

MEETING OF THE PARLIAMENT

Wednesday 2 October 2002
(*Afternoon*)

Session 1

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Scottish Parliament

Wednesday 2 October 2002

(Afternoon)

[THE PRESIDING OFFICER *opened the meeting at 14:30*]

Time for Reflection

The Presiding Officer (Sir David Steel): To lead our time for reflection this afternoon, we welcome, from the Scottish Episcopal Church, the Bishop of Moray, Ross and Caithness, the Right Rev John Crook.

Right Rev John Crook (Bishop of Moray, Ross and Caithness, Scottish Episcopal Church): I am sure that members will have heard of the prolonged thunderstorm with torrential rain that caused localised flooding in the city of Inverness over a weekend last month. On the Sunday morning, I walked around the cathedral looking up at the rones and down pipes, as I am sure that that is the best time to note the leaks and blockages.

It is only when you look up that you notice two small carvings, high up on one of the walls. One is of a horse and the other is of a wheel. Why are they there? The guidebooks tell us that, when the cathedral was built in the 1860s, two men were responsible for its construction. They were one of my predecessors, Bishop Robert Eden, and the local architect, Alexander Ross. Both were remarkable men, but not even they could have done all the work on their own. There would have been stonemasons, carpenters, plumbers, slaters and glaziers and a variety of skilled artists, craftsmen and tradesmen, not forgetting the strong labourers. The large stones were lifted by means of pulley wheels, using the strength of horses pulling on the ropes attached to their harnesses. The two carvings remind us that many—both man and beast—laboured to build the beautiful cathedral.

God gives to each of us a wide variety of different gifts and abilities. Some of those are obvious and visible. Other gifts, particularly in the young, may be hidden and could remain so if not brought out and nurtured by parents and teachers. We need to learn to value and respect one another's different abilities and strengths.

The apostle Paul, when speaking of the church, uses the analogy of the human body. All the different parts and organs need to function properly for the whole body to function efficiently and effectively. What St Paul says about the

different functions, ministries or gifts in the church is surely true in all life. Let us appreciate and respect that we depend on the work and skills of others. Let us never take for granted those who work for us and with us; those who have, in the past and in the present, assisted us in building the achievements we claim as "our own".

You need to raise your eyes to see the small memorials of the horse and the wheel on the cathedral wall. May we always have our eyes raised and open to notice all who labour, who give faithful service, and acknowledge them by at least a smile of gratitude and recognition.

Local Government in Scotland Bill: Stage 1

The Presiding Officer (Sir David Steel): Our main item of business today is the stage 1 debate on motion S1M-3128, in the name of Andy Kerr, on the general principles of the Local Government in Scotland Bill. I call Peter Peacock to speak to and move the motion.

14:35

The Deputy Minister for Finance and Public Services (Peter Peacock): The Local Government in Scotland Bill is significant and forms part of the reforming agenda that we share with local government in Scotland. The bill gives new powers and new duties, including broad new powers to advance community well-being, new duties to secure continuous improvement through best value and new responsibilities and duties to bring about better-integrated and responsive public services through community planning. The bill contains a range of other tidying provisions.

We engaged in a lengthy consultation process on the bill. I am pleased that we have moved into the detailed parliamentary phase, during which the Executive and the Local Government Committee have work to do to refine the proposals. I pay tribute to the Local Government Committee's work. The committee has shown a detailed interest in the bill and the stage 1 report shows that that interest will continue. I am pleased that other parliamentary committees have contributed their thoughts to the process. I am also pleased that, for the most part, the Local Government Committee strongly endorses and supports the principles of the bill. I look forward to dealing with many of the detailed points that the committee raised as we move through today's debate and the committee meetings in the weeks ahead.

Along with many other members, I was a councillor and council leader prior to entering Parliament. It is a particular pleasure for me to have a hand in bringing about many changes—for which I argued as a councillor—to the environment in which local government operates. My time in local government was predominantly during the Tory years—those awful dark days that dominated the country for such a long time. I see that even the Conservative members agree with that point.

In those awful times, local government was consistently under attack and, as many members know, was seen as the enemy within. Restriction after restriction was put in place to constrain local government, to tell it what to do and to limit its freedom. During those dark days the poll tax emerged; there were spending guidelines and penalty regimes; there was capping and grant

clawback; and compulsory competitive tendering emerged in its most ruthless form. That Tory regime considered the cost of everything, but the value of nothing. It required local authorities to come to particular conclusions on service delivery, whatever their democratic preferences or service delivery requirements. CCT largely prevented the joining up of local government and the balancing of quality with cost.

Thankfully, since 1997, the sun has begun to shine again on local government and more enlightened times have emerged. We want to develop trust in local government and give it more responsibility than it had in the past.

The bill must be considered in the context of a much wider reforming agenda. That agenda has already abolished spending guidelines; got rid of the prospect of expenditure capping; provided three-year budgets to councils to give them more time to plan services and make changes; secured guaranteed minimum grant increases; reintroduced a four-year term for councils to give more continuity and a greater planning horizon; and secured a bill to allow the piloting of new forms of election administration to encourage voter turnout. We have recently announced plans to make progress on our renewing local democracy agenda.

The Local Government in Scotland Bill is about demonstrating trust, allowing local leaders to lead and giving them the tools to do their job, and working with other agencies and the communities that they serve, all within a clear framework of what is expected. The bill is an important part of the more general drive towards better public services and is geared towards delivering effective, efficient, high-quality and constantly improving services. Through the bill, we want to imbue a culture of continuous improvement in service delivery and a culture of quality and equality.

Partnership working between the Executive and key stakeholders has helped to develop the policy and shape of the bill. Many people have been involved—too many to mention—but thanks should be given to them all. The process has been more than simply a consultation; there has been on-going dialogue to develop policies that will deliver the results that we want. An important benefit of the bill is that its three key elements—the power to advance community well-being, best value and community planning—are deliberately presented in an integrated way. We plan significant guidance to support the bill, which will bolster it and reinforce its joined-up and interlinking nature.

Local authorities are already working in ways that are consistent with what the bill is trying to achieve. Best value is a management tool familiar

to local authorities and community planning is beginning to make a real impact in all sorts of communities throughout Scotland. However, the measures in the bill are designed to ensure that those processes happen consistently, everywhere and over time. The issues are too important to allow them to be optional extras. The concept of best value is not new; it is already a reality for councils. Local authorities that are familiar with best value have claimed ownership of it, and much good practice has emerged. The duty of best value in the bill reflects and builds on existing practice and repeals the foundations of the CCT regime.

In its stage 1 report, the Local Government Committee makes the point that it wants best value to apply across the whole of the public sector. That is exactly in tune with our policy. Indeed, we have used the powers that are available to us under the Public Finance and Accountability (Scotland) Act 2000 to apply best value to all accountable officers throughout the wider public sector. However, the committee points to the fact that, at some future time, those instructions to accountable officers could change without reference to the Parliament. I recognise that point. The Executive is considering how we might meet the committee's preference for a new statutory duty of best value throughout the public sector. Prior to the start of stage 2, we will explore a range of options to see how that matter might best be advanced. We will keep in close touch with the committee about how it may be possible to progress matters.

The committee has also raised the question of sustainable development being a consideration in the making of best value decisions. We have been considering that. As Parliament knows, the promotion of sustainable development is at the heart of the Executive's thinking. Embedding sustainable development in statute is something with which, in principle, the Executive has no difficulty; the question is what is practical. What can we reasonably do in the bill to embed that principle meaningfully so that it drives improvement in a way that can be demonstrated? We will explore a range of possibilities, prior to the start of stage 2, to see how sustainable development might be advanced in the bill, and we will keep in close touch with the committee on that.

On matters of enforcement, the committee suggests that it would be appropriate to subject any ministerial intervention to the negative procedure, or at least to ensure that Parliament has a power to annul ministerial direction. However, we do not think that there is a distinction between the negative procedure and annulment in this context—the effect is the same in both cases. A direction that was made by the minister would be vulnerable to a motion to annul it in the

Parliament. That is a complex area and one that we must get right. I plan to write to the committee, explaining in detail why we do not agree with its suggestions. I will be happy to discuss the matter with the committee through the normal channels, as we move to stage 2.

Nonetheless, we are proposing to amend the bill in relation to intervention. As a small amendment at stage 2 will make clear, there will be two routes to an outcome involving ministerial intervention. The first will be via the independent Accounts Commission and will depend on its recommending possible actions after detailed consideration and a public hearing. The second route for interventions will be when—in wholly exceptional circumstances—ministers have to take action without having received a recommendation from the Accounts Commission. In the bill, we suggest that Parliament should tightly fetter our discretion to take any such action and the power is clearly intended for emergencies only. In essence, we are anxious that any actions that Parliament takes on the bill do not undermine the authority or independence of the Accounts Commission. Further, we are anxious to ensure that any emergency action that may exceptionally be required is not compromised by the effect of a potential annulment, however such an annulment might be achieved. As I said, I will write to the Local Government Committee fully on that matter, and I am happy to give further clarification in summing up, if members want to press me further on that today.

The committee also recommends that we repeal all existing considerations that are deemed to be non-commercial for the purposes of contract negotiations under CCT, as well as voluntary tendering exercises. However, best value is about decisions that are made on the basis of objective business criteria, and we expect prejudice and discrimination—matters that are covered by non-commercial considerations—to have no place in those decisions. There are no measures within best value that explicitly prohibit prejudice and discrimination in the same way that the non-commercial considerations list does. For those reasons, we are reluctant to go further than we plan and remove the list entirely. The committee feels that it is a matter of tone rather than substance, but we believe that there is substance to the point.

I turn now to community planning. No organisation in today's context can work in isolation if it is to meet complex, modern needs. The complexity of tackling crime, improving health and stimulating enterprise means that agencies must pull together. We also want services to be responsive to the needs of people and communities. That means listening and reacting to what people and communities have to say to us.

We need to ensure the effective delivery of shared objectives through continuing co-operation and long-term commitment. Local authorities, other bodies and communities have worked well in developing joint visions and agreeing joint objectives. The bill will ensure the continuing engagement of key participants in community planning, maintain the momentum that has been built and support the difficult decisions that need to be taken to improve the planning and delivery of services.

I am pleased to say that the Local Government Committee strongly supports community planning, and made pertinent recommendations. The Committee commented on the bill's provisions concerning the engagement of communities in the planning process. The importance of effective community consultation and engagement in community planning is not in question. Community planning will work well only if the views of the people who use the services are properly taken into account in planning and providing those services. We must get better at taking account of those views.

We also need to engage with and support those within our communities who do not traditionally engage in these kinds of debates. People want a real exchange of views and a chance to share their experience of local services. They also want those views to make a difference to the design of services.

Bruce Crawford (Mid Scotland and Fife) (SNP): The minister and I were local government leaders when the community planning pathfinders were introduced some six years ago. I am glad to see that there are community planning provisions in the bill. However, does the minister share my concern that not enough organisations have given credence to the democratic legitimacy of local councillors pulling together local plans? Does he agree that other organs of government in Scotland need to accept that democratic legitimacy? What can the minister do—for example, in terms of amendment at stage 2—that might strengthen that democratic legitimacy?

Peter Peacock: We have already recognised that point in the bill, which gives local authorities the role of facilitating the community planning process and ensuring that it happens. The bill also places a requirement on other bodies to participate in the process. We put local government at the heart of community planning by giving it that clear, new responsibility because we recognise the point that Bruce Crawford made. Local authorities are uniquely multifunctional in their local community and have a democratic legitimacy that others cannot claim at the local level.

On the point that I was developing prior to Bruce Crawford's intervention, I will look further at what

the Local Government Committee suggests about community involvement, but even its suggestions depend on guidance to bring that to life. We are not convinced at this stage that the bill should prescribe to local authorities the detailed arrangements that they should use in the planning process. Diversity and breadth of interest within Scotland's communities means that such decisions are best taken locally. That is part of the trust that we should place in local authorities as facilitators of the process.

We will continue to work with voluntary and community bodies and their importance will be highlighted in and underlined by the statutory guidance that will accompany the bill. However, it must be remembered that we have proposed a duty for local authorities on behalf of the community planning partnership, not only to consult with community bodies and others, but to ensure that that extends to continuing co-operation. The bill is clear on that point.

I welcome the committee's acceptance that the list of bodies with a duty to participate in community planning need not be added to at present. The list is intended to capture the core community planning partners in any area and, as the committee recognised, there are other means of engaging. We have constantly made the point that the success of community planning will rely on a wide range of public, private and voluntary bodies working together. That will be reinforced in guidance.

We have also listened to consultations and recognise that the Executive should lead by example on community planning. That is why we intend to lodge an amendment at stage 2 that would introduce a duty on ministers to promote and encourage community planning, thereby giving it strength and recognition.

We also note the committee's desire particularly to secure the commitment of Communities Scotland. I can assure the Parliament that Communities Scotland is engaging and will continue to engage in community planning. The general duty being placed on ministers also covers Communities Scotland, as an Executive agency, and will support its involvement.

The Local Government Committee also considered evidence that suggested that provision should be made to allow the incorporation of community planning partnerships. I said in stage 1 evidence that I was sympathetic to the idea of incorporation, but only if the partners thought that that was the right way forward and were ready to take that step.

That remains my view. There is no basis for forcing incorporation on community planning partnerships. In moving forward, we must make it

clear that incorporating CPPs cannot be about duplicating existing duties. We must be aware of issues of accountability. However, in some areas an incorporated body may perform a valuable co-ordinating function between agencies. As the committee recognised, a number of details need to be worked out. We will consult further before proposing an enabling power at stage 2.

Ultimately, community planning is about achieving specific outcomes that can make a difference to people's lives and communities. That is why the bill emphasises community planning partnerships' reporting progress to communities, rather than making the production of a plan or submission to ministers the focus of their reporting activity. We are clear that the duty to report should rest with local authorities, as the facilitators of community planning. However, I recognise that other key partners must participate in that reporting arrangement. I am willing to consider whether there is scope to clarify that at stage 2, and in guidance.

It has been suggested that the statutory basis for community planning should include the production of a plan. I have always made it clear that the focus of community planning should be the process of better planning and the delivery of services. There is no doubt that as part of that process most, if not all, community planning partnerships will want to produce a plan. We will strongly encourage them to do that. However, we must not see the production of a plan as the statutory purpose of community planning. That concern was borne out in consultation. I am not persuaded that a duty to produce a plan is needed. Indeed, I fear that any such duty would divert attention from the primary purpose of community planning as a process.

The committee made the important point that any plan could serve as a basis for assessing performance. We think that such provision can be made effectively in the statutory guidance that we plan to produce, which we will share with the committee as we move forward.

It is clear that community planning should lead to greater efficiencies in the way in which public services are delivered. Community planning cannot be about more bureaucracy or more staff. However, we are aware that when setting challenges for community planning to bring about more effective partnership, we may need to provide resources to assist the process of changing the working practices between agencies that community planning requires. That has been a recurring theme of the work of the community planning task force. I am willing to investigate the possibility of providing limited initial match funding to assist that process.

In many cases we should seek the better integration of existing and new funding packages,

instead of setting up entirely new mechanisms. The Executive has key responsibility in this area. For example, we have decided that the outcome of the consultation on community budgeting is that community planning partnerships should be the vehicle for developing our approach. My colleague Margaret Curran will make an announcement shortly on how community budgeting is to be progressed.

The proposed new power to advance well-being was widely welcomed in the consultation and in the committee's work. It is clear that it is seen as a power of first resort and an important tool to encourage creativity and innovation. The power to advance well-being is a real power of general competence, as recommended in the McIntosh report and talked about for years before that. I am pleased that the committee supports the new power.

Many of the committee's recommendations on the power to advance well-being relate to guidance, rather than to provisions in the bill. The committee noted that the power would be restricted in circumstances where its use would duplicate unreasonably the functions of other agencies. Although the committee accepted that principle, it pointed out that the prior consent of another agency would not amount to unreasonable duplication. I am sympathetic to that point. We will consider how to clarify the matter at stage 2.

Bruce Crawford: The bill would give a local authority

"power to do anything which it considers is likely to promote or improve the well-being of—

- (a) its area and persons within that area; or
- (b) either of those."

Does the minister support a development that has taken place in Germany, where Aschaffenburg local council owns a vineyard for the purpose of growing and bottling wine to sell to the populace?

Peter Peacock: I am all in favour of wine. I know that global warming is having a big impact on Scotland, but I am not sure that it will raise temperatures enough to allow Perth and Kinross Council to grow wine—although I may be wrong.

However, Bruce Crawford makes an interesting point. In the past, the practice was for local authorities not to do things unless they were empowered specifically to do them. We are trying to remove that limitation on the work of local authorities. When I was a council leader, I found that before doing something I had to consult lawyers several times. I had to rephrase my question until I received the answer that I required. I had to explore all sorts of statutes to find the powers that enabled me to do things. I am sure

that Bruce Crawford and others have had the same experience. We are trying to reverse that to give a power of first resort so that if a council believes that something is for the well-being of its area it can act, unless it is specifically prohibited from doing so by other statutes. I would argue that that is a major advance.

Tommy Sheridan (Glasgow) (SSP): Given that I am a teetotaler I will not pursue the wine-growing line of questioning.

Does the minister envisage that in the pursuit of the general power of well-being within the community, local authorities will ever be able to extend their borrowing powers? The power of well-being will be limited by restrictions on local authorities' borrowing powers, so does the minister envisage opportunities for the borrowing powers to be extended?

Peter Peacock: The member's being teetotal may explain quite a lot and that is not a course that I have chosen to follow to date. On Tommy Sheridan's point about borrowing powers, I have explained that we will lodge an amendment at stage 2 to repeal the section 94 borrowing consents that exist and move to an entirely new regime of how we deal with the public-sector financing of capital projects. That will give councils much more latitude to make decisions. Within the power of well-being it will be possible for councils to make decisions that would require financing in some way or another. The section 94 powers that I referred to, and the new powers, will give councils much more flexibility on those matters.

I am conscious that time is moving on. The bill also has a range of miscellaneous provisions and the Local Government Committee has considered and approved them. I should make clear our intention to introduce other miscellaneous items at stage 2 and I shall write to the convener shortly with full details of those items. In addition, a number of refinements will be needed in the light of our consideration of the bill before progress is made. We will, therefore, introduce amendments to core parts of the bill as we move to stage 2. I will write to the convener of the Local Government Committee with much more detail of that in due course.

The bill represents an important step forward in our modernisation agenda and our drive for better public services. It has been developed in partnership with those who will use it day in, day out to develop and deliver services and better meet the needs of our communities. It continues the process of freeing up councils and advances our agenda of giving more trust and responsibility to councils and it helps to strengthen local democracy.

I move,

That the Parliament agrees to the general principles of the Local Government in Scotland Bill.

14:57

Tricia Marwick (Mid Scotland and Fife) (SNP): The SNP will support the broad principles of the bill, but we believe that it is a wasted opportunity. The one thing that cannot be said about the bill is that it is bold; indeed, it is not. Although it addresses some of the issues in local government today, it does not represent the kind of reform that could have been introduced and which would revitalise Scottish local government. The Local Government in Scotland Bill was to be the Executive's flagship local government bill, but the Executive has delivered a bill that covers best value, community planning and the power of well-being, but goes no further.

I was interested in the minister's final remarks when he said that he will lodge miscellaneous amendments to the bill at stage 2 and that he will share those with the convener of the Local Government Committee. I would like to hear from the minister when he is summing up what kind of amendments he will lodge.

The McIntosh commission, to which the minister referred, considered the whole issue of renewing local democracy. Many of us had hoped that many of the McIntosh recommendations would have been included in the Executive's flagship local government bill. The measures in the bill are perfectly reasonable, but there is no mention of councillors, nor is there mention of proportional representation for local government, which would be a significant measure that would renew local government and release its potential. There are a number of concerns about well-being, community planning and best value.

At this stage, I pay tribute to the work of the Local Government Committee, which has—as it always does—scrutinised the bill thoroughly and fairly. The members of the committee have the thanks of the rest of us in the Parliament for the work that they have done on this and other bills.

I turn now to best value. I feel—so, indeed, did the Local Government Committee—that securing best value could become problematic if different public bodies are subject to different guidance, which would result in different public bodies potentially interpreting and pursuing best value in different ways. That could lead to problems in achieving best value through partnership working, ultimately devaluing best value and undermining partnership working practices. When that issue was raised, the deputy minister indicated in a memorandum that steps would be taken to ensure that guidance

“is consistent between local government and these other bodies”.

I am not persuaded that guidance alone is enough. If bodies are to work with local authorities, it is only right and proper that best value be applied equally to them all and that the matter is not left to interpretation.

There also appears to be uncertainty over whether the powers and duties of the Auditor General in relation to the Scottish Executive and public bodies have been modified to take best value into account. An element of confusion has been introduced, but that confusion could be remedied easily if the bill were to provide for common guidance, audit and enforcement.

There is also a lack of clarity around the duty to secure best value and the duty in relation to community planning. It has not been considered necessary to use primary legislation to place on accountable officers a duty to secure best value, whereas it has been considered necessary to do so in order to place a duty on them to participate in the community planning process. That apparent double standard calls into question the Executive's commitment to best value. Although I welcome the minister's comments, I would still like the bill to include a statutory framework for best value that would be applied throughout the public sector. If best value and community planning are to work and if they are to give local authorities the impetus to develop policies, the bill must include that statutory framework.

Local businesses and local communities have an impact on sustainable development, which we must consider in relation to securing best value. The bill's policy memorandum places great emphasis on sustainable development and on how

"local authorities will want to consider the impact on sustainable development"

of the bill.

We must recognise and acknowledge the requirements of sustainable development in order to allow councils to address those requirements. The lack of a definition of sustainable development causes another problem. Should that definition appear in the bill, or will the statutory guidelines contain a sufficiently robust definition? It would be useful if the deputy minister would indicate—before stage 2—what the guidelines are likely to include. If it appears that the Executive's proposals for statutory guidance are insufficiently robust, members of the Local Government Committee and others would be better informed as to whether to lodge amendments to the bill on that matter. It is not good enough to leave until a later date the debate on whether the guidelines are sufficiently robust.

The work of local authorities is vital to the well-being of the communities that they serve. Any changes to working practices must come under

the scrutiny of the Parliament. Under the provisions of the Public Finance and Accountability (Scotland) Act 2000, the principal accountable officer for Scotland—the permanent secretary—can change the terms of reference of other accountable officers to include best value. That also means that the principal accountable officer could remove best value without the approval of the Parliament, which is simply unacceptable. The functions of council accountable officers must fall under the scrutiny of the Parliament, and the Parliament must have the power to scrutinise any binding directions to councils on what they do and how they do it. It is a matter of concern that such an undertaking will not come under the scrutiny of the Parliament or of the Local Government Committee. When the deputy minister sums up the debate, I would be grateful if he would explain what the term "substantial harm" means with reference to issuing such directions.

I repeat that the bill is a lost opportunity. It fails to address some of the major issues that affect local government, which is a disappointment, given that we are three and a bit years into the life of the Parliament. I am disappointed by the bill, as, I believe, are many others. The Executive has failed to deliver—the bill could have done so much more. Although the broad principles of the bill are perfectly reasonable, it has been a wasted exercise.

15:04

Mr Keith Harding (Mid Scotland and Fife)
(Con): I declare my registered interest as a member of Stirling Council.

I thank Eugene Windsor, the clerk to the Local Government Committee, and his staff, for guiding us through the Local Government in Scotland Bill in their usual efficient manner.

As local government spokesman for the Scottish Conservatives, I will try to wake the press up and liven the debate up a bit. I am acutely aware of the need for reform in local government and, with the passage of three and a half years since the publication of the McIntosh report, it is certainly time that things moved on. Unfortunately, the Local Government in Scotland Bill, combined with the affront to democracy that was the Scottish Local Government (Elections) Act 2002 which, despite the McIntosh report's recommendation, buried local government elections under those for the Scottish Parliament in order to hide the pitiful records of Labour-controlled authorities, is yet another waste of parliamentary time. I am pleased that the SNP has now come on board, despite the fact that it approved the Local Government Committee's stage 1 report to the Parliament.

That said, we have no real problems with the principles of the current proposals. We fully

support raising the status of local government, although we have grave doubts as to whether the substitute for compulsive competitive tendering will deliver the benefits of the existing legislation.

On 11 June at the Local Government Committee, I asked Bill Anderson from the Forum of Private Business in Scotland:

"Is the repeal of compulsory competitive tendering the right way forward?"

Bill Anderson answered:

"There is a question mark over that. We understand that lowest cost is not necessarily the only criterion that should be taken into account and that quality, too, must be taken into account, but we have doubts about the best-value criteria. They look loose and do not seem firm enough. We think that things should be considered in practice."—*[Official Report, Local Government Committee, 11 June 2002; c 3051.]*

I will mention the three main provisions of the bill in turn, so that we can analyse the need for statutory codification. First, the bill proposes a statutory duty of best value—a bureaucratic system that is already entrenched in local government and which, as I said, may not prove to be as effective as compulsory competitive tendering. Secondly, the bill proposes a statutory footing for community planning, which better councils already successfully undertake. Community planning should be decided by individual councils because of local variation; it should not be subject to national interference and direction. Community planning is yet another Conservative initiative that has been adopted by new Labour. Our policy was based on Conservative values of partnership work with the voluntary and private sectors. Councils that do not practise that should face the backlash of the electorate, not threats from the centre.

Thirdly, the power of well-being is just a sop to local government. Councils sought, and the McIntosh commission recommended, a power of general competence in line with most other European countries. The Scottish Executive does not trust local councils, however, so what has been proposed is a watered-down version of that power. I am still waiting to hear what councils will be able to do that they cannot already do. Some Labour council leaders may have experienced difficulties; I certainly did not experience any in Stirling—we did everything that I tried to do.

The power of well-being makes no practical difference to councils' powers, because authorities will still be under the constraint of having to avoid acting *ultra vires*, as is the case now. The Scottish local government information unit—SLGIU—agreed with that. In fact, I am getting concerned about the number of occasions on which the SLGIU agrees with me and on which I agree with Labour members about that. In its February 2002 bulletin, the SLGIU stated:

"The proposed 'power of wellbeing' falls far short of the Power of General Competence recommended by McIntosh and supported by most local authorities and the SLGIU. Although the power of well-being is an advance on the current legal situation it will not provide a fundamental change in the character of local government. It is merely a strengthening of the existing power given to local authorities to incur expenditure which might benefit their area ... The proposals to give Ministers the power to modify the meaning of well-being through statutory instrument devalues the significance of that power".

Although we have sympathy with the general principles of the bill, we see no need for such practices to be enshrined in statute. We also have concerns that the overall message that the Executive gives to local councils in wishing to pass the bill is that it does not trust them and that it wishes to assert greater central control. How can the Executive possibly say that it supports the institution of local government while proposing a bill that totally demeans the concept of local democracy and accountability? The two simply do not match.

Let me reiterate that the Scottish Conservatives support the principles that are enshrined in the bill, but we want councils to have the choice whether to implement them. The consequence of not doing so should be rejection by the electorate. We believe in local democracy, but the Executive believes in central imposition.

The bill represents a lost opportunity in the drive towards local government modernisation. If the bill is passed, 2002 will have seen the passing of two bills that relate to recommendations from the McIntosh committee. The first bill confirmed the Executive's view that local government is simply an extension of the centre by rendering its elections subordinate to the Parliament's. The second bill, as I have shown, is a waste of time and demeans democracy by imposing central initiatives at a local level.

There is one more bill to come that will deal with the McIntosh committee's remaining recommendations, including those on councillor remuneration and proportional representation. As we all know, that bill will be about political leverage and balancing the need to keep the support of Labour councillors with the need to hold together the most fragile of coalitions.

Within the miscellaneous provisions of the Local Government in Scotland Bill, two issues have not been addressed. I seek assurances from the minister that amendments on those issues will be moved at stage 2. In answer to a written question, assurances were given that the bill would address concessionary fares for males over 60—perhaps I should declare an interest. In his previous life as Deputy Minister for Local Government, Frank McAveety assured me more than two years ago that current legislation—that is, section 59 of the

Local Government (Scotland) Act 1973—would be relaxed to allow persons under 21 to be co-opted on to council committees.

I am bitterly disappointed that the bill, which has taken so long to come before Parliament, will do little to reassure deeply disillusioned councillors, who see their only role now as being to identify cuts in core services to meet the priorities that are being imposed on them by the most centralising Government ever.

The Executive is totally bereft of ideas. It wastes parliamentary time on irrelevant issues, it consults but never listens and its leadership lacks vision, as was confirmed by one of its former members this week. The bill's only aim is to prop up a tired and inept coalition, not to deliver for the aspirations and needs of Scotland.

The Scottish Conservatives would not waste time thinking of ways to demean local government. As the only true party of local government in Scotland, we would give local authorities the ball and let them run with it. We cannot support the bill.

The Presiding Officer: The time limit on back-bench speeches in this debate will be six minutes.

15:12

Iain Smith (North-East Fife) (LD): I can tell that there is great enthusiasm from back benchers for the extension to their time limit in this debate.

The Presiding Officer: The extension is due only to the temperance of the opening speakers.

Iain Smith: Perhaps I should speak slowly, then.

Unlike the rather sad contribution from the Conservatives, who support the general principles of the bill but will not support the bill—a rather strange position—and unlike the lukewarm welcome from the SNP, my speech will say why this is such an important occasion.

I have been in public service for more than 20 years, having first been elected to Fife Regional Council in 1982, but this is the first time that I have seen Government legislation that is about enhancing rather than cutting back the power of local government. The bill is a significant step forward. Throughout the Tory years, there was a systematic campaign to destroy local government. Functions such as further education, economic development and tourism were removed. Budgets—capital budgets in particular—were cut and councils could not deal with problems in their housing supply because the power to provide new housing was removed. The infamous compulsory competitive tendering was also introduced. All those things led to a diminished role for councils in responding to the needs and aspirations of the

communities that they serve. In many cases, the lack of direct funding led to distortions of priorities as council budgets were skewed towards match funding the projects of external agencies.

Mr David Davidson (North-East Scotland) (Con): Mr Smith mentioned that tourism and further education were torn away from local government. Why has it never been his party's policy to return those functions to local government? What has Mr Smith asked the Executive to do about that since he came to the Parliament?

Iain Smith: I was talking about how local government's powers were stripped away when the Conservatives were in power. The bill is the first step towards moving back to a situation whereby local government's powers can be enhanced. Community planning is important in dealing with issues such as tourism, economic development and working with further education colleges. Those are important aspects; the fact that many of our further education colleges are having financial problems may be a reflection on the unfortunate way in which they were set up in the first place.

This bill starts to address some of the issues that local government has faced over the years. There are other areas where more needs to be done, which will be covered in future legislation. The Local Government Committee has carried out an extensive survey into local government finance. That survey showed clearly that local government needs more control over the money that it raises and spends. We need a reduction in ring fencing and we need—I am sure that Tricia Marwick will be happy to hear me say this—electoral reform to bring about the changes that local government needs. However, the bill is an important and valuable move in the right direction.

The three main parts of the bill—best value, community planning and the power of well-being—are individually significant, but together they will give councils a toolbox of new opportunities that will, if used imaginatively and wisely, enable them not only to provide community leadership but to respond to the aspirations of the communities that they serve. The full potential of communities cannot, in my view, be realised until councils are properly representative of those communities and have the financial freedom that should flow from electoral reform.

The Local Government Committee has welcomed the bill and recommends that the general principles be approved. On behalf of the Liberal Democrats, I am happy to concur with the committee. The bill and the committee's report have been widely welcomed by just about everyone, apart from the Conservatives. That is perhaps not a surprise—the Conservatives do not

want to see the powers of local government enhanced; rather, they want to see them further destroyed. For example, the Conservatives want schools to be funded directly by central Government, which would mean that decisions about whether the local village school will close would be taken not by local councillors who were accountable to their local communities, but by civil servants in St Andrew's House. Decisions on whether to have a new secondary school in the north of Fife would be taken not in Fife but in Edinburgh. The Conservatives want social work budgets to be removed from elected councils and given to unelected health boards, and they want to see more and more services privatised. In fact, as far as I can see, the only thing the Conservatives want local government to deal with is dog fouling.

The Local Government Committee has made a number of suggestions on how the bill can be improved and I am sure that—in the constructive way in which our committee and ministers have had dialogue throughout this session of Parliament—the minister will lodge some of the amendments that the committee suggests. I will refer to some of those suggestions during my comments on the different parts of the bill.

Let us consider best value which is, of course, a response to the need to replace CCT, which was imposed by the Conservatives. Ostensibly, CCT was meant to improve public services by subjecting them to competition. In reality, it was about privatising services and destroying direct labour organisations, although it failed to deliver on those objectives. CCT has done little to improve public services. It put cost before quality and it developed a sophisticated industry inside councils to devise contracts in ways that favoured in-house bids. It reduced, rather than increased, councils' flexibility in providing services and it stifled rather than encouraged innovation. I have never been opposed to exposing public services to competition or market testing, but that should be done only where it is fair and about improving service to the public. The death of CCT will not be mourned.

Best value is not about artificial competition, but about continuous improvement. That allows for factors to be taken into account other than price: for example, quality of service, innovation, equal opportunities and value for money. The Local Government Committee, as Tricia Marwick mentioned, believes strongly that sustainability should be an additional driver of best value. Surely, in examining how a service is provided, a council should take account of the service's environmental impact. It should ask, for example, whether a proposed method uses virgin or recycled materials. That is the kind of important issue that we should consider and I hope that the Minister will accept the recommendation of the

Local Government Committee to amend the bill to include sustainability as a factor in the best-value regime.

Best value must apply throughout the public sector if community planning is to work effectively. The Local Government Committee remains unconvinced that the present statutory framework is sufficient to ensure consistency across all the public agencies that are involved as community planning partners. Community planning is an important development in ensuring that all public agencies work together to benefit the community. There have been too many examples of public agencies failing to do that in the past, which has led to poor service to the public, waste of resources, duplication and bureaucratic inertia. For example, health boards and social work departments have been too precious about who controls budgets to get on with delivering services, and local enterprise companies and councils have been competing on economic development and regeneration without proper prioritisation of how money should be spent.

It is important that there is a lead organisation. That organisation needs to be democratically elected and accountable, which is why local government is in the ideal position to play that role. However, it is essential that all public agencies that have significant roles in providing services to people and communities be involved. That is why I echo the call of the Local Government Committee that Communities Scotland be clearly named as a body that is involved in community planning.

However, community planning is not only about the agencies. It must not become planning for the community but planning by the community. That is why I support strongly the proposed amendment that is mentioned in paragraph 46 of the committee's report.

Paragraphs 52 and 53 relate to a proposal from the Society of Local Authority Chief Executives and Senior Managers that community planning partnerships should be able to apply, subject to the agreement of all the partners, for incorporation so that they may directly access cross-cutting funding. The committee gave cautious support to that proposal, recognising that it might bring advantages in some instances. However, as the committee recommends, any incorporation must be on the basis that the accountability of each community partner remains clear and is not compromised.

I well remember the many debates about unelected and unaccountable quangos during the 1980s and 1990s. I remember in particular the demands that local government be represented on quangos. However, that representation does not address the accountability issue, because the

traditional incorporation model places a primary duty on the board members of the body, not on the body that nominates them. Thus, a councillor who is appointed to a local enterprise company or a health board cannot be held accountable for his or her actions on that body to the council that nominated them. If community planning partnerships are to retain public confidence, it is essential that the partners remain accountable. Incorporation should not be a way of avoiding accountability.

The power of well-being has long been an aspiration of local government. Traditionally, it is described as a power of general competence. It would reverse the UK tradition that a council can do only what it has specific statutory powers to do and will result in a situation in which councils may do anything that is in the community's interest unless there is a specific statutory bar to their doing so. Clearly, that has to be subject to certain safeguards, such as preventing duplication. It must also be subject to best value criteria. Critics claim that calling it a power of well-being, rather than a power of general competence, downgrades the power. However, I prefer to look at what the power does rather than what it is called. The minister made it clear to the Local Government Committee that the power of well-being was a power of first resort. It will mean an end to law officers spending endless hours searching through statute to see whether a council can do something: the assumption will be that it can.

Keith Harding has often claimed that, because there are no examples of how the power of well-being can be used, it is meaningless and unnecessary. My answer is that how the power of well-being can be used will become apparent only when a council finds something that it wishes to do but which, at present, it is barred from doing. For example, if a rural post office closes and no one applies to take it over—which often happens because rural post offices are rarely a long-term career option—the power of well-being may enable the council to work with the post office to provide a service, perhaps through the local school. Similarly, the innovation of the private sector can sometimes be stifled because it needs to work with the local authority but, at present, councils do not have the power to assist. The power of well-being will be invaluable in driving community planning because it will allow innovation and cross-cutting work to proceed in ways we cannot even imagine.

It is right that the power of well-being is broadly defined. I welcome the intention of ministers to ensure that it remains so by lodging amendments to legislation where current statute or the decisions of courts curtail the proposed powers.

I hope that the minister will accept the proposed amendment to section 23(4), which seems an

altogether neater way of reaching the same goal than that which is proposed by the Executive.

I would like to welcome again the intention of the minister to bring forward an amendment at stage 2 to abolish section 94 consent and introduce a prudential-based scheme of capital finance. That, too, will be a welcome addition to the new powers and freedoms of councils and one that I hope will allow councils the scope to explore new and innovative forms of funding investment.

I welcome the bill. Its full potential can be delivered only with a package of reforms to local government finance that will give councils the added flexibility that they need to utilise fully the powers that the bill will give them. In turn, that added responsibility needs to be accompanied by electoral reform to ensure that councils are properly representative. With those longer-term provisos, I commend the bill to the Parliament.

The Deputy Presiding Officer (Mr George Reid): We now move to open debate. Members have six minutes plus time for interventions.

15:24

Trish Godman (West Renfrewshire) (Lab): I am a bit nervous, as I have never had six minutes in which to speak before.

Others and I have said before that local government is a subject for anoraks. Indeed, it usually empties the press and public galleries. However, today we are not doing too badly: Francis Horsburgh left only a few minutes ago and in the press gallery at the moment is a young man who once started his television programme by saying, "The Local Government Committee actually discussed something interesting today." He is still up there and we shall see whether he puts today's debate into his programme at some point.

I do not have an anorak and I hope that I am not seen as an anorak sort of person because I am 100 per cent committed to local government, and that is what the bill is about.

I start by thanking members of the Local Government Committee, who have worked very hard on the bill, as they usually do. I thank the clerks to the committee for their support, the official report, whose staff manage to make my English make sense, and the back-room men and women whom we never see, but who work to support the committee and others.

The relationship between local and central Government was the subject of the Scottish Parliament's first debate in 1999. As others have said, the Local Government in Scotland Bill is another step in the process of addressing the recommendations in "The Report of the

Commission on Local Government and The Scottish Parliament”—the McIntosh report. The bill seeks to provide a framework to enable councils and their public sector partners to provide better and more responsive public services.

The bill is in three parts. The first provides for a duty to secure best value in local government service provision. The second part provides a statutory basis for community planning. The third part establishes a power to advance well-being, to allow local authorities greater flexibility to respond to the needs of their communities. I intend to give an overview of the general principles; other members of the committee will go into more detail.

The four principles of best value are accountability, transparency, continuous improvement and ownership—all to be considered with an eye on the public purse. The committee took evidence from many witnesses about the restriction of the duty to secure best value to local authorities. We were not convinced by the position of the Deputy Minister for Finance and Public Services that new primary legislation was not necessary to place a duty to secure best value on other public bodies.

The committee believes that that is necessary. As Tricia Marwick said, there is a major difference between using existing statute to modify the responsibilities of accounting officers and placing a statutory duty on those organisations. If a permanent secretary can change the terms of reference of accounting officers to include best value, surely he or she could remove it without recourse to Parliament. Therefore, parts 1 and 2 of the bill are inconsistent. If it is not necessary to use primary legislation to place a duty of best value on accounting officers or permanent secretaries, why is it necessary to legislate to place a duty of community planning on them?

Achieving best value will be difficult if different public bodies in the partnership are subject to separate and different guidance and I am pleased that the minister addressed that issue in his opening remarks. I hope that he will lodge an amendment at stage 2.

Community planning is designed to ensure long-term commitment to effective partnership working with communities, local authorities and other key public bodies. Those partners, in consultation with the voluntary sector, the private sector and communities, should agree a strategic vision for their area. Although guidance will be provided, the committee would like communities' rights in respect of community planning to be defined clearly in the bill. We believe that consulting and involving communities should be a duty on all community planning partners, not only councils. Surely that must be within the spirit of the bill.

Who are the partners? They are the health boards, police and fire boards, Scottish Enterprise, the Scottish passenger transport authority and Highlands and Islands Enterprise, all of whom capture the care of the community planning partners in any one area of Scotland. The committee accepted that other partners could be added. We took the view that Communities Scotland should be included because of its role in social housing and regeneration across Scotland. Again, I am pleased that the minister said in his opening speech that there might be a way to make that happen.

The committee was supportive of the idea of the partnerships being able to incorporate themselves and receive cross-cutting funding from the Executive. Iain Smith has spoken about that.

The power to advance well-being would give a specific statutory form to the principle of subsidiarity between Parliament and local government. It would be a way of expressing in statute the fundamental purpose of a council—to be the voice of its people and to promote their interests. We welcome the deputy minister's assurances that that is a power of first resort, or a can-do power. We also accept the point that, if the bill specified particular uses for the power, it might be interpreted that provisions that are not specifically mentioned in the bill are not permitted. I ask the minister to spell that out in guidance.

I have not taken my six minutes, but I have touched briefly on some aspects of the bill. As I said, other members will speak in detail about other aspects. Although I have been critical of some parts of the bill, I am convinced that once it is amended along the lines that the committee has recommended, it will be welcomed by local authorities, other public bodies and the communities that they serve.

I regret that the report on the bill was one of the few times when the committee has produced a report that is not unanimous. One member was against it. The Tories claim that there is no need for the bill; however, that is not the case. Everyone who gave evidence to the committee welcomed the bill, although with reservations. That said, I am not surprised that the Tories are against the bill, given their hostility towards local government. Indeed, members have already made that point. As a supporter of local government and the principle of subsidiarity, I recommend the bill's general principles to the Parliament.

15:31

Ms Sandra White (Glasgow) (SNP): It seems that I join a committee whenever members start consideration of a new bill. The Local Government Committee was no exception to that rule. Perhaps I should warn other conveners that if I become a

member of their committee, they might find themselves starting work on a new bill.

I thank the clerks for their hard work, which was much appreciated. As Trish Godman said, although they are largely in the background, we could not have completed such a large amount of work without them.

Tricia Marwick pointed out that this could have been a flagship bill for the Parliament. Unfortunately, the exclusion of proportional representation and local councillors' remuneration means that we have missed a golden opportunity to pass a bill that could have encompassed all the good aspects of local government. However, I will speak to the areas that the bill covers.

The bill contains three main themes: best value; community planning; and the power of well-being. Iain Smith, Trish Godman and the minister have all mentioned best value. I am pleased that the minister has at least recognised that councils must be allowed to compete on a level playing field. It is absurd that councils will be restricted by legislation and guidance when other public agencies are not. How can councils go out into the big, bad world and compete against such bodies under such terms? If we are to work in partnership—to use a famous Labour party word—there must be common legislation and guidance. I ask the minister to consider the matter again.

On community planning, I endorse all the committee's recommendations on Communities Scotland. The minister's assurance that he will lodge new amendments on that part of the bill shows that he has at least taken heed of that section of the committee's report. As Trish Godman pointed out, community planning is an important part of the bill. Only yesterday, we were in my old hunting ground of Paisley, where I was a councillor. I will not bore the chamber with details of the 10 years that I spent there. We visited the town not to take evidence on the bill but to ask people for their thoughts on various aspects of local government. In the workshop group that I chaired, community planning was discussed in great detail. It touches everyone from the local authority to local people, and forms one of the bill's most basic aspects.

I am intrigued by some of the minister's remarks about co-operation among various agencies. Indeed, I asked the minister about that issue when he appeared before the committee. I want to know the extent to which the different bodies will co-operate. The minister also mentioned that there would be an announcement about community funding, and I look forward to hearing details of that in his summing up.

I know that the minister is sympathetic to the idea of cross-cutting funding. After all, when I asked him about the matter, he replied:

"I say—wearing my finance hat, rather than my local government hat—that we are already interested in some of those matters."—[*Official Report, Local Government Committee*, 25 June 2002; c 3153.]

I hope that the minister will follow through on that remark. I will be examining the new announcements very carefully.

The power of well-being—or what was called the power of general competence—follows naturally from the community planning process outlined in the bill, particularly where other agencies are concerned. I fully support the committee—[*Interruption.*] Sorry, Presiding Officer, I thought that I had gone over my time.

The Deputy Presiding Officer: No, you have another two or three minutes yet.

Ms White: It is just that the light is flashing and I thought that I was being told to be quiet. Like Trish Godman, I am not used to having six minutes to make a speech.

I support the committee's stance on the provision for prior consent between agencies being written into the bill. We do not know how the process might work if prior consent is not included, for example if a particular agency says, "The health board wants to do this," and two or three agencies think that it is a good idea but one does not. Without provision for prior consent, there would be great confusion. It is important to clarify the situation not just for the Local Government Committee or for Parliament, but for councils.

In his summing up, I would like the minister to expand not on the wine lakes or on the various extra moneys that were mentioned, but on the use of the power of well-being by councils to supply agencies with various services. I asked the minister about that matter in the committee, but did not get a reply. I asked the minister about deprived areas and he did not deny or confirm my point. The example was of a particular council that decided—and the people agreed—that it would be a good idea for the community if the council supplied inexpensive fruit to a deprived area. Would that be allowed for under the power of well-being? In a rural area, cheaper fuel could perhaps be provided under the power of well-being. The introduction of the power of well-being will give councils the power to benefit communities.

Local government is at the coalface—we in Parliament only make the legislation. I would like local government to be given sufficient funding and attorney to make proposals. Everyone here—and members of the SNP in particular—would like the bill to create more powers. As it stands, we support the powers that are being given to local government, if it is allowed to use them.

Will the minister expand on the capability of local government to provide free fruit and cheaper fuel to communities?

The Deputy Presiding Officer: I remind members that, without a note to the chair, they are expected to be in their seats for two speeches before and after their turn.

15:37

Mr David Davidson (North-East Scotland) (Con): Much of what the bill is about simply restates in a bureaucratic way what local government should be doing in any case. Some councils do it already and the powers are there for them to act, so why is the bill before us today?

People have talked today about the difficulties of partnership working and yet in the north-east area, which I represent, the chamber of commerce, the local enterprise company, the city council and the shire council have worked together successfully without what is contained in the bill. That is only one example of what is being done in Scotland. There is an undoubted patchwork of delivery in local government in Scotland. Does the bill exist because so many Labour-controlled authorities are incapable of delivering what they are charged with doing and because the Executive is trying to whip them into line?

Elaine Thomson (Aberdeen North) (Lab): Will the member give way?

Mr Davidson: In a moment. I will finish the point and come back to Miss Thomson.

On 25 June, Peter Peacock said in the Local Government Committee:

"Community planning is not ... being done consistently everywhere, and introducing the duty will ensure that that happens."—[*Official Report, Local Government Committee*, 25 June 2002; c 3142.]

Is that his and the Executive's definition of freedom?

Elaine Thomson: Does the member recognise that the council was one of the main drivers of the successful partnership working to which he refers? He is correct; partnership working has been successful, both in its previous form, in the north-east Scotland economic development partnership—NESED—and as it is now. The member will recognise that a Labour council delivered that success.

Mr Davidson: I am glad that Miss Thomson recognises that success is possible without the additional layer of legislation that is passing through the Parliament.

It is also possible that the Labour part of the Executive is hellbent on running everything from the centre to ensure delivery of its agenda. Is that more important than the requirements of people in communities? Does the Executive want to constrain the powers of local government so that it

can use councils as an extension of state control to implement its national aims and targets at a local level? It would be interesting if the Liberal Democrats could manage to come off the fence before the next election and tell us whether they are happy about the removal of freedom that we see daily in the Executive's action.

The Liberal Democrats regularly preach about local accountability. Aberdeenshire Council, which I believe is a Liberal Democrat-controlled authority, said clearly through its convener and leader that it did not like the central control freakery of the Executive and its effective removal of decision making. The council's convener said that in front of Henry McLeish at a chamber of commerce breakfast in Aberdeen, which many people from the north-east attended. Aberdeenshire Council did not like the direction that the Government has taken on funding, pushing and pulling for what it wants and generally interfering. Basically, the Executive is wrapped up in something called new burdens, and I know that my colleagues in the Convention of Scottish Local Authorities hear that argument regularly. Central control is alive and well, despite the Liberal Democrats' claims to be different from Labour.

Iain Smith: Mr Davidson mentioned a meeting that the convener and leader of Aberdeenshire Council attended with Henry McLeish, but he did not give the date of that meeting. He will probably find that things have changed significantly since then, not least with the bill that we are considering today.

Mr Davidson: The last time that I spoke to the convener, only a few weeks ago, he seemed to be of the same view. He has not altered his stance at all.

Tavish Scott (Shetland) (LD): What was the date of the meeting?

Mr Davidson: I am sure that Elaine Thomson, who was there, could remind me of the date. Regardless of the date, the fact is that the current administration of Aberdeenshire Council still holds the view that there is central direction and interference, and it does not like it. If local councils are to be truly accountable to residents at the ballot box, they must have freedom from interference from the centre to make appropriate local decisions. A council should not be a branch office of the Executive. I thought that the old one-size-fits-all system died when the Soviet Union collapsed.

Why are council elections being buried in the hubbub of the Scottish Parliament elections? In Wales, which is not always held to be totally enlightened, council elections are held a year later, to ensure that local government is scrutinised and is accountable at the ballot box,

rather than being submerged under all sorts of nonsense.

Community councils are one of the most undervalued organisations in our communities. I had the privilege of being the founding chairman of the Association of Scottish Community Councils. From my experience of the more than 1,100 community councils that existed in Scotland at that time, I know much about the good that they deliver for their communities.

Recommendation 167 of the McIntosh report said:

"The Association of Scottish Community Councils should be provided with a level of core funding sufficient for the development of that body to play a full role in the representation of community council interests and in the dissemination of best practice."

When, as chairman of the association, I went to Michael Forsyth, he saw the light and supplied that funding. I am pleased that the Executive is now following that route. Again, that was a Conservative initiative from a very good Secretary of State for Scotland.

Community councils, defined by statute, are unique in their status and are not a tier of local government. They exist where communities want them and they cannot be closed down at the whim of a local council. Their members are elected and unpaid, but local councils have a responsibility to manage public elections, and I do not see that in the Executive's proposals at all. One of the difficulties that community councils face is that some councils are good and others are not. I compliment Stirling Council. It is a Labour council, but it did listen to good advice from the Conservatives. When my colleague, Keith Harding, was leader of the council, the Conservatives helped the community council movement. If there are proper elections, better people will come forward.

Why do we not consider more powers for community councils? They are underused and the McIntosh comments and recommendations have been ignored in many parts of the country. That is one part of the McIntosh report that I believe the Executive should implement. Perhaps the minister will give us a promise when he winds up.

Peter Peacock: I have been making notes during Mr Davidson's speech.

Mr Davidson: Jolly good.

The Executive seems to be bereft of any notion of freeing up local councils to be locally accountable and to deliver services that are appropriate to the requirements of their communities without central control. The minister says that there is freedom from capping and direction, so why does council after council,

regardless of its colour, moan that it has freedom only in respect of roads, which are full of pot holes, and play parks, which are being closed down. Provision is being taken away. Perhaps the minister will explain that to communities as he tries to push the bill through the Parliament.

15:45

Tavish Scott (Shetland) (LD): Perhaps the best thing that the minister could do in winding-up is to read from part 4 of the bill, which states:

"A local authority has power to do anything which it considers is likely to promote or improve the well-being of—

- (a) its area and persons within that area; or
- (b) either of those."

The minister could do no better in helping the Conservatives than to read that section, as Mr Davidson and Mr Harding appear to have utterly failed to read the bill. Mr Harding uncharitably described the coalition as tired and decrepit, which is presumably how John Major feels these days.

Mr Harding: I said that it was tired and inept.

Tavish Scott: The same remarks apply. The former leader of Perth and Kinross Council has sadly departed, but it was interesting that he mentioned wine. I suppose that that is a welcome change from milk and honey, which the SNP seems not to be promising these days.

The bill is important for local government, Scotland and the Parliament. The power to advance well-being, which the minister mentioned and which has been derided by the Conservatives on my extreme right, is about more than simply creating the circumstances to do more in local communities. As Trish Godman rightly said, the power encapsulates the principle of subsidiarity, as it allows local government to take responsibilities that it should have and allows the Parliament to extend the devolution process beyond this chamber and ensure that that process continues down or up—depending on one's perspective—to local government. The Parliament should applaud that important principle.

Iain Smith rightly spoke about the creativity of thought in many councils throughout Scotland, for example in respect of post offices. The power allows such creativity and will bring it to local government. The bill is an important step forward.

Community planning powers are enhanced when the bodies that members have mentioned have the same boundaries—I accept that that applies in my Shetland constituency. I will give two small examples of community planning working in practice in Shetland.

The Shetland Welfare Trust provides care services for elderly people. Last Friday, it

celebrated its 10th anniversary in Whalsay and I was pleased to attend the celebration. The trust has created six excellent care centres, which—I grant—has been done on the back of available resources that flowed as a result of oil revenues to the council. It has done that because the community was brave enough to say that it values people and wants to ensure that they can be given the best things possible in life and that they are respected. It wanted to create the circumstances in which people could have a happy life. I believe that the community shows self-confidence and believes in working with agencies and different organisations to achieve its aims.

The current developments and measures that the minister proposes are exciting. Initiatives such as the joint future initiative formalise processes between health boards and local authorities to ensure that in community care, for example, there are significant advances. That simply did not happen under the previous Tory Administration. Indeed, I remember well when community care was introduced—as I was a researcher at Westminster at the time—and the chaos that was created overnight. The joint future initiative is the kind of measure that will make a real difference to local authorities and to national health service boards in delivering for local people.

The second example relates to enterprise companies. Orkney and Shetland have worked extremely hard in pursuit of a fibre optic cable, to give the local business community and domestic customers the opportunity to take advantage of the e-business world—I pay tribute to Peter Peacock's role in that respect. In addition, the community has considerable advantages—as do much of the Highlands and Islands and the Western Isles—in respect of renewables.

All those aspects of community development can come together through community planning, because the local authority has a logical position in leading the initiatives and leading the consortiums that pull together the projects for fibre optic cables and energy cables. That is the epitome of community planning. It uses the local enterprise company, Highlands and Islands Enterprise, some of the bodies to which Trish Godman referred and the local authorities to pull together funding and also ensure that a bid for European funding can be successful. That kind of work across agencies is crucial and the bill develops that.

My final point is on part 5 of the bill, in particular the section that allows for

“Remote participation in and calling of local authority meetings”.

Obviously, that will be useful for councillors in Shetland Islands Council. The minister has

responded imaginatively to requests to introduce that element to the bill. The councillor for Unst, who must be the most northerly serving councillor in Scotland, Mr Mark Ritch—who is a friend and colleague of mine—will now be able, through various mechanisms, to take part in council meetings in Lerwick from his home in Baltasound. That is a welcome measure, not least because it takes two hours to travel between Unst and Lerwick. I suspect that the provision could improve considerably the lives of councillors in Peter Peacock's old stamping ground, the Highlands, as it is a vast area.

There is much to commend in the bill. I pay tribute to the role that the community planning aspects will play in ensuring that the bill is accepted in Parliament today.

15:52

Elaine Thomson (Aberdeen North) (Lab): I am a fairly recent recruit to the Local Government Committee. Initially, some of its discussions seemed labyrinthine. However, in the short time that I have been a member of the committee, the importance of local government has come across to me strongly. Local government is the first port of call for most people in the community on matters that relate to housing, education, care in the community and transport. Local government has to deliver many of those services and people tend to go to local government first.

Local government is also important in providing a high-quality environment in all our communities. A recent example of that in Aberdeen is the introduction by the local council of a byelaw that has banned drinking in public. That is another small step that has been taken to improve the environment for people.

It is vital that local authorities provide services and carry out the strategic thinking that they need to do for their communities as effectively as possible. The bill will empower local authorities. For example, part 1 of the bill removes the constraints of compulsory competitive tendering and makes it a duty for all local authorities constantly to seek to improve local services through best value. That duty is important.

When considering best value, councils will, under section 1(4), have to consider

- “(a) efficiency;
- (b) effectiveness;
- (c) economy; and
- (d) the need to meet the equal opportunity requirements.”

I was pleased that the minister said that he wanted to apply best value across the public sector. Many people said to the Local Government Committee that they did not think that best value should apply only to local government.

Consideration of environmentally sustainable development should be one of the requirements for best value. Looking after the quality of our environment, in terms of biodiversity and freedom to live in clean, unpolluted surroundings, will become increasingly important. For example, air pollution is a problem in many of our cities. That cannot be divorced from proposals in local and structural plans for transport improvements, which are often delivered by local government.

Increasingly, councils use partnership working when trying to develop strategic thinking and to engage and involve local communities in deciding on their future and the way forward. Community planning will underpin that process and make it easier for local authorities to organise that way of working. The community planning part of the bill gives a structure and a way forward for local authorities.

Many councils engage voluntarily in community planning. Aberdeen City Council, for example, has completed a large-scale consultation with the city's citizens and many organisations in the city, both private and public, to develop the Aberdeen community plan, which is called Aberdeen futures. That plan has many key ideas and will undoubtedly point the way forward for the city in the coming decades. The community planning part of the bill will make such plans mandatory for all communities. We cannot afford to have different parts of the public and private sector developing plans in isolation. Planning must be holistic and make best use of resources in the public sector. It is increasingly important that the parts work together.

Tavish Scott mentioned the joint future initiative. As we heard this week, the census shows that the Scottish population is getting older and greyer by the day.

Tavish Scott: I am not.

Elaine Thomson: Tavish Scott is a young thing. However, given that there will be more older people, the joint future agenda is important.

We must consider carefully how we consult communities. Too often, groups with vested interests come forward. We must consider how to get a genuinely broad view from communities into the community planning process.

Part 3 of the bill concerns the power of well-being, which sounds slightly wizardish to me, although I do not know why. Part 3 will be the most important part of the bill. COSLA and most local authorities have argued for a long time for a power of general competence and they welcome that aspect of the bill. In many communities, the power will make a real difference by allowing local authorities to act proactively in favour of local areas, rather than constantly being restricted by, for instance, planning legislation.

In Aberdeen, there has been growth in many new communities, such as the Bridge of Don. In that area, a backlog in the provision of community amenities such as schools, pharmacies and sports facilities has been a constant complaint. That might not have happened if Aberdeen City Council had had the power of well-being when the community was being built.

Rundown or closed retail developments are a problem for many deprived communities in Scotland. Such places are sometimes left to moulder away or are not run well. Despite the best attempts of local authorities and social inclusion partnerships, it is often difficult to renovate such developments or turn them into something useful such as grocery shops and pharmacies, rather than off-licences and bookies. The bill and the power of well-being should be able to assist with that problem. I ask the minister to consider whether the bill has enough teeth to be effective on that issue.

15:59

Colin Campbell (West of Scotland) (SNP): I was a councillor for four years and I am heavily committed to the idea that councils and community councils, which formed another part of my past, should have as much power as possible. Before I was translated to the European Committee, I served on the Local Government Committee for the first 18 months of my time in the Parliament. Much of what we have heard today came from evidence that was presented to the Local Government Committee at that time.

I welcome the power of general competence, which is now described as the power to advance well-being. That is a good example of subsidiarity. Although Trish Godman believes in subsidiarity, I would like even more of it, because I want all the powers that are reserved to the United Kingdom to be in Scotland. However, the subsidiarity that is represented by the power to advance well-being will enable councils to make important decisions on their own initiative in areas that were previously closed to them because of legislation. It would be good if councils had sufficient money available to them to carry out initiatives beyond their statutory obligations, but that is unlikely.

There was no collusion between us, but Bruce Crawford suggested council-owned vineyards as a possibility for raising income. I recently attended a function at a school in Namibia and found that the school yard also contained a bar and a restaurant, the profits from which were fed into the community. I hasten to add that I am not suggesting that we do that here—I am too much of a Calvinist. I am simply recording the fact. Whether that was the norm or whether it had been done under a special power in Namibia, I do not

know, but it might be possible to run the idea past those who are drafting the bill and the lawyers. Peter Peacock might also like to comment on it at the end of the debate.

When I was on the Local Government Committee, we heard many presentations on alternatives to the first-past-the-post electoral system. The conclusion was that the single transferable vote system was probably the best bet. I suppose that I am also speaking partly on behalf of the Liberal Democrats, whose lips are probably well sealed by coalition glue, when I say that I am deeply sorry that proportional representation is conspicuously absent from the bill. The reason for that is not difficult to understand. Research has revealed that many councillors—whether they are in power or proportionally representative by accident—are quite happy with the status quo.

Electoral reform is about even-handedness and sensible solutions. It also means that vested interests have to step aside—there are some classic examples of people who are unwilling to step aside. PR is one way of making electors feel that their vote is worth while and of engaging them in politics. It is a way of energising the electorate, which we have been endeavouring to do for many years. The absence of PR in the bill represents a democratic deficit.

Equally, I am disappointed on behalf of my former colleagues and councillors everywhere that there is no talk in the bill of the remuneration of councillors. People become councillors for a vast variety of reasons: some are enthusiastic about being councillors; some want to serve their party; some want to fill a gap that needs to be filled; and some become involved because councillors have annoyed them so much that they make the switch from being ordinary citizens to getting involved with politics. That is pretty well what happened to me and I do not for a minute regret it—much.

When I was a councillor, I was lucky to have probably the smallest ward in Renfrewshire. It did not contain even one council-owned property of any description and was probably the ideal council ward. My surgeries were quiet and any problems usually related to green-belt developments and school placements. However, my colleagues in towns and elsewhere were working flat out and full time dealing with all the day-to-day contingencies that arrive on a councillor's desk. They worked hard politicking, counselling and contacting officials and they were totally engrossed and involved in what they were doing. For that, they received a miserable pittance by anyone's standards. We are all past the stage of believing that offering a sensible salary somehow attracts a lot of bad hats to the job.

Trish Godman: As Colin Campbell is not on the Local Government Committee at the moment, I advise him that, although the bill does not address that issue, it is being considered in our inquiry into renewing local democracy, a subject on which the committee will introduce a bill to the Parliament. I would not like people to think that we are totally ignoring what he is saying, because we are not.

Colin Campbell: Trish Godman and I agree on many things, but not all. However, I am sure that we agree on the issue of remuneration for councillors. It is a pity that the bill does not address that issue, which is a huge omission from the Parliament's first local government bill. There is no reason for excluding it, except that there are vested interests here and there who might not like a reduction in the number of councillors and the consequences that might flow from that possibility.

My time has run out according to the chamber clock. How am I doing on your clock, Presiding Officer?

The Deputy Presiding Officer (Mr Murray Tosh): You have spoken for almost six minutes.

Colin Campbell: Almost six minutes. Okay.

The Deputy Presiding Officer: You are now precisely at six minutes.

Colin Campbell: I did not have to sing, dance or do anything else to fill the time.

The Scottish National Party has no problem with the principles of the bill, but we believe that there are lost opportunities. I inform Trish Godman that next time round will be too late.

16:05

Angus MacKay (Edinburgh South) (Lab): I enjoyed Colin Campbell's James Herriot-like reminiscences along the lines of "It shouldn't happen to an SNP councillor". Apparently, from what he said, it did not. However, I speak very much in the spirit of Tavish Scott to support the social inclusion (Unst) bill that will extend rights to enable the distinguished—I am sure—council member for Unst to participate in local council matters.

The choice for members today was either to participate in the debate and have the opportunity to speak and listen, or to stay in the office working on constituency matters and listening to Bill Clinton addressing the Labour party conference. I am sure that many members made the right decision. When I look around the chamber and see the number of MSPs who participate in local government matters, I wonder what the whips have got on the people who are here as opposed to those who are elsewhere. Similarly, when I heard Colin Campbell saying that he had just

come back from Namibia and a member referring in another place to his return in the early hours of this morning from the Czech Republic, I wondered where the rest of our colleagues had disappeared to and whether they had their passports with them.

Perhaps I can begin the serious part of my speech by commending whichever ministers had the wisdom and foresight to structure the bill in such a way and to introduce it to Parliament. The bill is, in my view, a commendable and excellent piece of work. In the chamber—and certainly in the reporting of events in the chamber—the tendency is to take the view that, if the debate is not about fox hunting, section 28 or some other major issue of importance to the media, it has not happened and is not terribly important. I tend to think that, occasionally, some kind of inverted law operates in the chamber whereby attendance is in disproportion to the value of the work that is being done—as the level of coverage diminishes, the number of members in attendance diminishes.

I put on record my genuine support for the minister responsible for the bill and the civil servants who have done sterling work throughout in preparing the bill and making it a reality. They should be commended for that.

On the SNP's contribution, I thought that what Tricia Marwick said was interesting. She somehow seemed to put all her eggs in the basket of PR and a gnomic reference to councillor reforms. She said that that was how we would revolutionise local government. I am not sure what she meant by councillor reforms. I am in favour of electoral reform for local government—just—although the more I see it in practice and hear people talking about it, the more my enthusiasm wanes. I am in favour of electoral reform, despite the evidence of the Opposition members. I do not share the faith that Tricia Marwick seems to have that PR and councillor reforms will reinvent local government—far from it, I think.

I was intrigued by the contribution of Keith Harding and the Conservatives. I suppose that I should commend Keith Harding for keeping a straight face throughout his speech. That must have been a hard act to perform. Last week, I perhaps somewhat uncharitably described the Conservative party in Parliament and in wider Scotland as being

"a mixture of the mad, the bad and the dangerous to know."—[*Official Report*, 26 September 2002; c 14166.]

I assure Keith Harding that, following his speech, I have not decided into which of those categories I would fit him. However, I will inform him later.

Keith Harding made an interesting slip—he talked about the Conservative party's commitment to "compulsive competitive tendering". That seemed to me to be the perfect label. I hope that

the *Official Report* will show that he said "compulsive" rather than "competitive", because the former seemed to me a better description.

I know that Keith Harding is a humorist, because he also described his belief in local democracy. We are grateful to him for that wit. He said that the Conservative philosophy was to give local government the ball and to let it run with it. I think that the experience of most members in the chamber is that the Conservatives tend to give local government the ball and then puncture it. That is a slightly different approach from the one that he advanced.

Keith Harding described himself as being bitterly disappointed by the bill. I was studying him closely and I do not think that he was bitterly disappointed at all. I do not think that he could honestly even aspire to describing himself as being slightly miffed by the bill. He looked vaguely woken up by it, but not much more than that.

There are three important strands to the bill. One is best value, which of itself would be enough to merit parliamentary consideration and legislation, given that it finally ends the discredited regime of CCT—the pointless delivery of cheapness rather than value—and replaces it with the relentless pursuit of excellence in value.

Anyone who has worked in a council as an employee or as a councillor knows the value of properly structured and managed direct labour organisations and direct service organisations delivering important services to the local community and turning an honest buck, which then comes back into the council's budget and helps to pay for other services. If best value, in replacing CCT, does anything to support DLOs and DSOs—in particular, to support the culture of quality management in those organisations—it is worth having.

The bill is not simply about best value. It also outlines a system of community planning. From my experience of working with drug action teams across Scotland, I know the value of bringing together different bodies that play important roles in the community—health boards, police boards, local authorities, service delivery organisations and individuals. If community planning fosters anything like the culture that drug action teams have begun to foster in order to bear down on the drug problem in Scotland, the time that has been put into the bill will have been worth while.

The power of well-being—which I suspect many members wish was available in capsule form from local chemists—represents continuing constitutional devolution. If devolution is good enough for the Parliament, why is it not good enough for local government? It is right for us to enable and to empower local authorities. The

Executive has gone a long way down that path. The minister mentioned the ending of capping, the reduction of hypothecation and the creation of stable three-year budgets. I suggest that the minister consider rewarding further successful economic development by Scotland's councils. Let us reward those councils that have generated an increase in revenue from business rates through successful economic development.

The bill as outlined by Peter Peacock is not a comprehensive piece of legislation. It involves our moving forward one step at a time—or three steps at a time. We might describe it as introducing incremental change. As Iain Smith pointed out, the Conservatives' interest in local government seems to be limited to Keith Harding's proposed legislation on dog fouling. Their approach could be described as one of excremental change. I prefer the incremental to the excremental.

16:12

John Young (West of Scotland) (Con): Peter Peacock's opening speech made such an impact that only six Labour councillors were present for it—including the minister—along with two of their Liberal allies. At the moment there are six Labour councillors and no Liberals in the chamber—although Trish Godman has re-emerged.

Donald Gorrie (Central Scotland) (LD): Turn around, my friend.

John Young: Donald Gorrie has returned to the chamber.

Elaine Thomson: I must correct the member. I am not a councillor and never have been. However, I recognise the importance of local government.

John Young: Did I refer to councillors? Obviously, I meant to say MSPs. However, as the member knows, there are a number of former councillors in the Parliament. Twenty-eight MSPs have been councillors. Two of those—Keith Harding and Tommy Sheridan—are still serving.

I am not just thinking of those members who are currently in the chamber. I can understand why John Home Robertson is confused—he is worried about what is happening at Holyrood.

Generally, we support the provisions of the bill. However, some of them are a waste of time. Good local authorities should already be following good practices. Most local authorities are Labour controlled. Does the Executive know something that we do not know? Are a number of Labour-controlled authorities following bad practices? It would be interesting to hear whether that is the case in the minister's summing up.

As members will be aware, the bill is one of several that relate to the Executive's local government modernisation agenda. However, a number of important matters have not been dealt with. Some of those were mentioned in previous speeches. The bill fails to deal with the iniquitous system of tagging local government elections on to Scottish Parliament elections, like poor relations. As I mentioned, a number of MSPs are former local councillors. I am sure that Trish Godman, with whom I served for a number of years on Glasgow City Council, would not have been happy if at that time municipal elections in Glasgow had been tagged on to Scottish Parliament elections. In those days, Trish Godman was a calm, placid soul, but she would have been enraged by such a measure.

The question of which electoral system should be used for local government—in particular, the issue of PR—has not been dealt with. There has been considerable fudging of the matter. We expected the well-known trio of Mike Rumbles, Donald Gorrie and Iain Smith—nicknamed the wilting political violets—to storm the barricades for PR. I have not heard any storming of the barricades this afternoon, although it may come when Donald Gorrie speaks. It is more than likely that Jim Wallace had a quiet word in their ears along the lines of, "Charles wouldn't like it." That is Charles Kennedy, not Prince Charles. Jim Wallace probably said, "Look chaps, we have not been in real government as a party for 87 or 88 years. We cannot upset Jack McConnell and his team, so just bite your lip and haud yer wheesht."

Best value and accountability have been mentioned. Those are fine, but the replacement of compulsory competitive tendering raises questions. Keith Harding said that, when he had asked whether the repeal of CCT was the right way forward, Bill Anderson of the Forum of Private Business in Scotland answered:

"There is a question mark over that. We understand that lowest cost is not necessarily the only criterion that should be taken into account and that quality, too, must be taken into account".—[*Official Report, Local Government Committee*, 11 June 2002; c 3051.]

The Scottish Tories opposed the introduction of the power to advance well-being, but not because we have a fundamental objection to the policy—quite the opposite, we want councillors to have more powers.

On councillors' remuneration, some years ago there were moves to reduce the miserable pittance that we then received. I was approached by Glasgow's Labour council to become a temporary member of COSLA. The same happened to Brian Meek and Paul Martin in Edinburgh and Bruce Crawford in Dundee. We managed to persuade the then Tory secretary of state to curtail

drastically any cut. A week later, Tommy Dingwall, who was a trade unionist and Labour lord provost, presented me with an Amalgamated Engineering Union tie. I still have that tie, although I do not have it on today.

I call on the convener and deputy convener of the Local Government Committee, Trish Godman and Sylvia Jackson, to tell the power brokers in their party to stop treating local government with contempt. I am utterly opposed to PR for local government, because it would mean that councillors would find themselves divorced from their wards and their electorate.

The Labour and Liberal speeches were at best unusual. Trish Godman started off by saying that she did not have an anorak. As far as I am aware, she does not have a bullet-proof vest either. Peter Peacock is a great loss to the pulpit or even the medical profession, because he has that skill of delivering speeches in a soothing monotone.

In the past, local government was a powerful and dynamic force. In the 19th century, it fought ferociously to get Glasgow a magnificent water supply and, as a result, the blight of cholera was largely brought to an end. Local government also introduced health measures, including regulations on the number of residents per household and much more besides. Local government could probably not do that today, given the Executive structure that we have. Sandra White was right to talk about more powers for local government, but those powers must not be shackled by the Labour party.

Is local government still really local? David Davidson touched on that point and responded well to the question. Tavish Scott mentioned Orkney and Shetland. There is no doubt that we have a tremendous diversity of local government for such a small country. Indeed, I cannot, off the cuff, think of any other country in the world that has such diversity of local government as we have. That is governed largely by geography, population and other factors relating to the way in which Scotland is shaped. That fact should never be forgotten.

16:18

Karen Gillon (Clydesdale) (Lab): I declare that I am a member of Unison. As someone who campaigned for many years for the abolition of compulsory competitive tendering, I am delighted to take part in this debate.

We will not take lectures from the Tories about how much they value local government. Treating local government with contempt is something that the Tories did exceptionally well in the 18 years for which they were in power. Local government in Scotland at that time protected the most vulnerable people in society from the worst

ravages of a Conservative Government that was determined to undermine local government at every opportunity.

The Executive acknowledges the vital role that local government plays. I welcome the abolition of CCT and the moves towards best value. We need to say that if that is good enough for local government, it is good enough for Executive agencies and the Scottish Administration. The Executive needs to think again on that.

The other issue that I want to raise relates to the debate. Are we honestly saying to people out there that local government cannot function until the great new dawn of electoral reform comes upon us? Local government provides vital services day in, day out, and will continue to do so. The tone of some of the debate has devalued the vital role that local government workers play every day as they provide those services. Employees are at the heart of local government—elected members may make the policy decisions, but the employees implement the policies and work extremely hard.

I ask the minister to clarify two specific points that were raised by the Education, Culture and Sport Committee on section 29, which is in part 5 of the bill. First, COSLA indicated that there may be slippage in the timetable for the job-sizing exercise. I ask the minister to indicate the steps that will be taken to address that slippage, should it occur. Secondly, the Educational Institute of Scotland brought to the committee's attention the fact that section 87B of the Education (Scotland) Act 1980 places certain obligations on local authorities with regard to the appointment of staff. It is assumed that there is no conflict between the suspension of section 87A of that act and the Self-Governing Schools etc (Scotland) Act 1989.

In many local authorities, community planning is carried out well and has been placed on a good footing. However, that is not the case in other local authorities. We must consider placing community planning on a statutory footing. As Angus MacKay said, we should ensure that we pull together the good examples that exist. To me, there is no sense in the bland interface that takes place in the community care field to deal with people who are stuck in hospitals and who the authorities are unable to move into the community because they cannot get the resources that they need. My constituents face being unable to get the services that they want or to leave hospital when they want to. Good community planning that involves the community and all the other sectors may overcome such difficulties.

On elections, I believe that, on 1 May 2003, the Scottish people will be able to differentiate between the votes that they cast for their local councillor, their constituency MSP and their list MSP. People in Scotland are not stupid. If

members of the two Opposition parties seriously believe that people cannot differentiate between their local councillors and their MSPs, it is clear that they do not live in the constituency that I live in—indeed, they do not live in the world that I live in. People can make informed choices, based on their experience.

John Young: I understand that the National Assembly for Wales has separated the Assembly elections from the local government elections. Would not it be a good idea to examine that approach for use in Scotland?

Karen Gillon: The point about devolution is that we should do what is best for Scotland in Scotland. We have made a sensible decision that will increase the number of people who participate in local government elections. The people who live in the constituency that I represent will find no difficulty in making sensible choices. They are perfectly able to do so and will continue to make informed choices.

I welcome the bill, but would be grateful if the minister would comment on the points that I raised.

16:23

Stewart Stevenson (Banff and Buchan) (SNP): I congratulate all members—from all parties—of the Local Government Committee. In their deliberations they upheld to a fine standard the supportive criticism that always benefits our legislative process. Of course, I was not part of those deliberations, so I come to the debate as rather an outsider.

When I was first confronted with the phrase “power of well-being”, I was reminded of a device that business executives like me received at Christmas about 25 years ago. The device was the Honeywell buzzword generator, which had three circles of words that one twirled until a random phrase was generated. The phrase “power of well-being” may return to haunt us. It probably conceals from the general public what we are trying to achieve, rather than conveying that to them.

Perhaps it was wise of Labour to stand no closer to the phrase “general competence”, because Labour stands no closer to competence than it does to anything else. In the corridors of Labour councils, the party is deeply unfamiliar with the word “competence”. Well-being is an interesting term. It relieves councils of the ultra vires burden, or straitjacket, that constrains many of their actions.

I cannot help but note some of the doubts that were expressed by the Society of Local Authority Lawyers and Administrators in Scotland, whose written evidence appears at page 124 of the Local

Government Committee's report. The society recommended that there be some amendment to the bill to assist councils in ensuring that the power of well-being is implemented appropriately.

I want to trust councils and I want them to have the power to do what will benefit their local communities. Would that we trusted this Parliament as much, and allowed ourselves to do anything that we considered likely to promote or improve the well-being of our area or our people. We are, of course, constrained. It is strange that we can confer a power on others that we are not permitted to confer upon ourselves.

Councils generally remain underfunded—although there is a little debate about that—undervalued and, probably, over-regulated. The bill helps, in that it makes a start to addressing those problems. The Government should not be complacent; it is making only a small change to the rigidities that were established under the Tories.

Members may not be aware that Scotland has the fewest elected representatives per head of population in Europe. We have some 32 per 100,000, compared with England, which has 42, and, at the other end of the scale, Greece, which has about 650. There are certainly different patterns throughout Europe. We expect a lot of all our elected representatives, including our councillors. In many ways, therefore, it is regrettable that we have not addressed voting reform and the way in which councillors are elected, which have been under discussion for so long, in the bill.

We have to open the door to a wider range of people who might consider standing as councillors. The opportunities are too narrow at the moment. That idea has, in effect, been put on death row by Labour, and only the Liberals appear to fail to see that.

Councils matter to people. They affect all our lives. A substantial proportion of the work that comes through my door—I am sure that this the case for many other members—emanates from the actions or omissions of councils, so we know that they are important.

I was once fortunate to work for a very imaginative chief executive, who had two instructions for his management team, of which I was part. The first was, “We must break the rules at least once a week.” Only by doing that do we test the boundaries of our authority and of the rules that constrain the organisation for which we work. The second was, “We must fail some of the time.” Only by failing do we demonstrate that we are taking sufficient risks to succeed where it really matters.

I hope that the bill will encourage more risk taking in our councils—imaginative and responsible risk taking, with councils always returning to correct any mistakes that they make in a way that does not affect the people whom they serve. I hope, too, that the bill will encourage councils to break the rules and to take the opportunity that is created by the elimination of the ultra vires straitjacket.

The bill will be very welcome if its provisions are there to be followed. It will enable councils, councillors and communities to release their full potential.

16:29

Donald Gorrie (Central Scotland) (LD): I am happy to support the Local Government in Scotland Bill—I think that anyone with any real intelligence supports it. The only criticism is that it does not go far enough. Local government is in the position of some poor person who lives in a country where there is a lot of starvation and who has had no food for about 20 years. If they are then given two thirds of a loaf, we should welcome that but try to get the other third of the loaf added on.

Mention was made of the poor attendance at this debate. First, the bill is not controversial and most people agree with it. Members tend to stay away from that sort of debate, preferring debates that are of the punch-up type. Secondly, I am told by a colleague that we are competing for the headlines with Edwina Currie and ex-President Clinton. I am afraid that Scottish local government is not in that league.

I want to make one or two points about the bill, which I hope are constructive. First, the bill does not give enough attention to the voluntary sector. It mentions community bodies and other bodies that may include the voluntary sector, but I believe that the voluntary sector should have a major part. Along with local authorities, health boards and quangos, the voluntary sector should be a major player in providing best value, in community planning and in the power to advance well-being. If my information is correct, the Executive's best-value task force did not include anybody from the voluntary sector. That is very foolish. We must harness the huge talents of our colleagues in the voluntary sector.

Robin Harper (Lothians) (Green): Does Donald Gorrie agree that, given just a little more encouragement, the voluntary sector could make a huge contribution to things such as community recycling? In most cases, community recycling is undervalued. The Golspie community recycling project is one example that could be repeated all over Scotland with ease.

Donald Gorrie: Yes, I agree entirely with that. That is a good example of how a bit of help from the council can mean that best value can be achieved by working through a voluntary sector body. There can be a lot of advantage to the community as well.

Like the Local Government Committee, I believe that best value should cover quangos and central Government. I do not see why the civil service, Government departments and quangos should be excluded from the duty to secure best value. Whatever their faults, local authorities are more democratic than quangos and—I am trying to find the opposite of “inscrutable”—more capable of being scrutinised. To exclude quangos from such a duty seems a bit bizarre. I think that quangos should be included.

I welcome the committee's enthusiasm for having sustainability as one of the criteria for best value at the beginning of the bill. In Britain and in many other countries, public affairs are run far too much on a short-term basis. We must encourage everyone to look at the longer term. Recognising that, the Parliament and the Executive have produced quite a good set of proposals, but other bodies may not yet be quite up to speed on that. Sustainability should be laid down clearly as a criterion.

Personally, I would have far preferred that local authorities were given a power of general competence than a power to advance well-being. The power of general competence is a well-established concept all over the continent. If the bill provided a power of general competence that allowed councils to do anything that was not illegal and was not specifically the task of somebody else—so that they could not set up a hospital or something—that would get over the issue of possible duplication. However, the powers that be have obviously decided something different.

I may have missed it, but the part of the bill that deals with the power to advance well-being contains nothing about consulting the local community, although such consultation is required for community planning. The need for consultation should be made absolutely clear. That would mean that any councillor who had some slightly hare-brained idea could not go off without consulting people. Consultation might bring better ideas.

It is important to have guidance on joint ventures and on other joint activities between councils. One issue that has been raised is that the rules are now such that any councillor who is a member of a planning committee is precluded from almost any council discussion of almost anything in that sphere. That means that such councillors are precluded from speaking on a joint development, which seems daft. Those rules should be changed.

I am very keen on allowing remote participation. The issue does not affect me, but when I was a member of the Local Government Committee, the issue was raised in connection with the Highlands.

John Young spoke about proportional representation. The Tories would be more credible if they actually supported PR. To be frank, if PR for local government was put to the vote, it would not be carried in this Parliament because the Tories would vote against it and, at the moment, most or all of the Labour party would vote against it. The only way of making progress will be to persuade the Labour party to adopt PR, and that will be a slow process. Getting any party to have a major change of policy is not easy, but that is the process that we are undertaking in this coalition Government. We will see what happens in the next Government.

There are omissions and weaknesses in the bill but it is a great step forward. It is a pro-local government bill and we should all support it.

16:35

Bill Aitken (Glasgow) (Con): Donald Gorrie was probably right on one thing—the fact that much of the bill is so consensual that the debate has attracted a poor turnout. However, whether he was speaking for himself or for all of us when he compared our various attractions to those of Bill Clinton and Edwina Currie is a matter for some conjecture.

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): We do not want to hear any confessions.

Bill Aitken: I deny it absolutely!

The only storming of the barricades this afternoon, as referred to by John Young, would have been the efforts of people trying to get out. The debate has not been all that scintillating.

Peter Peacock made a vicious attack on the last Conservative Government and its attitude towards local government. He said that local government was consistently under attack. To a certain extent, he is right—the relationship between local government and central Government in those days was difficult. Now the relationship is fraught, because local government is fed up of dancing to the Executive's tune, fed up of the degree of centralisation that it is experiencing, and sick and tired of its budgets being ring fenced to follow the Executive's priorities. Some local authorities, although not too many, are a little fearful of the effects of PR. However, as we all know, chaps, that is never going to happen, so it will not cause too much difficulty.

I would like to deliver a small history lesson. Those members who were in local government for any length of time may remember what it was like

prior to the implementation of the Local Government, Planning and Land Act 1980. That was the legislation that introduced the dreaded compulsory competitive tendering process. Before then, direct labour organisations up and down Scotland had a licence to waste money. The Conservative Government was quite correct to introduce that act. The savings have been absolutely tremendous.

What did the Labour Government do when it came to power in 1997? The rush to reverse the legislation was hardly noticeable. The Government realised that something had to be done to curb the excesses of free-spending authorities, so it retained the legislation. What has the Government done since? It has not changed things significantly. The provisions in the Local Government in Scotland Bill—apart from being much more bureaucratic and time-consuming—are basically CCT under a different name. There is no real change.

Let us turn to community planning, which is a good thing. Just like motherhood and apple pie, it is a splendid thing—and Karen Gillon is just the one to tell us about those things. I am sure that her apple pie is superb.

The Deputy Presiding Officer: I think that it was actually Jackie Baillie who had the apple pie at lunch time.

Bill Aitken: Any local authority worth its salt will be following the bill's provisions in any case, so why is it necessary to legislate?

Robin Harper: We have been talking about the devolution of power from the centre to councillors. Is it a matter of regret to Mr Aitken that there is no mention in the bill of the specific part that community councils could and should play in community planning? I am thinking of sections 16 and 17 in particular.

Bill Aitken: I have the greatest respect for community councils, which should have a prominent role in planning. In my local authority days, I listened carefully to what community councils said. The community councils' right to consultation and input should be enshrined in statute. I have no difficulty with that.

John Young: Does the member agree that David Davidson mentioned community councils before Robin Harper arrived?

Bill Aitken: Yes. In his usual erudite way, David Davidson highlighted well the aspect of community council involvement.

Angus MacKay: If I may interrupt the mutual congratulation between the suits on the Conservative benches, I would like to ask Mr Aitken a question. Why does he think that it is objectionable to introduce a power of community

planning for local authorities when he says that they should be doing that anyway? Further, why did his party think it entirely unobjectionable to introduce CCT, which he presumably also thinks that councils should have been doing? There seems to be a logical contradiction between the two positions.

Bill Aitken: I am slightly confused by that logic as the two issues are completely separate, as Mr MacKay well knows. CCT was introduced as a matter of abject necessity.

Angus MacKay: Abject necessity?

Bill Aitken: Total necessity.

The power of well-being is a nice and cosy little phrase, but why did not the Executive simply follow the recommendations of McIntosh, who said that there should be a power of general competence? I was not persuaded by Iain Smith's little story about the post office. I would have thought that local authorities already have the powers to deal with the situation that he described. I accept that it might be a matter for dispute, but I would have thought that the estates department of Glasgow City Council would have been able to cope quite adequately with the problem. Again, that demonstrates why the legislation is unnecessary.

The sky is not going to fall when this legislation is passed. Nothing in the bill is totally and utterly objectionable, but the fact remains that it is largely unnecessary.

16:42

Tricia Marwick: Keith Harding and Bill Aitken have said that the power of general competence is unnecessary. Keith Harding said that, as leader of Stirling Council, he could do anything that he needed to do without such a power of general competence. However, the Royal Commission on Local Government in Scotland, chaired by Lord Wheatley way back in 1969, concluded that there should be a power of general competence for local authorities.

The European Charter of Local Self-Government, which was established in 1985, supports the concept of local government having substantial freedom within the limits of the law. Article 4(2) states:

"Local authorities shall, within the limits of the law, have full discretion to exercise their initiative with regard to any matter which is not excluded from their competence nor assigned to any authority."

Unsurprisingly, the Conservative Government at that time did not believe that a case had been made for the need for the UK to adopt an international agreement. However, that same Conservative Government, accepting in 1996 that

a clear signal should be given that it recognised the value of local government, recommended the creation of a new statutory power of local competence. That power is indeed the power of well-being. It might not go as far as the power of general competence that McIntosh supported, but it is an incremental step in that direction.

I am surprised by the comments of the Conservatives today. When they are in Government, they say one thing and when they are out of Government, they say something else.

Mr Harding: I did not say that we were against the power of general competence but that we were against the watered-down version that is in the bill. We are supported in that by the Scottish Local Government Information Unit.

Tricia Marwick: If I recall correctly, Mr Harding said that he was against the power of general competence because when he was the leader of Stirling Council, that council could do anything that it wanted to do.

It is strange that the Conservatives support the provisions in the bill but will not vote for the general principles of the bill.

Tavish Scott talked about milk and honey in response to Bruce Crawford's comments about wine and local authorities. Perhaps Bruce Crawford was referring to the fact that Fife Council allowed £650,000 of public money to go down the tubes in supporting the Gothenburg in Cardenden. We might still need an investigation into that.

I will talk about the scope of the ministerial amendments in the miscellaneous provisions part of the bill, to which the deputy minister referred. I would like him to address that point today and to give members some idea of what amendments he is considering lodging at stage 2.

Every member who has spoken has said that best value must apply to all public services equally and consistently, and that there should be a statutory duty. I invite the minister to respond to that point and to say that he will lodge an amendment that will achieve that.

As the Local Government Committee has suggested, there should be a duty on local authorities, and on all of their partners who have a duty to participate, to report on community planning. The ministers are empowered to issue regulations and I ask the minister to accept the recommendations of the Local Government Committee that those regulations should cover a number of issues that are laid out in paragraph 57 of the committee's report. I know that it is not within the scope of the bill to discuss what those regulations might be, but the minister must give a clear indication as to whether he accepts the suggestions about what those regulations should

include. That will impact on possible amendments at stage 2. He owes it to the chamber to give an indication of what he is thinking.

The minister said that the power of well-being should be seen as a power of first resort, not a power of last resort. That is welcomed by everybody in the chamber. Local authorities must be free to act for the well-being and the good of their area where they are not specifically forbidden to so do.

As Angus MacKay rightly said, we will support the bill. The bill is incremental change. It is not the kind of change that local government in Scotland needs; local government needs much more radical change. It certainly needs bolder change, in the words of the Prime Minister. The bill represents a very timid attempt to change local government.

Robin Harper: Would the member not say that at this stage of democratic development in Scotland a bill without PR in it is hardly worth voting for?

Tricia Marwick: I thank Robin Harper for drawing my attention to the fact that in the one minute I have left I will be addressing the issue of PR.

We will support the bill because it is incremental change, but it is not the radical change that local government needs. For example, it does not include proportional representation for local government. That is the one thing that would transform local government in Scotland. It is the one thing that would renew local democracy.

The SNP makes two pledges. First, the local government elections that the Executive has combined with the Scottish Parliament elections will be separated again. Secondly, the Scottish National Party will introduce proportional representation for local government. No ifs, no buts, no maybes, no coalitions—next year, the SNP Administration will bring in PR for local government.

The Deputy Presiding Officer: I call Peter Peacock to wind up the debate. You have until 5 o'clock, Mr Peacock.

16:49

Peter Peacock: Thank you Presiding Officer. I am more than happy to take interventions if we have so much time to fill.

There have been a great many good contributions to the discussion and those will help to inform the process as we consider the detailed amendments at stage 2. I am grateful to members for making all their points firmly. I will deal with individual points first and then pick up on the common points that have been made by a number

of members. Those points will be more substantive because so many members have touched on them.

In her opening remarks, Tricia Marwick clearly indicated that the SNP supports the bill's principles. I welcome that. However, if my welcome sounds grudging, that is because the way in which she expressed support was also extremely grudging. She claimed that people are disappointed with the bill. However, that is not what the evidence suggests. If she speaks to local authorities, which are the main beneficiaries of the freedoms contained in the bill, and to their community partners such as health boards, local enterprise companies and the police, she will find that the bill has received a very warm welcome across Scotland.

Tricia Marwick: I actually said that the bill's provisions are welcome, and indeed have been welcomed throughout Scotland. Local government will particularly appreciate the power of well-being. However, I also said that people are disappointed with the bill's scope. They feel that it does not go far enough and that it does not include many of the provisions that the Executive's consultation paper in 2001 said that it would include. It certainly does not cover PR in local government.

Peter Peacock: I will address some of those points in a moment. However, I should say that I am glad that Tricia Marwick has corrected the record and that she unreservedly welcomes the bill's provisions.

Tricia Marwick also raised a number of points about the miscellaneous provisions in the bill. Those are principally tidying-up measures; there will be nothing substantive in them, nor will they shock anyone. We are still in the process of tidying them up, and I will write to the committee as soon as possible to indicate the range of the various provisions. However, we are still checking out various ideas that might require to be included in that part of the bill. We will also lodge a range of purely technical amendments relating to drafting problems that were highlighted in evidence or by other means. We will let the committee know how we have tidied up those matters.

In her opening remarks, Tricia Marwick wondered why we were not following the McIntosh commission's recommendations on the power of well-being. In fact, we have done so. After all, McIntosh explicitly recommended such a power, although he described it as a power of general competence. We have included the substance of that proposal in the bill.

Every SNP speech mentioned PR, which shows that that was obviously part of the standard script that was issued before the debate. The issue of councillors' terms and conditions was also raised.

The Labour party and the Liberal Democrats made it very clear at the outset of the partnership Executive that we would make progress on the issue of electoral reform. That is exactly what we are doing. We have indicated that we will introduce a bill by early next year. However, it will not be the sort of narrow bill that Tricia Marwick has proposed. It will be a wide local governance bill that will address the issue of councillors and indeed all the other issues that have been raised. The bill will also see the renewal of local democracy as something much wider than the issue of PR.

Of course, the purpose behind Tricia Marwick's limited and narrow member's bill on PR is purely to cause mischief and to divide the partnership. She has singularly failed to do so.

John Young: Is there a timetable for PR? Has the Executive decided—without necessarily telling the Liberal Democrats—to accept PR in the next session of the Parliament, or even in the session after that? If not, does that mean that the Labour party may well sever its links with its coalition partners at some point?

Peter Peacock: We are honouring our commitment to make progress on this issue, part of which is to introduce a bill.

Iain Smith highlighted the strong support for the bill not just throughout Scotland but within his own party, because it is a pro-local government bill. It gives back to local authorities the freedoms and responsibilities that the Conservatives systematically tried to strip away when they were in Government. Iain Smith, Angus MacKay, Karen Gillon and other members properly pointed out that the CCT regime that the Conservatives introduced was far too narrow. It forced councils to go down a particular route and to come to particular conclusions, irrespective of what was in the interests of their communities. The move towards best value moves us decisively away from that regime to create a new system of accountabilities and a new method of determining what is in the interests of communities as far as service delivery is concerned. The bill will create best value, but also balance quality and cost within the same framework. That is an important development.

Iain Smith also mentioned the move to incorporation and, in particular, the need for accountability in that respect. Both of us have had experience of how people who were put on joint boards became loyal to the joint board rather than to their council. We must consider the whole question of accountability, if we move to incorporated bodies. It is difficult to address, but we want to address it as we advance.

Trish Godman rightly pointed out many of the questions that her committee addressed in the

course of examining the bill. Essentially, her comments were about freeing up local government and giving back to it responsibility, powers and rights to do things in the interests of the community that, hitherto, it has been unable to do.

Sandra White asked about the funding that I indicated would become available. I make it clear that we are talking about the outcome of the consultation on community budgeting and about the resources that are available from public sources within a community. The outcome of that consultation is that we will advance our work on community budgeting through community planning partnerships. Margaret Curran will make further announcements about that in due course.

Further thinking in the Executive concerns capacity building in communities to allow them to participate in community planning. Again, Margaret Curran's portfolio has much to offer in that respect.

Sandra White talked about the power of well-being and illustrated her point with the example of supplying fruit to particular communities. That is the kind of power we want to liberate councils to use if they think it is right. Such a use of the power would be subject to the question whether the council was duplicating the provision of another organisation and that would have to be resolved. It would also be subject to questions of best value. However, that is exactly the kind of freedom that we want to provide.

I have written down David Davidson's name in my notes, but I have nothing to say to him as there was nothing terribly telling in what he said.

Tavish Scott made some good points about the practicalities of running services in areas such as Shetland, where there are good examples of inter-agency working of the kind that we want. He also made a point about electronic meetings and facilitating the participation of people from geographically disadvantaged areas.

Elaine Thomson made important points about how the bill empowers local government for the first time in many years to do things that it wants to do. She also made important points about run-down developments in communities that she represents. The bill will help to improve such situations through the powers that it provides. We must keep the powers under review.

Karen Gillon asked about the potential conflict between section 29 of the bill, which suspends section 87A of the Education (Scotland) Act 1980, and the Self-Governing Schools etc (Scotland) Act 1989. I am advised that there is no conflict there. The slippage in job sizing that she referred to is not a problem as far as the timing of the bill is concerned.

Several members mentioned best value and the need to apply it throughout the public sector. We have no difficulty with that in principle. We are researching a means of finding the mechanism to do that and, if at all possible, we will make progress on that as we advance.

Members also spoke of their desire for the bill to refer to sustainable development in relation to securing best value. We will try to progress that if possible. There are complications involved—which I do not wish to diminish—but, with good faith, we hope to make progress.

I was stunned by the sheer, breathtaking nerve and audacity of Keith Harding. Not only did he keep a straight face during the speech—which must have been difficult to do—but he called the bill an affront to democracy which, when one considers the record of the Tories during the 18 years for which they were in power, is simply breathtaking.

The Tory Government was the most centralising Government of the last century. The Tories were the people who imposed guidelines on councils—if we spent one ha'penny more than what was in the guidelines, we lost grant. They were the people who imposed capping on local authorities to restrict the council tax levels that could be imposed to meet direct council services. They were the people who took back grant from councils if they overspent. They were the people who introduced the poll tax of all things—centrally imposed by the Tories. They were the people who cut the term of office of councillors to make it more difficult for councillors to do their job and to plan for the future. They were the people who introduced the ill-thought-out reorganisation of local government that nobody wanted—another attempt to undermine local authorities.

On top of that, the Tories introduced compulsory competitive tendering, which I have dealt with. They removed functions from local authorities. They brought in more than 200 instruments to constrain local government in one form or another. They squeezed local government through the section 94 controls. For them to lecture us about the bill, which seeks to empower councils and give back freedoms, is simply ludicrous. They will be left behind in the debate.

Mr Harding: Will the minister take an intervention?

The Presiding Officer (Sir David Steel): No, Mr Harding, we are near the end of the debate.

Peter Peacock: I would love to take an intervention, but the Presiding Officer tells me that I cannot.

The bill is an important step forward to redress some of the extraordinary damage done to local

government by the Conservatives during their years in power. It rectifies many of the ills that they left us with. It gives more trust to councils and more responsibility to local leaders, and it helps to join up government at local level and with national Government. I commend the bill to Parliament.

Local Government in Scotland Bill: Financial Resolution

17:00

The Presiding Officer (Sir David Steel): The next item of business is consideration of a financial resolution in respect of the Local Government in Scotland Bill. I ask Peter Peacock to move motion S1M-3227, in the name of Mr Andy Kerr.

Motion moved,

That the Parliament, for the purposes of any Act of the Scottish Parliament resulting from the Local Government in Scotland Bill, agrees to any increase in expenditure payable out of the Scottish Consolidated Fund in consequence of the Act.—[*Peter Peacock.*]

Decision Time

17:01

The Presiding Officer (Sir David Steel): There are two questions to be put as a result of today's business.

The first question is, that motion S1M-3128, in the name of Mr Andy Kerr, on the general principles of the Local Government in Scotland Bill, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (North-East Scotland) (SNP)
Baillie, Jackie (Dumbarton) (Lab)
Boyack, Sarah (Edinburgh Central) (Lab)
Brankin, Rhona (Midlothian) (Lab)
Brown, Robert (Glasgow) (LD)
Butler, Bill (Glasgow Anniesland) (Lab)
Campbell, Colin (West of Scotland) (SNP)
Canavan, Dennis (Falkirk West)
Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
Crawford, Bruce (Mid Scotland and Fife) (SNP)
Cunningham, Roseanna (Perth) (SNP)
Curran, Ms Margaret (Glasgow Baillieston) (Lab)
Eadie, Helen (Dunfermline East) (Lab)
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)
Ferguson, Patricia (Glasgow Maryhill) (Lab)
Finnie, Ross (West of Scotland) (LD)
Gibson, Mr Kenneth (Glasgow) (SNP)
Gillon, Karen (Clydesdale) (Lab)
Godman, Trish (West Renfrewshire) (Lab)
Gorrie, Donald (Central Scotland) (LD)
Grahame, Christine (South of Scotland) (SNP)
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)
Hyslop, Fiona (Lothians) (SNP)
Ingram, Mr Adam (South of Scotland) (SNP)
Jackson, Dr Sylvia (Stirling) (Lab)
Jackson, Gordon (Glasgow Govan) (Lab)
Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
Kerr, Mr Andy (East Kilbride) (Lab)
Lamont, Johann (Glasgow Pollok) (Lab)
Livingstone, Marilyn (Kirkcaldy) (Lab)
Lochhead, Richard (North-East Scotland) (SNP)
Lyon, George (Argyll and Bute) (LD)
MacAskill, Mr Kenny (Lothians) (SNP)
Macdonald, Lewis (Aberdeen Central) (Lab)
MacDonald, Ms Margo (Lothians) (SNP)
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)
Marwick, Tricia (Mid Scotland and Fife) (SNP)

Matheson, Michael (Central Scotland) (SNP)
 McAllion, Mr John (Dundee East) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McLeish, Henry (Central Fife) (Lab)
 McLeod, Fiona (West of Scotland) (SNP)
 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)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Radcliffe, Nora (Gordon) (LD)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Russell, Michael (South of Scotland) (SNP)
 Scott, Tavish (Shetland) (LD)
 Smith, Iain (North-East Fife) (LD)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Swinney, Mr John (North Tayside) (SNP)
 Thomson, Elaine (Aberdeen North) (Lab)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Mr Jim (Orkney) (LD)
 White, Ms Sandra (Glasgow) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Wilson, Andrew (Central Scotland) (SNP)

ABSTENTIONS

Aitken, Bill (Glasgow) (Con)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Fergusson, Alex (South of Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Harding, Mr Keith (Mid Scotland and Fife) (Con)
 Harper, Robin (Lothians) (Grn)
 Johnstone, Alex (North-East Scotland) (Con)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Young, John (West of Scotland) (Con)

The Presiding Officer: The result of the division is: For 88, Against 0, Abstentions 18.

Motion agreed to.

That the Parliament agrees to the general principles of the Local Government in Scotland Bill.

The Presiding Officer: The second question is, that motion S1M-3227, in the name of Mr Andy Kerr, on the financial resolution in respect of the

Local Government in Scotland Bill, be agreed to.

Motion agreed to.

That the Parliament, for the purposes of any Act of the Scottish Parliament resulting from the Local Government in Scotland Bill, agrees to any increase in expenditure payable out of the Scottish Consolidated Fund in consequence of the Act.

RAF Turnhouse Site

The Deputy Presiding Officer (Mr George Reid): The final item of business is a members' business debate on motion S1M-3263, in the name of Lord James Douglas-Hamilton, on the development of the RAF Turnhouse site. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes that BAA Lynton has earmarked the former RAF Turnhouse site or "Airwest" for medium-to long-term commercial development in support of the expanding cargo operations at Edinburgh Airport following the grant of outline planning consent in June 2000; further notes that the entire site is currently being marketed to potential commercial occupiers for a variety of airport-related uses; expresses its concern that Home Office plans for a possible accommodation centre for asylum seekers on that site are creating uncertainty and thus the site is in danger of becoming blighted, and therefore believes that the Scottish Executive and the City of Edinburgh Council should ask the Home Office to state clearly that it has no interest in the site and thereby permit BAA Lynton to proceed with its plans which are in the best interest of jobs and economic development in Edinburgh and the east of Scotland.

17:04

Lord James Douglas-Hamilton (Lothians) (Con): In proposing the motion, I wish to highlight the needs of the expanding commercial international airport in Edinburgh. We have already debated and agreed on the need for a railway link with the airport. Edinburgh is one of the fastest growing capitals in Europe, and its success is essential for the economy, jobs and commerce in the Scottish lowlands and the east of Scotland.

The airport has already undergone £100 million of redevelopment and it is set to benefit from that expansion. It follows that the needs of the cargo centre should not be neglected. BAA Lynton owns the site, which used to contain the buildings that belonged to RAF Turnhouse. For a considerable time, it has actively taken forward plans for the redevelopment of the site for cargo warehouses. As part of that programme, it has had discussions with the City of Edinburgh Council about plans to improve the Maybury roundabout, to allow better access to Turnhouse.

We underestimate the need for Edinburgh airport to expand its cargo warehousing capability at our peril. In the past nine years, there has been a colossal increase in the amount of cargo that has come into Edinburgh airport. In 1993, excluding mail, 1,212 metric tonnes of cargo came through the airport; by 2000, that figure had soared to 18,094 metric tonnes. Furthermore, the Department of Transport, Local Government and

the Regions has estimated that UK air cargo will double by 2010. It is therefore imperative that Edinburgh airport expands its cargo operation if it is to fight its weight as a world-class competitive airport in the 21st century.

Mr Richard Jeffrey, who is the managing director of BAA Edinburgh, has written to me. He said:

"If the site were lost to the proposed asylum seekers centre the effects would perhaps be twofold:

1. The north site is included within the long-term development plans for Edinburgh airport. If lost, this may put pressure on our remaining land supply in the cargo area and constrain operational development and cargo growth.
2. The location of an asylum seekers centre may simply deter third party investment in the location, albeit for no sound reason.

The use of this land for the proposed development of cargo operations, airport related business space and other airport ancillary needs would have a much greater net benefit for the local economy than any other use."

The Home Office is, of course, aware of BAA Lynton's plans, which have received outline planning permission. Apparently, it is still considering whether the site should be compulsorily purchased as an accommodation centre for 750 asylum seekers. BAA Lynton's position is that protracted delay on behalf of the Home Office is giving rise to a mood of uncertainty that could result in the site's becoming blighted. It is clear that that would be contrary to the best interests of Edinburgh and the east of Scotland.

In a letter to me dated 5 September, Neal Franklin of the new policy directorate of the Home Office said:

"The Home Office is currently in discussion with the Department for Transport regarding its consultation document published in July, which included plans to expand Edinburgh Airport."

Therefore, Edinburgh airport's interests are being considered by the Home Office and we know that Scottish Executive ministers must also—rightly—be consulted.

Mr Iain Gray, who was then Minister for Social Justice, wrote to me on 9 April 2002 to say that

"the Nationality, Immigration and Asylum Bill, includes a provision which would require the Home Secretary to consult with Scottish Ministers before deciding to establish an accommodation centre anywhere in Scotland."

In that connection, the results of a survey that was carried out earlier this year revealed that approaching 90 per cent of those who live close to the airport on the western perimeter of Edinburgh are opposed to the proposal. The most significant and frequently expressed concerns were about security, as the site is adjacent to Edinburgh international airport. Even if the Home Office decides to disregard arguments about security,

which it would be less than wise to do, it cannot ignore the legitimate needs of cargo interests at the airport.

BAA Lynton has earmarked the former RAF Turnhouse site—or “Airwest”—for medium to long-term commercial development in support of the expanding cargo operations at Edinburgh airport, following the grant of outline planning consent in June 2000. The entire site has been actively marketed to potential commercial occupiers for a variety of potential airport-related uses. BAA Lynton—the developer of the site—envisages a variety of build-to-suit opportunities being made available to commercial occupiers.

I also understand that the City of Edinburgh Council has grave reservations about the suitability of the site for asylum seekers. In the circumstances, I will be grateful if the minister will make clear to the Home Office the overwhelming case for Edinburgh’s economic interests being allowed to flourish and that another site or sites in Scotland should be considered for asylum seekers. He should make clear to the Home Office the strength of public opinion from all political parties on the matter.

I am grateful to David McLetchie for his support for the motion. I express gratitude to Margaret Smith and Donald Gorrie for signing the motion. I am also grateful to Councillor Donald Anderson, leader of the Labour group on the City of Edinburgh Council. He states in today’s *Edinburgh Evening News*:

“Our understanding is this proposal would interfere with the development of the airport and that is something we could not support.”

I submit that the statements I have quoted represent a groundswell of public opinion in support of Edinburgh as a city of commerce, that that theme should be adopted and that asylum seekers should be well cared for and well looked after at a more appropriate place or places.

17:11

Mrs Margaret Smith (Edinburgh West) (LD): I find myself in the slightly unusual position of agreeing totally with Lord James Douglas-Hamilton. I congratulate him on securing the debate.

We are having the debate against a background of continued uncertainty and public silence from the Home Office on an important issue. Since February, when the Home Office made the initial announcement that the Turnhouse site was under consideration as an accommodation centre, I and my Westminster colleague, John Barrett MP, have met local residents in the area and representatives of the BAA to discuss their concerns. Both groups have lived and functioned with what amounts to

planning blight and uncertainty since the announcement. I call on the Home Office to make a speedy decision not to go ahead with Turnhouse as an accommodation centre site. That view is shared by local residents, the City of Edinburgh Council—as Lord James Douglas-Hamilton outlined—BAA and local representatives of all mainstream parties, who I believe have handled the issue with the necessary sensitivity and care.

A few years ago, before I entered politics, I was the Scottish organiser for the United Nations Association and was involved in fundraising for the United Nations High Commissioner for Refugees. I had above my desk a UNHCR poster. It had a photograph of Albert Einstein and the caption, “Einstein was a refugee.” I believe totally in our country’s responsibilities under the UN charter for refugees and I believe totally in our responsibility as human beings to those who are fleeing persecution. Those responsibilities extend to ensuring that when asylum seekers enter this country we treat them with respect and give them the services they require in the best possible location.

Why have I consistently opposed the siting of an accommodation centre at Turnhouse? Because I believe that it is wrong for local residents and for asylum seekers alike.

First, although the accommodation centre would have an impact on the local community and services, the Home Office failed to consult and engage with the City of Edinburgh Council, elected representatives and local residents prior to making the statement. The Home Office has cancelled meetings with me and it has failed to consult people properly. It has failed to do the work that is necessary—with the council, with the national health service, with the police and with other service providers—to evaluate the impact that such a centre would have on local services, particularly housing provision, policing and the local NHS.

I have raised the issue of the pressures there would be on social housing in the city if, each year, 2,000 people were given leave to remain and stayed in the area. The Home Office responded to me in March, stating:

“We have yet to resolve the practical details of what happens when a resident is granted status.”

Those sorts of issues should have been discussed with the City of Edinburgh Council prior to an announcement.

Secondly, I am opposed in principle to 750-bed accommodation centres, particularly if they are in semi-rural areas such as Turnhouse. That is not the best way to integrate people into our country. Refugee organisations, charities and churches have all voiced similar concerns. Nick Hardwick,

chief executive of the Refugee Council, stated:

"We are very concerned about the proposed accommodation centres. The experience of similar centres on the continent which are away from urban centres and where everything is provided on site is that the asylum seekers become very isolated and institutionalised and those who are allowed to stay have huge problems properly integrating."

A number of children's charities have raised specific concerns about children and families being included in pilot centres, given that 80 per cent of the centre population would be young males.

Crucially, I believe that this is the wrong location because it would limit the expansion and continued success of Edinburgh airport. The eight hectare site in question has secured outline planning consent for airport and ancillary uses in the medium and long term. BAA Lynton and Edinburgh airport have both made it clear that its use for anything else would have a seriously detrimental impact not only on the airport but on the economy of the city and Scotland. It is clear from the aviation consultation document and the draft west Edinburgh planning framework that the continued expansion of Edinburgh airport is of great national importance.

I have raised the matter with the Home Office on several occasions and I know that other colleagues have done the same. I am pleased to report that at least the Home Office has confirmed to me in the past week that the minister responsible will not consider the siting of an accommodation centre in isolation and has liaised with the Department for Transport, Local Government and the Regions about the recently published aviation consultation document. The Home Office has assured me that that document and the expansion of the airport will play a part in the minister's assessment of whether to go ahead with the accommodation centre. It is a pity that such liaison between Westminster departments did not take place in advance of the February announcement.

Edinburgh airport is the fastest-growing airport in the United Kingdom. It has enjoyed 12 per cent year-on-year growth in passenger numbers as well as rapid growth in freight carried. The airport supports Edinburgh's economy and tourism industry. Given that the Executive supports plans for a rail link and a transport interchange at the airport—and that BAA plans a major cargo strategy—it is clear that jobs in the local economy would suffer if expansion were curtailed.

As Lord James Douglas-Hamilton outlined, BAA has made it clear that the site is included in the long-term development plans for Edinburgh airport. If the site were lost, that would put pressure on the remaining land supply, constrain

operational development and cargo growth and deter third-party investment.

I hope that the Scottish Executive will do all it can to secure a change of mind by the Home Office and an early response. I hope that the Scottish Executive will agree that we want a Scotland in which people of all cultures and backgrounds live together in mutual respect, and one in which Edinburgh continues to thrive. Neither of those aims will be brought about by a misguided development at the site in question.

17:16

Mr Kenny MacAskill (Lothians) (SNP): I congratulate James Douglas-Hamilton on securing the debate and I subscribe to many of his and Margaret Smith's points. The debate is important for two reasons. First, there is the issue of how we treat asylum seekers and whether accommodation centres are the best method of assimilating them. Secondly, there is the issue of the economic expansion not only of the airport, but of Scotland.

I do not believe that accommodation centres are the best way in which to integrate people. The debate is ironic, given that, this week, the census figures have revealed the potentially cataclysmic decline in the Scottish population. There has been talk of the return of the expatriate community and Professor Wright from Stirling mentioned a need for immigration. We must assimilate people into the country. There is a labour shortage in key sectors in Edinburgh, not only in the highly skilled sectors, but in hotels, which are at the lower end of the food chain, if I may put it that way. Without Kiwi and Australian students working away, many major hotels in the city would have great difficulties. We need the labour that those people provide to assist the growth of our community. Fiona Hyslop will deal further with asylum seekers.

We must consider separately the issues of economic development and the expansion of the airport. The expansion of the airport is fundamental. I do not want to be pedantic about one of the points Margaret Smith made, but Edinburgh airport is not the fastest-growing airport in Scotland or the UK; it is the fastest-growing BAA airport. The growth at Prestwick surpasses that at Edinburgh, but BAA spin-doctors have put a spin on the matter. However, I do not denigrate the growth at Edinburgh airport, which has benefited the city and individual citizens such as me.

Fiona Hyslop has visited the cargo facilities. No doubt Margaret Smith has done the same. There is a need for expansion. The current facilities are antediluvian and they must be improved. Given what already exists at Ratho and Newbridge, the site provides an opportunity to create a greater

intermodal interchange and hub that would add value not only to the airport's cargo operations, but to Edinburgh, given the M8 and M9 access and the road network.

I am glad that BAA Lynton seems to be returning to being an airport rather than a retail developer. It has given up and sold out in the McArthurGlen outlet, although I think that it retains ownership of its Livingston outlet. BAA Lynton should concentrate on the important hub that I mentioned.

Edinburgh is naturally constrained to the north by the River Forth and to the south by the Pentland hills. Only a set area is available for economic development. The site we are discussing is a key area and has always been cherished. We must consider carefully any extension that breaches the green belt, but we have an opportunity to allow Edinburgh to grow through rail links to the airport and cargo facilities, which will add value to the city.

We also have to accept the fact that there is room for expansion not only of cargo facilities. Park-and-ride facilities are a proposed method of addressing traffic congestion. I know that the preferred park-and-ride facility is not exactly adjacent to RAF Turnhouse, but it is not that far away, down towards the Newbridge area, at the end of the footprint of the runway there.

The area must be preserved for the growth of the airport and for the expansion of the city's economic development. Such opportunity does not exist to the north or the south, and the possibilities for moving eastwards are constrained by Musselburgh, Port Seton and all that other area. The only other natural land bank for the city of Edinburgh is the brownfield site that is controlled by the Forth Ports Authority. That is being addressed, correctly, by the waterfront development. We must keep it together for the benefit of all our citizens and the economic progress of our city in the 21st century.

17:20

Bristow Muldoon (Livingston) (Lab): Today's debate raises important issues about development in the east of Scotland and the contribution that improved transport services, including air services, can make to economic growth. However, I caution against the tendency to use such issues as a surrogate mechanism for debating asylum policy. Asylum policy is best addressed by the UK Government, for that is where the responsibility lies. We should restrict our comments to the impacts on devolved areas of service provision. To some degree, members have done that, but we are in danger of straying into a general debate about asylum policy.

I recognise that, as part of the progress of the Nationality, Immigration and Asylum Bill, the Scottish ministers will be consulted on any proposed sites in Scotland. I expect that, in their responses to such consultation, the Scottish ministers will make comments based on all aspects of a site, including the economic development issues that have been mentioned. It is to those issues—economics and transport—that I now turn.

It is clear that the west Edinburgh area is important not only to the city of Edinburgh, but to the whole of east central Scotland, including Livingston, the rest of West Lothian, Fife and many other areas. It is important as a direct provider of employment, as a key transport corridor for tourists who are moving into or out of the country and, as has been mentioned, for its air freight potential.

I accept Mr MacAskill's point that Edinburgh airport is perhaps not the fastest-growing airport in Scotland, but it is one of the fastest-growing airports in the UK. Its future expansion is desirable and is being examined as part of the Government consultation that was launched in the summer. I have been in contact with BAA officials on many occasions and have visited the airport many times, and I am confident that, once the airline industry settles down following the shock of 11 September, Edinburgh airport will grow even more strongly than it has over the past year.

The growth in air freight is of central importance to the east central Scotland economy. Much of the freight that is moved in that way is the high-value, low-volume freight that is involved in some of the industries that we are trying to develop, such as the electronics and biotechnology industries. To help support the Executive's plans to develop those high-knowledge, high-wage parts of the economy, we need a robust air freight system. The proximity of many key Scottish financial institutions to Edinburgh airport also underlines the continuing need to develop the airport.

The future of RAF Turnhouse must be considered carefully in that economic context. I am sure that the public consultation that is under way on the future development of the west Edinburgh area will take full cognisance of the economic development issues that are associated with the airport.

The former RAF Turnhouse site is a vital component in the development of the east of Scotland economy, and we should consider all its future potential uses very carefully. I believe that the continued development and expansion of Edinburgh airport, with the potential use of the RAF Turnhouse site, is desirable.

17:24

David McLetchie (Lothians) (Con): I take this opportunity to add a few remarks in support of my colleague, James Douglas-Hamilton, and other members who have spoken this evening.

Unlike other speakers, I think that it is high time that the Home Office's persistent refusal to state whether it wishes to use the RAF Turnhouse site as an accommodation centre for asylum seekers is resolved, and that a decision on the matter is reached quickly. The indecision has been like a ball and chain fastened to BAA Lynton and is seriously hampering its plans to expand the airport and its cargo capacity. We must now cut free from that ball and chain and conclude the matter once and for all. As Lord James Douglas-Hamilton stated, it is perilous to underestimate how much Edinburgh airport needs to expand if it is to become a competitive world-class airport in the 21st century.

The commercial ambitions of BAA are important to its development at Edinburgh of a dynamic, efficient and modern airport that has facilities to rival its competitors throughout the United Kingdom and Europe. It is the duty of government at all levels to ensure that those commercial ambitions are not frustrated indefinitely by what is a form of planning blight, as has been pointed out.

The air cargo industry is booming and is expected to double in size in 10 years. With the further investment of a cargo centre and other commercial developments at the airport, we could finally see developments—as Kenny MacAskill pointed out—such as the rail link from the city centre to the airport, to which the Executive aspires and which is supported by members of all parties in the Parliament. Apart from the rail dimension, there is a further advantage in terms of the proximity of the airport and its site to the roads network in Scotland, with the M8, M9 and M90 all being within a mile of the airport.

There is also an employment impact because the airport is, directly and indirectly, a major employer and supports more than 7,000 jobs in Scotland. If we have the opportunity to expand the cargo industry, with the general expansion in aviation throughout the world, that jobs figure could rise significantly over the next decade and bring more employment to people living in the Edinburgh and Lothians.

For all those reasons—the economic reasons to which we have alluded and the many other reasons that were cogently presented by Margaret Smith in her speech—the Home Office needs to go back to the drawing board and abandon any plans that it might still harbour to use the Turnhouse site as an accommodation centre for asylum seekers.

I take slight issue with Bristow Muldoon because I do not think that it is inappropriate for us to discuss asylum; it is an issue that straddles the devolved-reserved divide. I have no doubt that the general principles of policy should be a matter for Her Majesty's Government at Westminster, but we would have to deal with the consequences of the accommodation centre and the dispersal policy, and of the impact that those would have on local services and communities. Therefore, it is appropriate that the asylum seekers aspect is also referred to in the debate on the suitability of the Turnhouse site.

I do not think that any of us seriously disputes that accommodation centres are necessary or that the country as a whole should be involved in the dispersal programme while asylum seekers' claims are investigated and processed. I hope that that can be done a good deal more quickly than is currently the case, so that applicants need not be housed in such centres for longer than is necessary to conduct proper determinations of their applications.

It is clear from members' speeches from all sides of the chamber that the Turnhouse site is manifestly unsuitable for accommodating asylum seekers and that there exists the option of an alternative development that will be of considerable economic benefit to Edinburgh and the Lothians and, indeed, the wider Scottish economy. The time has come for the fog of indecision that hangs over Turnhouse to be lifted by the Home Office. I hope that the minister, on behalf of the Executive, will forcefully communicate that point of view to the Home Office.

17:29

Fiona Hyslop (Lothians) (SNP): I agree with many of the remarks that have been made. However, I would like to draw attention to what I see as two separate but related debates in the terms of the motion. I think that everybody in the chamber agrees on the importance of Edinburgh airport to the economy of the Lothians and Scotland. Remarks along those lines have been well made. I think that we all stand and will stand together—cross-party—in ensuring that the best case for Edinburgh airport will be presented in the future.

Only 10 days ago I was taken on a tour of the perimeter of Edinburgh airport, because I wanted to find out more about the area's growth needs and where the cargo base would be sited. I happened to be at the airport in support of a constituent who had concerns about the development of park-and-fly facilities there. It is essential that we acknowledge the economic importance of the expansion and development of

Edinburgh airport—not just for the City of Edinburgh Council, but for West Lothian Council, because of the developments around Ratho and beyond.

I acknowledge that any development to the east of Edinburgh airport would have an impact on the economic viability of the cargo base and any other business development at the airport—it is right that we pay attention to that issue. However, I am concerned when people link it to the case for setting up accommodation centres for asylum seekers. I disagree with David McLetchie's claim that no one disputes that accommodation centres are necessary. I do, for the same reasons that the City of Edinburgh Council suspended its discussions with the national asylum support service. The best way of dealing with asylum seekers and of ensuring that they are well cared for is to have a genuine dispersal process that allows councils to accommodate asylum seekers in the community. The children of asylum seekers would then be able to attend local schools, receive the support that they need and have their health needs met. I know that because almost two years ago, in response to a petition, the then Social Inclusion, Housing and Voluntary Sector Committee visited Sighthill to examine the consequences of siting many asylum seekers in one location.

David McLetchie: Does Fiona Hyslop subscribe to that view because the current lengthy process of dealing with applications makes the approach that she has outlined appropriate? If applications were dealt with much more speedily—within two months, rather than 18 months—would she still argue that there should be no accommodation centres?

Fiona Hyslop: There are two problems. The first relates to how we deal with people who are fleeing persecution. Secondly, I agree with David McLetchie that the process of dealing with applications is too lengthy and that they should be dealt with much more speedily.

I turn to the proposed accommodation centre at Turnhouse. Although Turnhouse was earmarked as a possible site for an accommodation centre, it was not included in the first batch of centres. Four sites were announced, but they were all located in England. Amid widespread public concern, a number of councils in England have refused to grant permission for development of accommodation centres. The Westminster Government is having difficulties with the whole concept of accommodation centres, let alone its proposal for a centre at Turnhouse.

We should turn our attention to the planning needs of Edinburgh airport and not get hung up about the idea that in the near future Turnhouse will become the site of an accommodation centre. I

do not think that that will happen. The City of Edinburgh Council was willing and able to negotiate with NASS about genuine dispersal within the community in Edinburgh. That is the route that we should follow.

During consideration of the Housing (Scotland) Bill, I lodged an amendment that would have allowed local authorities to retain the control that they once had over housing for asylum seekers. If the Parliament had supported that amendment, we would have avoided the planning and other problems with which people in west Edinburgh have had to deal. At the time, I was accused of approaching the issue of housing for asylum seekers as a constitutional matter. This debate shows that my amendment was a practical measure that the Parliament could and should have supported. Had it done so, we would not be debating a proposal that would compromise the economic development of Edinburgh airport and prevent us from providing for the needs of asylum seekers and—most important—their children, in this place of which we want to be proud.

17:34

Donald Gorrie (Central Scotland) (LD): My interest in Edinburgh airport is in the first place historical. Like Lord James Douglas-Hamilton, I used to be the MP for Edinburgh West. In my new role as MSP for Central Scotland, I also have a vested interest in the airport. The success of Edinburgh airport in handling both freight and passengers is very important to many people in Central Scotland whom I seek to represent. For my constituents, Edinburgh airport is more accessible than Glasgow airport.

In the early 1970s, I was one of the great enthusiasts for a central Scotland airport. It is interesting that that concept is in the public domain again. At that time, it was a far better idea than was developing Glasgow and Edinburgh airports. However, that is one of the many arguments that I have lost. Although the concept of a central Scotland airport is still worth considering, I would be concerned if it were used as an excuse for not having proper developments at Glasgow and Edinburgh airports. The completion of any totally new airport must be 20 or 30 years in the future, if it happens at all. We need Edinburgh airport. It is important not only for Edinburgh but for a large swathe of Scotland. I support fully the necessity of developing it.

If we are to have a large number of asylum seekers together, away from other people and on the fringes of the city, we might as well put them in jail. With local bus fares being what they are, they would never be able to get into town even if there was a bus, which there is not. What on earth would those wretched people do all day if they were cooped up and could not get around?

If I understood Fiona Hyslop correctly, I am on the same side as her. There should be smaller groups of asylum seekers in the community, in towns and cities. It might be difficult to find accommodation, but we must seek to achieve that.

For those two reasons, I urge the Home Office first to get a grip and stop the blight on the area and secondly, not to use the proposal for an asylum seeker development at Turnhouse but instead to co-operate with local authorities to deal better with asylum seekers.

17:36

The Deputy Minister for Enterprise, Transport and Lifelong Learning (Lewis Macdonald): I start by commending Lord James Douglas-Hamilton for securing tonight's debate, which offers us an opportunity to discuss the future of an area and an industry that are important to Scotland's future economic prosperity.

On 23 July, we, together with the UK Department for Transport, published the consultation document on the future development of air transport in Scotland. That is part of the process of setting out our air transport policy for the next 30 years. When we discuss aviation in Scotland in the next 30 years, we will be addressing one of the key infrastructure issues for the future prospects for economic development. Therefore, I welcome this opportunity to discuss the commercial opportunities for Edinburgh in the air freight sector.

Along with the significant passenger growth that is predicted in the consultation document, there are predictions of dynamic growth in freight. That promises an exciting future for Edinburgh airport and our other major airports throughout Scotland. Edinburgh is already a dominant airmail centre and has great advantages for express parcels and airmail now and in the future. Those come from its position close to many destinations in the central belt, its strategic road links and its proximity to freight users. The consultation document predicts significant growth in freight at Edinburgh airport over the next 30 years. Of course, rail links to the airport will only add to that potential.

The possibilities are huge and the capacity of the air freight sector to deliver is vital to the development of many important industries, many of which, as Bristow Muldoon said, are of low volume and high value, for which air freight is particularly suitable.

As with the growth in passenger travel, there are many considerations to take into account, not least environmental factors. It is right that those be taken into account at the same time as we study the benefits to the economy. It is also right that major developments be viewed as part of the

broader picture and considered in the context of the planning process.

We must look ahead and ensure that we safeguard our options for the future. That is why the Lothian structure plan acknowledges the important role of Edinburgh airport in the wider economy and gives strategic planning policy support for its future growth.

BAA Lynton bought the former RAF Turnhouse site from the Ministry of Defence more than two years ago. It has planning policy support for the kind of development that Lord James has described and it has specific permission in place at the outline stage for redevelopment for airport-related business activity.

It would not be appropriate for me to comment on the merits of a specific future development proposal at Turnhouse. As members will be aware, decisions on such matters could arrive on the desk of Scottish ministers, so, as a minister, I can say nothing that might prejudice any such decision. However, I can advise members that the Executive has been considering the long-term strategic future of the area through the preparation of a national planning policy statement on west Edinburgh.

West Edinburgh, which is centred around the airport, is of huge importance to Scotland's economy. It is also regarded as being of national significance in transport and environmental terms. For that reason, on 23 August 2002, the Scottish Executive, the City of Edinburgh Council and the local enterprise company jointly issued a draft planning framework for public consultation. I know that Margaret Smith and others have been closely involved in that consultation process already.

In our view, providing that congestion problems can be overcome and issues of accessibility and environmental quality addressed, west Edinburgh creates a unique opportunity in Scotland for an internationally significant business location. The planning framework is intended to safeguard long-term opportunities for economic development and sustainable transport and to provide a sound basis for guiding investment and planning decisions.

From a planning perspective, the existence of a rapidly growing airport is a major factor. BAA, as the owner of the airport, has been involved in a stakeholder advisory group, which was set up to inform the work on the planning framework. We are well aware of BAA's aspirations and concerns and look forward to receiving feedback on the draft planning framework, as part of the wider consultation process.

It is important that members are clear about the position of the Turnhouse site in planning terms. Plans for the redevelopment of the site for air cargo and related purposes received outline

clearance in June 2000. An application for detailed planning permission has not yet been made, but that is a matter for BAA, and there is no constraint that would prevent the company from submitting such an application if it so wished. Outline planning permission is one of the considerations that face present and potential owners of the site.

The establishment and management of accommodation centres for asylum seekers are reserved matters, but social justice ministers in particular have been in regular dialogue with the Home Office and the Scotland Office on a range of asylum issues. We are clear about the importance of enabling asylum seekers in Scotland to feel welcome. Over recent months, my colleagues have discussed the issue with Home Office ministers and they will continue to do so. The discussions include our role as formal consultees on any new development of an accommodation centre in Scotland, for which the Home Office would be the developer. Although Government departments have Crown exemption from the requirement to submit formal planning applications, non-statutory notice of proposed development procedures are followed in such cases.

Any proposal for the Turnhouse site would be a matter for the City of Edinburgh Council in the first instance. If the council objected to the proposal, the Home Office could then refer it to the Scottish ministers for a final decision. As I have said, it would not be appropriate for me to comment on proposals for development, as a planning application might come before Scottish ministers. It is important that members note that such use of the Turnhouse site would require not only that the Home Office decide to pursue that course of action—and it has not made such a decision so far—but that the Home Office purchase a highly valuable site that has existing planning permission for a different use. The Home Office would be required to follow the planning procedures that I have described. That is a matter for the Home Office to consider, but it is fully aware of the transport and economic significance of the site, which we will continue to discuss with it.

Lord James Douglas-Hamilton: Is the minister saying that, in the event of the Home Office proceeding with a compulsory purchase order to which the council objected, the final decision would be in the hands of the Scottish ministers?

Lewis Macdonald: Responsibility for policy on accommodation centres lies with the Home Office. Responsibility for planning permission—whether in relation to a detailed planning application for the development of the site as intended by its present owners or for any other use by the Home Office or anyone else—lies with the devolved planning system and, ultimately, with Scottish ministers.

I reassure all members that we are well aware of the significance of west Edinburgh and of the air freight industry. We are also well aware of the outline plans that exist for the use of the Turnhouse site. We will continue to address those important issues, and I am glad that we have had an opportunity to do so today.

The Deputy Presiding Officer: That concludes the debate. I remind the note-takers in the public gallery that they will be able to print out a full transcript of the debate tomorrow morning via the internet.

Meeting closed at 17:44.

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