland) (Con)  
 Gibson, Mr Kenneth (Glasgow) (SNP)  
 Goldie, Miss Annabel (West of Scotland) (Con)  
 Grahame, Christine (South of Scotland) (SNP)  
 Harding, Mr Keith (Mid Scotland and Fife) (Con)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Mr Adam (South of Scotland) (SNP)  
 Johnstone, Alex (North-East Scotland) (Con)  
 Lochhead, Richard (North-East Scotland) (SNP)  
 MacAskill, Mr Kenny (Lothians) (SNP)  
 Marwick, Tricia (Mid Scotland and Fife) (SNP)  
 Matheson, Michael (Central Scotland) (SNP)  
 McGrigor, Mr Jamie (Highlands and Islands) (Con)  
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)  
 McLeod, Fiona (West of Scotland) (SNP)  
 McLetchie, David (Lothians) (Con)  
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)  
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)  
 Mundell, David (South of Scotland) (Con)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Mr Gil (Central Scotland) (SNP)  
 Quinan, Mr Lloyd (West of Scotland) (SNP)  
 Reid, Mr George (Mid Scotland and Fife) (SNP)  
 Robison, Shona (North-East Scotland) (SNP)  
 Russell, Michael (South of Scotland) (SNP)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Sheridan, Tommy (Glasgow) (SSP)  
 Stevenson, Stewart (Banff and Buchan) (SNP)

Sturgeon, Nicola (Glasgow) (SNP)  
 Swinney, Mr John (North Tayside) (SNP)  
 Tosh, Mr Murray (South of Scotland) (Con)  
 Ullrich, Kay (West of Scotland) (SNP)  
 Wallace, Ben (North-East Scotland) (Con)  
 Welsh, Mr Andrew (Angus) (SNP)  
 White, Ms Sandra (Glasgow) (SNP)  
 Wilson, Andrew (Central Scotland) (SNP)

**The Presiding Officer:** The result of the division is: For 67, Against 0, Abstentions 50.

#### *Motion agreed to.*

That the Parliament welcomes the New Opportunities Fund's commitment to social inclusion, equality and diversity and to working in partnership with other agencies and organisations at a national and local level; endorses the priorities identified by the Scottish Executive for the third round of initiatives; welcomes the Fund's intention to join the small-scale grants Awards for All scheme in Scotland; further welcomes the contribution which New Opportunities Fund funding will make to reinvigorating sport in schools, increasing community use of school based sports facilities and providing attractive alternatives for young people to criminal and anti-social behaviour, and notes with approval that the Fund is currently consulting widely on the detailed arrangements for delivering these initiatives.

**The Presiding Officer:** The next question is, that motion S1M-2056, in the name of Mr Tom McCabe, on the approval of Scottish statutory instruments, be agreed to.

#### *Motion agreed to.*

That the Parliament agrees that the following instruments be approved—

the Food Protection (Emergency Prohibitions) (Paralytic Shellfish Poisoning) (West Coast) (Scotland) Order 2001 (SSI 2001/237);

the Food Protection (Emergency Prohibitions) (Paralytic Shellfish Poisoning) (Orkney) (No 2) (Scotland) Order 2001 (SSI 2001/241); and

the Farm Business Development (Scotland) Regulations 2001 (SSI 2001/202).

**The Presiding Officer:** The final question is, that motion S1M-2052, in the name of Mr Tom McCabe, on membership of committees, be agreed to.

#### *Motion agreed to.*

That the Parliament agrees that the following members be appointed to committees—

Lord James Douglas-Hamilton to replace Phil Gallie on the Justice 1 Committee;

Jamie McGrigor to replace Alex Johnstone on the Rural Development Committee;

Phil Gallie to replace John Scott on the Public Petitions Committee;

Bill Aitken to replace Lyndsay McIntosh on the Justice 2 Committee;

Lyndsay McIntosh to replace Bill Aitken on the Social Justice Committee and to replace Jamie McGrigor on the Equal Opportunities Committee; and

John Scott to replace Murray Tosh on the Transport and the Environment Committee.

## Endometriosis

**The Presiding Officer (Sir David Steel):** The final item of business today is a members' business debate on motion S1M-1970, in the name of Miss Annabel Goldie, on endometriosis.

*Motion debated,*

That the Parliament notes the debilitating effect which endometriosis has upon many women in Scotland; acknowledges the need for greater awareness of this disease amongst the general public and the medical profession, and encourages greater co-operation between relevant organisations and individuals to facilitate the early diagnosis and treatment of the disorder.

17:12

**Miss Annabel Goldie (West of Scotland) (Con):** I have pleasure in opening the debate on the motion in my name. I thank colleagues for supporting the motion and for being present. In particular, I thank the Scottish Parliament information centre for a helpful research note.

I welcome to the public gallery sufferers of endometriosis, their families and their friends. It is good to have them here with us.

I have a broad political point to make for the last debate before the recess. It is a point in support and defence of our Parliament. By our Parliament, I mean not just the Parliament of the MSPs, but the Parliament of our visitors in the gallery and of people beyond. The point is that, this evening, we are debating in Edinburgh the condition endometriosis. Before 29 May 2001, I could not have told you what that was. I had never heard of it. I do not suffer from it. However, on 29 May I received an e-mail from two constituents—a husband and wife—that detailed the condition. It sounded deeply unpleasant, is clearly not well known and apparently affects 1.4 per cent of women of child-bearing age in Scotland. The age group of women between 25 and 44 is particularly susceptible.

I wondered about lodging a parliamentary question, but then I thought, "No. Lodge a motion for debate and find out whether more MSPs can be involved, whether we can address points to the minister and perhaps open up the debate." Here we are, less than a month later, doing just that. Without a Scottish Parliament, that would have been impossible. I hope that our visitors, whatever their political beliefs, feel involved, noticed and relevant. I also hope that they realise that they have triggered the accessibility, accountability and responsiveness that the Parliament is intended to demonstrate. That seems a good footnote for the end of our second year.

The dictionary definition of endometriosis is:

"A condition in which tissue more or less perfectly resembling the uterine mucous membrane (the endometrium) and containing typical endometrial granular and stromal elements occurs aberrantly in various locations in the pelvic cavity."

We may not feel much the wiser after that. The reality of the condition for many women of child-bearing age is pain, possible bleeding, acute discomfort before and during menstruation, and in some instances symptoms of irritable bowel syndrome, lethargy and even infertility. All that is accompanied by all the embarrassment and discomfort that such an unpleasant condition induces.

The only compensation for getting on a bit is that the condition will usually disappear with the menopause. The only certain diagnosis is by a laparoscopy or, occasionally, by a laparotomy, which is a major operation and a very intrusive piece of surgery. The treatment for the condition—treatment, not cure—is principally either hormonal or surgical, but complementary medicine can also play a role.

I realise that many members want to speak, and it is not for me to outline the details of the condition and its many facets and forms. I am sure that other members will be able to give much more competent and personal contributions in that respect.

I will set out what it is important for this debate to achieve. I would welcome the minister's comments on how we bring a focus to tackling endometriosis in Scotland. I have ascertained—largely by e-mail, but I have spoken to one of them—from general practitioners that there is an awareness of the condition but that there is an acceptance that it is a difficult one.

I suggest to the minister that we consider some of the issues involved. That would raise public awareness of this unpleasant disease and, I hope, serve as a constructive influence in trying to widen the debate and assist with a more strategic attitude towards how we deal with it.

One question that springs to mind is whether we can assist GPs with training. Could we formulate guidelines, to aid diagnosis? That might help many women who know that they are suffering, but who have no idea what is affecting them. Perhaps we could instigate a specialist referral procedure. Could we perhaps build on the work of the health department's chief scientist office, which has already done excellent work in Scotland and has a database on the condition? We could perhaps also develop a national framework for the treatment of the disease in Scotland.

I have a message to women in Scotland: do not be put off going to the doctor because of shyness,

self-consciousness or embarrassment. Help can be provided, and the most important thing is for that help to be obtained when it is needed. Many of the unpleasant, debilitating and painful consequences of the condition can be alleviated to some extent.

I hope that by having this debate this evening we will make our contribution to the broadening of awareness and to a more informed debate about the disease: let us hope that the Parliament can be the instrument for delivering more help to those who are afflicted by it.

17:18

**Elaine Smith (Coatbridge and Chryston) (Lab):** I start, of course, by congratulating Annabel Goldie on securing this important debate. This is a subject that receives very little recognition and I believe that it is an issue of discrimination against women in the health service. I do not want to dispute Annabel's figures, but a figure provided by Women's Health estimates that as many as 10 per cent of women suffer from the condition. Given the lack of diagnosis by GPs and the lack of knowledge about the condition among women, I suspect that the figure could be substantially higher.

I was aware of the condition before, but became even more aware of it because I have two friends who are suffering from it. What is the condition? It is thought to be the second most common gynaecological condition, and it is one of the most complex. It is a painful, chronic disease that affects many women during their reproductive years. The endometrium is the tissue lining the uterus. In response to hormonal commands, it builds up, breaks down and is shed every month, during menstruation.

With endometriosis, the tissue is found outside the uterus, in different locations. It still develops and continues to respond to the same hormonal commands, but, unlike with periods, the blood and tissue has nowhere to go. That can cause internal bleeding, inflammation, the formation of scar tissue and adhesions. That in turn can cause extreme pain, bladder and bowel problems and infertility.

Some women experience no pain or symptoms and their problems can be recognised only because of infertility investigations or during other surgery. However, for many women, the pain is absolutely intolerable. There are a number of symptoms, but endometriosis can be conclusively diagnosed only by a laparoscopy, as Annabel Goldie pointed out. Its causes are unknown and there is no known cure. Various types of treatment are available, ranging from hormone treatment to surgery, but, unfortunately, hormone treatment

can cause side effects, including temporary infertility. Some women have found alternative therapies helpful, but unfortunately there has been very little research to demonstrate their effectiveness.

Various theories have been advanced about the causes of endometriosis. Suggested causes include genetic predisposition and retrograde menstruation. One very disturbing theory is that environmental toxins may be involved. Studies have shown that certain environmental toxins, such as dioxin and petrochemicals, can exacerbate endometriosis. More work needs to be done on that theory.

We do not know the cause of endometriosis, there is no cure and diagnosis often takes years—years of pain, suffering and mental anguish for some women. I mentioned my two friends who are suffering from this condition. Both are young women in their early 30s. One of them, May, was fobbed off for years by her GP, who told her that she probably had irritable bowel syndrome. After suffering unbelievable pain and discomfort, she moved to England and signed on with a female GP, who immediately diagnosed endometriosis. Within six months she had the surgery to which Annabel Goldie referred—a laparotomy—and her condition is now much improved. She told me that the relief of knowing what was wrong was unbelievable, as she had been convinced that there was something terminally wrong with her.

In retrospect, it is easy to think that May could have been more assertive with her original GP, but it is hard for women to tell GPs how to do their job. Women know their bodies; they know when something is far wrong, but they are at the mercy of their GPs. Too many GPs—particularly male ones—fob women off by saying that they are just experiencing what women have to go through every month. Worse, they consider them to be hysterical females with a low pain threshold.

In Scotland, the average time for diagnosis of endometriosis is seven years, which is absolutely shocking. The minister must consider ways of changing that. We must reduce delays in diagnosis by ensuring that GPs are better informed about this condition and able to recognise it. Like Annabel Goldie, I ask the minister to commit himself to a publicity campaign to raise awareness of endometriosis among GPs and among women. He should use his influence to ensure that endometriosis is included in GP training. He could also commit himself to encouraging GP specialists in this area. A national strategy could include a campaign to publicise the disease, better and quicker diagnosis, research into the causes of endometriosis, development of better ways of managing it and, ultimately, a cure. There must be resourcing of services to provide

support to women and their families.

Physical pain and suffering is not the only way in which endometriosis affects women's lives. It can also mean infertility. There is a postcode lottery not only when it comes to diagnosis and treatment of endometriosis—the same applies to assistance with infertility treatment. That is another issue we need to address.

We must put an end to the shocking treatment of many women with endometriosis. We need recognition, diagnosis, research and sympathetic treatment of women by the health service. We need resources to ensure that those things are available and to support the societies and groups that help the women affected. Given that the Minister for Finance and Local Government has announced extra money today, this may be a good day to highlight the needs of women with endometriosis. Perhaps the Deputy Minister for Health and Community Care can press for some of that money to be used to tackle this horrendous disease.

17:23

**Mr Kenneth Gibson (Glasgow) (SNP):** I congratulate Annabel Goldie on securing this debate. I also congratulate her and Elaine Smith on their passionate and informed speeches.

As I have a mother, a wife and a daughter, this issue is important to me, just as it is important to many of the women who are here today. I find it bizarre that in the 21<sup>st</sup> century, although this disease has been known for many decades—indeed, for many generations—we do not appear to have advanced very far in its diagnosis or treatment. It is extremely important not only that more resources are dedicated to research into this painful condition, but that we examine how other societies deal with it.

Unfortunately, it is clear that many women are ignorant of endometriosis. As has been said, many may have the disease but be unaware of it. As is the case in many debates that we have on health issues, it is clear that there is no joined-up thinking on this matter. There is no doubt that there are examples of best practice in Scotland and further afield, but we do not appear to be able to bring them together to ensure that the maximum number of women in Scotland benefit. If we can put a man on the moon, surely we must be able to find a cause and a cure for endometriosis. Perhaps we have not been looking hard enough.

I regret the fact that Scotland's first Parliament has not shown as much interest in endometriosis as it should have done. Only one parliamentary question has been asked about the condition—I am pleased that my colleague, Kay Ullrich, lodged that question. Some money is being dedicated to

research, but £200,000 is insufficient to address the full implications of the condition.

Elaine Smith said that GPs need to be educated on the diagnosis of endometriosis if we are to avoid some of the problems that she mentioned in her speech. GPs must be taught to deal with the condition sensitively, particularly if it leads to infertility. That tragic circumstance has affected many women.

If we are to allow more women to go through life without having to endure this extremely painful condition, we must advance our knowledge of endometriosis and prioritise finding a cure and a better way of diagnosing it.

17:26

**Mary Scanlon (Highlands and Islands) (Con):** I, too, would like to thank Annabel Goldie for initiating this debate. Like her, I can barely pronounce the condition, let alone understand it—and even less spell it. It is a great advantage that the Parliament is able to raise awareness of such conditions.

I was quite concerned when I examined the potential impact of the condition on fertility. That is part of a much larger issue, which I hope the Parliament will address in future.

**Elaine Smith:** Does Mary Scanlon agree that it is unacceptable that some health boards will help with fertility treatment and that others will not? Strangely, women who live in the Highland Health Board area are often able to receive treatment in another health board area, whereas women in those areas cannot.

**Mary Scanlon:** The passion with which Elaine Smith speaks on this subject has been mentioned. I advise her that women from Wick and Skye in the Highland Health Board area must spend a lot of time travelling, at great expense, to Aberdeen for treatment. Perhaps we could agree to hold a debate on that issue.

Annabel Goldie's motion led me to an extremely helpful website: ScotEndo, which was set up by Susan and Sandra. I also learned that there is an endometriosis awareness day on 4 July. The ScotEndo website is a wonderful source of information on the causes and treatment of endometriosis. The website shares information and provides guidance and tremendous support to women.

I was unaware of the condition until I prepared for the debate. Some figures show that 2 million women in the United Kingdom suffer from endometriosis. Whichever figures are correct, it is likely that around 200,000 women in Scotland are affected. I share the concern about the average time taken to diagnose the condition. As Kenny

Gibson said, one cannot consider treatment until diagnosis has been made, yet in Scotland it can take seven years from the onset of symptoms to diagnosis, compared with six months in England. That is quite unacceptable.

I hope that the minister will give an update on Susan Deacon's written answer of 11 December 2000. Given that there are four projects in Scotland—one is supported by the health department's chief scientist office—I hope that some of that research has been concluded and that we are moving towards Scottish intercollegiate guidelines network guidelines and the kind of protocol that Annabel Goldie asked for, which will enable better diagnosis.

I will conclude with a quotation from the website:

"Endometriosis is not an infection.

Endometriosis is not contagious.

Endometriosis is not cancer."

The debate has been highly informative and I look forward to hearing the minister's response.

17:30

**The Deputy Minister for Health and Community Care (Malcolm Chisholm):** I congratulate Annabel Goldie on obtaining today's debate, which will help to raise the profile of endometriosis in Scotland. The timing of the debate is appropriate, as an awareness day for endometriosis takes place next week, on 4 July.

As a man, I will never suffer directly from the condition, but I have read about the symptoms and can imagine how debilitating and distressing it must be. Perhaps the most distressing thing is the fact that endometriosis can cause fertility problems. It is estimated that between 3 and 10 per cent of women between 15 and 45 have endometriosis. Endometriosis accounts for 25 to 30 per cent of women who have fertility problems. As Elaine Smith reminded us, endometriosis is the second most common gynaecological condition in this country.

Various members made important points about the need for the greater awareness to which the motion refers. Greater awareness of the condition is needed among the general public and I hope that today's debate has helped. I will certainly consider Elaine Smith's suggestions about an information campaign. We are developing an information strategy for patients in the health service, which I am sure will take on board the points that have been made today.

Awareness among general practitioners is also required, which Annabel Goldie referred to when she suggested that guidelines be provided. I am pleased that the Royal College of Obstetricians

and Gynaecologists has produced UK-wide guidelines on the investigation and management of endometriosis. The guidelines have brought together the latest knowledge and best practice and are based on clinical evidence and treatment of endometriosis. The guidelines also examine the options for treatment in the light of symptoms and associated infertility. The guidelines will, if necessary, be reviewed and updated in 2004.

The guidelines have been distributed to all the fellows and members of the Royal College of Obstetricians and Gynaecologists and been made available to the Royal College of General Practitioners. I hope that the guidelines will lead to earlier and better diagnosis of endometriosis, although, having spoken to GPs, I know that they do not always receive the guidelines that are sent to them. One GP suggested that local health care co-operatives should look at the endometriosis guidelines—and, indeed, other protocols that they receive—as part of clinical governance. We will certainly try to take that work forward as well.

The NHS in Scotland provides treatment that can help reduce or eliminate the symptoms, such as hormone treatment, which has been referred to, and laparoscopic or conventional surgery. Hysterectomy is a last resort.

The Scottish Executive is aware that service provision could be improved. All members referred to problems with infertility treatment, which we recognise has, in the past, been variable. Last year, the report of the expert advisory group on infertility services in Scotland was published. It set out how the management of delivery of infertility services could provide equity of access to services and treatment and so end the postcode lottery for treatment across Scotland. NHS boards and trusts are now working on how best to implement the report's recommendations. Officials in the health department have recently written to boards and trusts to ask for information on what progress has been made to date.

The need for further research has also been mentioned. Two endometriosis research projects in Scotland are currently being funded through research funds that have been made available through the chief scientist office. The projects, at Aberdeen University, are looking at a particular form of treatment for the conditions and the most suitable form of anaesthesia for that treatment.

The motion also refers to the need for greater co-operation. Because of its unfortunate tendency to recur, endometriosis might be said to come into the category of chronic enduring conditions. In "Our National Health: A plan for action, a plan for change", the Executive promised that we and the NHS would work closely with patient support groups to ensure that the needs of those with chronic enduring conditions are met. As the plan



states:

"These groups possess a powerful and valuable insight into the spectrum of needs of people suffering from enduring health problems. We want to ensure that these support groups are closely involved in service design and delivery at both a local and national level."

One of those groups is clearly the National Endometriosis Society. I pay tribute to the work of that society. It is based in England but it could, of course, apply to the Scottish Executive health department for funding for its work here in Scotland.

I hope that we have learned more about endometriosis today. I commend Annabel Goldie for drawing this little-understood condition to our attention. As she said—and this is a fitting way to end our debate—it is a tribute to the accessibility, accountability and responsiveness of the Scottish Parliament that this debate has been held here today.

However, we will not rest content with having discussed the issue. I undertake to work in the ways that I have indicated. I thank all members who have contributed today and helped to draw more attention to this very serious condition. It certainly needs our attention.

**The Deputy Presiding Officer (Mr George Reid):** That concludes this debate on endometriosis. To those who are now heading off, I wish you happy holidays.

*Meeting closed at 17:36.*



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