

MEETING OF THE PARLIAMENT

Wednesday 26 September 2007

Session 3

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Scottish Parliament

Wednesday 26 September 2007

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

Time for Reflection

The Presiding Officer (Alex Fergusson): Good afternoon. The first item of business this afternoon is time for reflection. I am pleased to welcome the president of Hindu Mandir, Shobha Nagpal.

Mrs Shobha Nagpal (President of Hindu Mandir, Glasgow): Happiness is something that we all desire. We all want to be happy, and in the pursuit of happiness we are always jumping from one thing to another. There are many things that we want in life. We want to gain wealth, we want to be rich and we want to have all the luxuries in life. But do those things really make us happy? How do we define happiness? Where can we find true happiness? Those are questions that many of us have asked at some time or other in our lives.

We all know very well that, even when we become successful in some areas, we worry about other, grey areas, and we are not able to stay in a state of happiness for long. As in the phrase “the pursuit of happiness”, we are all chasing after happiness through material goods, but does that really give us mental peace and eternal happiness? A couple of further questions also arise: can anything give us long-lasting happiness, and what is the purpose of our life?

What does Hindu philosophy say about it all? According to the Hindu faith and scriptures, mental peace, spiritual bliss and real happiness can be achieved only by serving the Lord in an unselfish manner. The phrase to keep in mind is “to serve the Lord in an unselfish manner”. How do we serve the Lord in that way? Hindu Vedas and other scriptures speak of bhakti yog, whereby an individual can attain supreme bliss while performing all their worldly duties by serving humanity. Serving humanity is also serving the Lord.

The aim of dharma—religion—is, therefore, the welfare of all living beings. All the sages of India have emphasised that the observation of personal religious rituals, such as pooja or prayers, reading scriptures and so on, is only a very small part of our religion. Serving humanity is the other essential aspect. Within our faith, that leads us to believe that serving society is not optional; it is, in fact, compulsory. Such service, which is described as sewa, is our sacred duty. However, we must remember that sewa is based on sacrifice.

In general, our love must flow towards the whole of society and then stretch towards the whole of mankind. One who cannot love his society or mankind cannot love God.

A great spiritual leader, Swami Vivekanand Ji, once said:

“The poor and the miserable are for our salvation, so that we may serve the Lord”.

Happiness is not in the having or in the being; it is in the doing and in the giving. Therefore, we have to reach out. We have to give, we have to share and we have to smile. In doing so, let us remind ourselves of the ancient Indian philosophy of vasudhaiv kutumbkam: the whole world is one family. Let us also remember the proverb that shared joy is a double joy; shared sorrow is half the sorrow. Let us share that joy, let us share that happiness and let us share that sorrow.

Sarve bhavantu sukhinah—may all be happy.

Point of Order

14:35

Kenneth Gibson (Cunninghame North) (SNP):

On a point of order, Presiding Officer. Last Wednesday, the Local Government and Communities Committee discussed fuel poverty, and we questioned the Minister for Communities and Sport at length on that and other matters. The *Official Report* clearly shows that the convener asked the minister whether it was true that

“the free central heating programme might be means tested in future”,

to which the minister replied,

“No, I am not suggesting that.”

The minister said later that the review

“is about enhancing the programme to ensure that we do what I think we all want to do—tackle fuel poverty.”—
[*Official Report, Local Government and Communities Committee*, 19 September 2007; c 87-90.]

However, the following day, directly referring to that committee meeting, the temporary acting leader of the Opposition said in questions to the First Minister:

“the Scottish National Party Government is now reviewing the scheme, with targeting or means testing the likely outcome”.

She asked

“Why is the Minister for Communities and Sport now proposing to cut that lifeline?”—[*Official Report*, 20 September 2007; c 1970-71.]

Is it appropriate for the leader of the Opposition to mislead Parliament in such an obvious way, and to refer to a committee meeting when the *Official Report* has not been published, so that members cannot see whether the minister said what he is alleged to have said?

The Presiding Officer: Points of order are about procedures in the chamber, so Mr Gibson’s lengthy peroration does not constitute a point of order.

Bob Doris (Glasgow) (SNP): On a further point of order Presiding Officer. I seek clarification on the matter. We thought that the appropriate way to raise the possibility that Wendy Alexander misled Parliament last week would be to raise it in committee because we believe that it was the committee’s view on fuel poverty and the central heating programme that was misrepresented. That was done this morning and the committee convener, Duncan McNeil, recommended that we raise the issue as a point of order in the chamber this afternoon. I therefore seek clarification. If we believe that a member has misled Parliament, what is our next port of call?

The Presiding Officer: I am not responsible for what committee conveners advise members to do. Frankly, if someone is accused of misleading the chamber, it is up to them to reflect on that and to come back to the chamber. In saying that, I am not asking Ms Alexander to do so.

Enterprise Networks

The Presiding Officer (Alex Fergusson): The next item of business is a statement by John Swinney on enterprise networks. The cabinet secretary will take questions at the end of his statement, so there should be no interventions.

14:38

The Cabinet Secretary for Finance and Sustainable Growth (John Swinney): Next month, the Government will publish its economic strategy for Scotland, which will guide and direct the Government's efforts and the efforts of the agencies and organisations that work on the Government's behalf to achieve our purpose of increasing sustainable economic growth for Scotland. Today, the Government will set out the structures and mechanisms that will be employed to support the implementation of our economic strategy.

Before I set out the specifics of our proposals, I make clear the Government's on-going support for Scottish Enterprise, Highlands and Islands Enterprise and VisitScotland. Scottish Enterprise, in particular, has been the subject of fairly heavy criticism in recent times; some of it was justified, and some was not. While it is important to address what has gone wrong, it is equally important to focus on what has gone right. Significant successes include the Edinburgh BioQuarter, the proof of concept programme, the Scottish manufacturing advisory service, the centre for health science in Inverness and the development of the Fife energy park.

None of those projects would have been realised without the commitment and hard work of our economic development agencies and the staff who advise and support businesses. They would not have been achieved without co-operation between local authorities and other public bodies. I am acutely aware that this has been an uncertain time for the enterprise network staff, which is why I was keen to come to Parliament to make a statement at the earliest possible opportunity.

The Government has been absolutely clear and consistent in its commitment to eliminate duplication and unnecessary bureaucracy as well as improve efficiency and effectiveness in all elements of the structures of government. Those considerations have been applied in our approach to the reform of the enterprise networks in Scotland.

The Government has pursued two objectives in designing the structures to implement our economic strategy. First, we have been determined to establish within the enterprise agencies a clear focus on fulfilling what we

consider to be their core purpose of assisting enterprise development in Scotland. Secondly, we have been determined to create greater cohesion in the provision of local economic and enterprise development services in Scotland. Our plans will enable Scottish Enterprise and Highlands and Islands Enterprise to focus on what they are good at, and will enable Scotland's local authorities—important partners in our efforts to build Scottish success—to do more to support businesses in their areas. Those objectives run through the announcements that I will make in this statement.

In preparing this statement, the Government has been engaged in a significant period of constructive debate and discussion with stakeholders, including a range of interests across the business community, local authorities, trade unions and, of course, the enterprise networks themselves. At the heart of our reforms is the need to ensure that we have clear direction in implementing our economic strategy for Scotland. To do that, we need to secure better and closer working between the agencies that have a shared responsibility to work with the Government to achieve our objectives for the Scottish economy. The Government's election manifesto signalled our commitment to establish a strategic forum for enterprise with exactly that purpose, and we intend to establish such a forum.

Scotland's enterprise forum will be convened by ministers on a quarterly basis and will bring together, initially, the chairs and chief executives of Scottish Enterprise, Highlands and Islands Enterprise and VisitScotland. I want those who lead those bodies to work closely together to enhance and support one another's activities, and to ensure that their respective interventions are delivered with one common goal: to grow Scotland's economy more sustainably and more effectively than before. The forum will also provide a frequent opportunity for ministers to make clear the direction that we expect to be pursued.

The forum will also drive a process to ensure that services are shared among the enterprise networks, VisitScotland and other relevant organisations. That process will ensure, at a practical and operational level, that there is no duplication of effort among our agencies and no wasted opportunity to ensure that valuable public resources are spent on key enterprise development activities. That will not just apply to back-office functions such as finance, legal services and information technology; opportunities will be sought to share more mainstream activities, such as marketing and working in priority sectors such as tourism. Over time, we will expect that approach to extend across the wider public sector and that other organisations will become involved in the process.

We have given careful consideration to the structures that should be in place to deliver enterprise development support throughout Scotland. Although the current local structure of local enterprise companies and local economic forums brings together a great deal of business engagement, we have come to the view that those bodies represent too fragmented a structure. The governance requirements for LECs were an obstacle to effective economic development at the local level. Progress was often achieved in spite of bureaucratic procedures and boundaries. We have come to the view that the current local enterprise company and local economic forum structures should be removed, and we have decided to establish a regional development delivery model for enterprise support in Scotland. I believe that that is an important step in reducing bureaucracy and streamlining local enterprise development delivery.

However, in removing the LEC and local enterprise forum structures, our overriding concern is to preserve their best features, in particular the vital engagement that they provided with business. Instead of 21 LECs with 21 boards and 21 sets of governance arrangements, there will be six regional operations across Scotland. For Scottish Enterprise those regions will be Grampian, Tayside, east central Scotland, south of Scotland and west central Scotland. There will be a single region served by Highlands and Islands Enterprise.

To promote further integration with the tourism sector, VisitScotland will align its own areas around the six enterprise network regions. It will continue to look at new mechanisms to improve its engagement with the industry at the local level—VisitScotland is already doing work in that area. Those changes will ensure that VisitScotland and the enterprise networks are well placed to maximise the economic potential of tourism to Scotland in partnership with the tourism industry.

We will continue with the existing local offices that are located throughout Scotland. Enterprise network staff will remain in those offices, working, as they do now, with local businesses and stakeholders. However, consistent with our approach to efficient government, we will pursue an agenda of co-locating those staff with relevant local authority staff to ensure that a cohesive, joined-up service is available to members of the public. We will also take forward the presumption that more Scottish Enterprise and HIE staff should be located around Scotland rather than at their headquarters.

We must also involve Scotland's local authorities more fully in economic development and provide them with new opportunities to contribute to growing local business success. The Government

is fully committed to developing a new relationship with Scotland's councils and recognises their vital role in creating flourishing local economies and communities. That is why we believe that community planning partnerships should have a clear remit and responsibility for economic growth. The Government has made it clear that, wherever possible, local services to local areas should be delivered by local authorities. With Scottish Enterprise firmly focused on national and regional priorities, it is entirely right that local authorities should assume an enhanced role in local economic development. That approach will allow local authorities and national enterprise network programmes and personnel to come together at the local level to contribute to the single goal of higher sustainable economic growth. I also want to encourage our local authorities to develop effective working relationships with chambers of commerce and local business organisations, to enhance co-operation.

We have looked carefully at the enterprise networks' current functions and identified those truly local activities that should be transferred to local authorities, to enable them to take up a much more significant role in building their local economy. The business gateway is one such function. It provides advice to new-start and local businesses serving mainly local markets, and it is appropriate that that service should be delivered by local authorities, with which those businesses already interact on a range of local issues. The importance of maintaining consistency across the country in business gateway services and standards is well understood, so we will work with local authorities to ensure that that happens. The business gateway is one means of identifying emerging businesses with high growth potential. We will continue to ensure that such businesses are referred to the enterprise networks for further support in their growth. I am pleased to announce that the business gateway will become a service that is available in all parts of the country. In future, it will be offered in the Highlands and Islands Enterprise area, as well as in the Scottish Enterprise area, and will be tailored better to meet the needs of rural businesses across Scotland.

Local regeneration activity in the Scottish Enterprise area will also become the responsibility of local authorities. Currently, Scottish Enterprise is engaged in a range of regeneration and economic development-related activities, including land and property interventions. Some of that regeneration activity is very local in nature, with the primary benefit being felt within a local authority area. It makes more sense to take a cohesive approach to local regeneration by placing local authorities at the centre of such activity. For that reason, responsibility for local regeneration will be transferred to local authorities.

Local delivery will also be considered by the new skills body, as it develops its plans to take forward our skills strategy. It is clear that local authorities have an important part to play in developing and maximising the skills of young Scots, in particular. It is important that the activities of the skills body reflect that partnership.

The Government is determined to bring greater cohesion to the availability of business support services at the local level. What matters most is that the people who need to obtain business support services should be able to obtain those services as conveniently as possible. We believe that a package of services—from the business gateway, local authorities and the enterprise network—can be made available conveniently, under the auspices of local authority offices at the local level, and we will encourage the development of such an approach. We expect that the reforms will enable local businesses to reach a single point of access for advice on planning, licensing, business development and other services. That will be a great contrast with the pillar-to-post experience of many businesses today.

Some elements of this announcement will be applied differently in the Highlands and Islands Enterprise area. The focus on nationally and regionally significant companies and sectors with growth potential should apply equally to HIE. In the longer term, I want to look at integrating national grant schemes and reviewing the use of small business grants in the HIE area. In the meantime, HIE will continue to operate its own grant schemes in the Highlands and Islands. It will not surprise members to learn that I recognise the strong correlation between thriving communities and economic growth in remote and rural areas. We intend, therefore, that HIE should retain its strengthening communities remit.

In order to retain as much as possible of the local expertise that currently exists in the LEC boards, both Scottish Enterprise and Highlands and Islands Enterprise will establish business-led regional advisory boards. The emphasis will be on securing business involvement and on bringing together representatives from local authorities and the further and higher education sectors. The purpose of the boards will be to provide a vital link between national and regional activity.

There is already a successful national model for business engagement within key sectors, involving advisory bodies that put businesses in the driving seat in the development of strategies for growth. I have no doubt that businesses that are involved in the life sciences or the financial services sector, for example, would be the first to recognise the success of that approach. That success should

now be replicated across other key sectors and at a regional level.

Our proposals will maintain meaningful business participation in economic development delivery. Indeed, we aim to increase the number and range of businesses from which the enterprise networks can seek advice and the number and range of businesses that can become involved in the development and promotion of their local area, in line with existing successful models.

I am aware that in many areas there are excellent examples of effective local collaboration between the enterprise networks, local authorities and the business community. The Aberdeen city and shire economic forum is one such example. I make it absolutely clear that where there are strong, effective local partnerships and a strong local identity—whether in Fife, Glasgow, Stirling, Aberdeenshire or elsewhere—those partnerships should continue to operate within the regional model. This Government wants to encourage collaboration between the public, private and voluntary sectors and believes that more local areas, when they see the benefits of such collaboration elsewhere, will choose to adopt a similar approach.

Our proposals for regional delivery will ensure greater coherence between local, regional and national delivery, but will retain sufficient flexibility to encourage local development and initiative. That is as it should be.

The strategy of working proactively with those businesses that can make a real difference to the national or regional economy will be at the heart of the enterprise networks' role. To that end, we will consolidate company support schemes to make it easier for companies to access the full range of business support services. We will charge Scottish Enterprise, initially under joint venture arrangements, with the delivery of national business grants such as regional selective assistance, SMART:Scotland and a range of other business grants.

The Cabinet Secretary for Education and Lifelong Learning recently launched the skills for Scotland strategy and set out her plans to merge Careers Scotland with learndirect Scotland to form the nucleus of a new skills body. Today I can announce that the skills and training elements of the enterprise networks will also be part of that body. Close working between the skills body and the enterprise networks will be essential to deliver the skills that businesses desire. However, the enterprise networks will retain those interventions that are business specific and which form a crucial part of their account management function. Those include leadership development programmes and business mentoring schemes.

Given its statistical and monitoring role, Futureskills Scotland will move into the Scottish Government and will continue to influence the development of strategy in both the enterprise networks and the new skills body.

The proposals that we have set out in this statement will reinvigorate the enterprise networks and re-energise them in making progress towards the goal that they share with Government of delivering increased and sustainable economic growth. They will bring greater integration between our economic development bodies. They will enhance business input and develop local provision of integrated economic and enterprise development services. They strike the right balance between helping Scottish Enterprise and Highlands and Islands Enterprise focus on where they can make the greatest impact and ensuring that the process of economic growth reaches every community in Scotland. Of greatest significance, they provide a firm foundation on which we can deliver the increase in sustainable economic growth that our country requires.

The Presiding Officer: As I indicated earlier, the cabinet secretary will now take questions on the issues that were raised in his statement. It would be helpful if members who wish to ask questions could press their buttons now, and we will endeavour to fit in as many members as possible; that will obviously depend on the length of the questions and, indeed, of the answers.

Iain Gray (East Lothian) (Lab): I thank the minister for the advance copy of his statement. I am glad that he began by recognising some significant—indeed, world-class—successes of Scotland's economic development strategy, such as the proof of concept fund. I was intrigued when he said that some of the recent criticism of Scottish Enterprise was justified, while some of it was not. I wondered whose criticism he thought was justified and whose was not. I presume that his own criticism falls into the first category, but I wonder whether Mr Neil's criticisms, for example, fall into the other category.

Today Mr Swinney came to the Parliament not to praise Scottish Enterprise but to bury it—or, at least, to dismember it radically—or so we had been led to believe. The Scottish National Party manifesto said clearly:

"We will ... consult on proposals to transfer responsibility for local enterprise delivery to existing local authority Economic Development Departments."

The Minister for Enterprise, Energy and Tourism confirmed what that meant when he said to the Economy, Energy and Tourism Committee:

"We have a strong aspiration for the LECs to be merged with local government."—[*Official Report, Economy, Energy and Tourism Committee*, 27 June 2007; c 16-17.]

What, then, is the cabinet secretary's reasoning for moving away from that commitment and aspiration? Does he really consider a single meeting of 100 stakeholders to be a complete, rounded and comprehensive consultation on such an important issue? What consultation has been undertaken with stakeholders in the tourism industry, given that the cabinet secretary has announced today a change to the operation of VisitScotland, as part of the centralisation of the enterprise network into regions? Finally, what are the Government's plans for inward investment and Scottish Development International, which is a joint venture between the Executive and Scottish Enterprise that is responsible for Scotland leading the United Kingdom in inward investment, especially in research and development projects?

John Swinney: I suspect that if I had come here and argued for the entire transfer of all the functions of local enterprise companies to local authorities, Mr Gray would have argued against it, since he argued against it during the election campaign. It is a curious way to go about taking the debate forward.

We will transfer significant functions from local enterprise companies to local authorities. We have taken steps to ensure that we will have the ability at the local level to draw together all aspects of local enterprise development services—ideally, at a one-stop, single access point—which will give businesses access to services on a much easier and more straightforward basis than has been the case at any time during the past eight years, when the previous Administration was in post. We should not underestimate the significance of simplifying the structure for the businesses in question.

We have been involved in a number of discussions with the tourism sector on the way forward for the industry. The Government has, as I said, every confidence in VisitScotland. Mr Mather has taken forward consultation with the tourism sector, which is reflected in today's statement.

On Mr Gray's final point, Scottish Development International has a successful track record in attracting foreign direct investment to Scotland. I pay tribute to the work that has been done in that respect. It will continue as a joint venture with the Scottish Government. We will work closely with Scottish Development International as part of the Government's overall strategy for ensuring that all the international contacts that we make impact beneficially on the Scottish economy's prospects.

Derek Brownlee (South of Scotland) (Con): I, too, thank the cabinet secretary for his statement. I note in passing the striking similarities between it and the reform package for Scottish Enterprise that was in the Conservative manifesto. It will not be a great surprise, therefore, that I congratulate

this Government on having the guts to do what the previous Government singularly failed to do, which is to reform and slim down Scottish Enterprise.

I have, though, some questions on the detail of the reforms. How much will the reforms save? Where will the savings go? When will the reforms be implemented? In addition, on those functions that will be devolved to local authorities, what flexibility will local authorities have to determine what is delivered locally and how?

John Swinney: I thank Mr Brownlee for his remarks—I suppose I should be generous, after what he said I cannot give him a definitive figure today on how much the package of measures will save. We will work to ensure that, through taking steps to improve efficiency and clarity of structure in the delivery of services, we leverage out other resources that can be invested in supporting frontline economic and enterprise development. The Government will, as with all its plans, come back to Parliament with the exact manifestation of how that will take its course.

We will work towards implementing the reforms in advance of the start of the next financial year, in 2008. We are working with various stakeholders to achieve that timescale for implementation.

I emphasise what I said in my statement about the role of local authorities. I visited 18 local authorities around Scotland over the summer and, on each occasion, I held a discussion with representatives of the public, private and voluntary sectors. I came across some excellent examples of joint working between local authorities, the enterprise team and the local business community, often involving chambers of commerce. I witnessed the whole powerful process of drawing people together and focusing on the objective of improving the economic prospects of a local area. We will encourage people in local authorities to work in that fashion to draw together all that activity.

Tavish Scott (Shetland) (LD): I thank Mr Swinney for the copy of his statement. I was a bit surprised that there was nothing in this morning's press that I could compare it with, but I could contrast it with what was in the Sunday newspapers, so rather than thanking the Conservatives I thank *Scotland on Sunday* for the advance copy of the statement.

Mr Swinney is today abolishing 21 local enterprise companies. Why are businessmen and businesswomen who have given depth, local direction and expertise to LEC boards to be arbitrarily dismissed? Will they not feel further aggrieved when the details of Mr Swinney's arrangements become clearer? Will Mr Swinney confirm that, rather than decluttering, he has announced to Parliament a Scottish Enterprise

board; a Highlands and Islands Enterprise board; a national enterprise forum; five regional boards in the Scottish Enterprise area; two regional advisory boards; six industry sector boards; and three partnership boards—for Fife, Glasgow and Stirling—and that he has invited all 32 local authorities to have a further partnership board on top of that? Will he confirm that, instead of 21 local enterprise companies, he is creating 48 new national, regional or sub-regional boards? Has not less become more?

Why is the SNP abolishing all local enterprise companies in the Highlands and Islands, so that decisions will be taken not in Mr Mather's constituency or mine but in Inverness? Are VisitScotland area offices being swept away, so that accountability is not to local partners but to bean counters in Edinburgh?

Will the minister confirm whether one-to-one business advice for men and women starting up new businesses will be available to non-VAT-registered businesses? Who will assist the vast majority of small Scottish businesses, among which are small and social enterprises, that have the least staff time and resources and are therefore most likely to need support?

Why are council officers now to be the drivers of the nation's economic future? Does Mr Swinney accept that, far from decluttering, he has announced an economic development structure based on centralisation?

John Swinney: The only thing that is cluttered is that question.

It is obvious that Mr Scott was not paying the careful attention to the detail of the statement that I would normally expect from him. The Government has brought forward a range of measures that will abolish local enterprise companies and local enterprise forums and replace them with a sharply reduced number of business advisory boards.

We want to ensure that we guarantee business participation in and input into the formulation of enterprise development policy that is much more focused than it was in the past, which is exactly what I have announced today.

Mr Scott asks why we have abolished local enterprise companies. Given his experience in government, I would have thought that he would understand the complex burdens on local enterprise companies as stand-alone companies in terms of audit, management responsibilities and financial reporting responsibilities. Time spent on that tremendous burden could be spent supporting businesses and their development in Scotland. That is at the heart of what we are saying.

Mr Scott asks about one-to-one business advice at local level. Of course there will be such advice.

He asks about social enterprises. One of the announcements that I took the greatest pleasure in making in the past few weeks was the announcement of additional business support for the establishment of social enterprises in Scotland, a sector for which there is tremendous potential. I pay great tribute to the efforts of such enterprises and encourage them to do more.

On local authority involvement, Mr Scott's remarks fly in the face of my experience over the summer. He might have had a different experience around the country, but my experience of local authorities is that many of them are eager to get involved in and to support local economic development. I saw many fine examples of that throughout the country, and I wish to encourage it yet further.

The Presiding Officer: We come to open questions, for which we have exactly 15 minutes. I repeat my plea for members to keep their questions as brief as possible.

Alex Neil (Central Scotland) (SNP): I congratulate the cabinet secretary on demonstrating courage and vision, which his immediate Liberal Democrat predecessors as ministers with responsibility for enterprise failed utterly to do. Local businesses will now have much easier access to enterprise support. They will no longer have to go through a revolving door, only to be shoved from pillar to post.

Will the minister strengthen the industry boards? As the former Enterprise and Culture Committee made clear in a report last year, one of the reasons for the success of our competitors is the so-called triple helix—the partnership at national level between the public sector, the private sector and academia.

John Swinney: Yes, one of my objectives in all these reforms is to ensure that businesses have easier access to enterprise development support.

On industry boards, the First Minister, Mr Mather and I took part in a meeting of the financial services advisory board, which we all found helpful in focusing on the issues that are of relevance to the future of the financial services sector. Earlier this week, Jim Mather met the equivalent body for the life sciences sector. We did that to understand and appreciate how the Government can support the efforts of those sectors.

Of course, Mr Neil's point on the integration of the academic and enterprise development sectors is important. That is why, in taking forward the policy areas that are central to the health of the Scottish economy, the Government has established such clear working between me and the Cabinet Secretary for Education and Lifelong Learning.

Elaine Murray (Dumfries) (Lab): The cabinet secretary announced the creation of six regional enterprise operations, but he also stated that existing local offices and staff will remain in place and that some functions will transfer to local authorities. I assume that appropriate resources will accompany those transfers. What sort of efficiency savings does he expect the reforms to yield?

If local regeneration projects are to be delivered by local authorities, what is the future of the Gretna-Lockerbie-Annan regeneration project, which received £8 million from Scottish Enterprise and which set up a public-private partnership, Katalyst Projects, with Kilmartin Ltd? Will that transfer, somehow, to Dumfries and Galloway Council? If so, will that not involve the unravelling of the arrangement between Scottish Enterprise and Kilmartin, or will it become part of the wider south of Scotland regional operation?

John Swinney: As I said in my response to Derek Brownlee, part of the purpose is to leverage out efficiencies by simplifying the structure of the enterprise network. That is exactly what we have done. Savings will be made in terms of the governance structures of local enterprise companies and through ensuring that a much greater focus is placed on frontline business support in all that we do. As I also said to Derek Brownlee, the quantification of the savings will become clear. I am not in a position to give the figure to the Parliament today.

On the Gretna-Lockerbie-Annan regeneration project—if I caught all the names correctly—I cannot give the member a definitive answer today; I do not know the project's stage of development. However, under the new arrangements, we expect local authorities to undertake the local regeneration function. Clearly, there will have to be a transfer of resources to make that happen.

Tricia Marwick (Central Fife) (SNP): I welcome the enhanced role that Fife Council will be given in regeneration and local economic development. The SNP-led council in Fife will want to build on the very low level of business start-up in the kingdom.

In his statement, the cabinet secretary recognised the importance of Fife energy park in Methil in my constituency. Does he agree that it is imperative for the Levenmouth and wider Fife economies that the regional board continues to promote the Fife energy park as a centre for excellence in renewable energy? Will he encourage the relocation to Fife of the Scottish Enterprise staff who are responsible for renewable energy?

John Swinney: As Tricia Marwick knows, I visited Fife energy park over the summer. It is an

example of a project that emerged from the views and ambitions that were held by people within the kingdom of Fife and which was then approved by the Scottish Enterprise board. Under the arrangements that I have set out today, a proposal of a similar nature would emerge in exactly the same way in future.

It is common sense that Fife energy park should be a central part of the regional board for east central Scotland. The park is an asset and it offers opportunities and prospects for further economic development around Methil and Levenmouth. I encourage that.

I have said that we expect more Scottish Enterprise staff to be working in various localities rather than in the centre. That will be the direction that we give to Scottish Enterprise.

Des McNulty (Clydebank and Milngavie) (Lab): How will the cabinet secretary's public sector pay policy be applied to the pay levels of the most senior staff at Scottish Enterprise, bearing in mind that the previous chief executive's salary was increased to take account of new responsibilities—responsibilities that are now to be removed? The two most senior people at Scottish Enterprise currently have an overall remuneration package of £398,000. In light of the announcement of changes to Scottish Enterprise's remit, will it not be appropriate for the cabinet secretary to review remuneration packages, or else explain to Parliament how they can be justified?

John Swinney: Obviously, I inherited many such issues from the previous Administration. We have a process to go through in relation to the organisation and operation of all the bodies. When the time is right, further information will, if required, be given to Parliament on any specific arrangements that follow from the announcements in principle that I have made to Parliament today.

Gavin Brown (Lothians) (Con): A number of speakers have thanked the cabinet secretary for advance notice of his speech; I would like to thank Murdo Fraser for writing the cabinet secretary's speech.

I like much of what the cabinet secretary said about the business gateway being delivered by local authorities. Businesses interact with local authorities, and I like the idea of a one-stop shop. However, a paragraph later, we heard about consistency throughout Scotland. We will work with the cabinet secretary to ensure that that consistency exists.

Will he be more specific about the level of autonomy and flexibility that is to be given to local authorities, and can he guarantee that there will be an absolute minimum of top-down ring fencing?

John Swinney: I would never, ever, allow Murdo Fraser to write one of my speeches—which might account for the electoral history of the North Tayside constituency, if I may be so indelicate.

As I said in my statement, I want local authorities to be fully involved in local development, because we have a great opportunity to join up the different service elements. My statement was clearly about ensuring that we have much more local discretion and involvement. That will come about through the way in which the enterprise structures develop.

The business gateway operates in an established fashion. Obviously, local authorities will work within that context.

Liam McArthur (Orkney) (LD): Nothing that the cabinet secretary has said this afternoon will dispel the feeling of people in the Highlands and Islands that they are being caught in the backwash of a centralisation process that is being urged on the Government by some within Scottish Enterprise and, indeed, by the Scottish Tories. People in the Highlands and Islands have been presented with the interesting concept of energising bodies by abolishing them.

What guarantees will the cabinet secretary provide that the responsibilities that he reallocates to local authorities will be adequately resourced? He will be aware from his visit to Orkney of concerns that already exist.

The cabinet secretary referred to the co-location of LEC and local authority staff. How will that be incentivised, and what funding will be available for it?

John Swinney: If I am not mistaken—Mr McArthur can correct me if I am wrong, and I will correct the record if I am wrong—I am pretty certain that existing LEC staff in Orkney are in the process of co-locating with the Orkney Islands Council staff who are involved in economic development, which suggests that in Orkney there is a pragmatic way of operating. That strikes me as a straightforward way of proceeding.

The important point to make is that, as a result of the decisions taken by the Government, we have an opportunity to bring services together and to operate them in an integrated fashion. I am pretty sure that that approach will strike a chord with the many individual businesses that have spoken to me over the years about their difficulty in accessing services or obtaining clarity about accessing services.

Kenneth Gibson (Cunninghame North) (SNP): I warmly welcome the cabinet secretary's statement, and particularly his comments about reduced bureaucracy and more local area working. As the cabinet secretary is aware, the

island areas of my constituency are covered by Highlands and Islands Enterprise. How will the focus of HIE be enhanced in that regard? What, if anything, will happen to grant schemes in the HIE area?

John Swinney: As Mr Gibson will be aware from my statement, I have made some comments on the record about the grant arrangements. Although we will consider how best to develop those arrangements in the Highlands and Islands, the existing arrangements will continue at this time. Obviously, this announcement will give HIE the opportunity to focus effectively on supporting business and enterprise development, and to encourage that process in all the areas of the Highlands and Islands. From my numerous conversations with Willie Roe, the chairman of HIE, I know of his enthusiasm for the development of greater economic activity within the islands of Scotland. He has made a tremendous contribution to the debate in that respect. We will work closely with HIE to ensure that island communities are able to embark on securing greater prosperity through the new arrangements.

David Whitton (Strathkelvin and Bearsden) (Lab): The minister said that careful consideration was given to the new structure and that he wants a cohesive service to maintain consistency. Will the minister tell me how that claim squares with what is going to happen to business gateway services in my constituency of Strathkelvin and Bearsden? Far from the open-door policy praised by Mr Neil, I have a closed-door policy because, under the proposals, both offices, in Bearsden and Kirkintilloch, will be closed. Kirkintilloch was the busiest and most successful office.

Scottish Enterprise Dunbartonshire covers three local council areas. How many staff from SE Dunbartonshire will transfer to East Dunbartonshire Council? What steps will the minister take to ensure that there will be a fully staffed business gateway service in Strathkelvin and Bearsden, rather than a virtual office?

John Swinney: I made clear in my statement the importance of drawing services together to ensure that we have an effective presence that people can access in their preferred fashion. That will lie at the heart of how we take forward the enterprise development agenda. I cannot give Mr Whitton the office-by-office account that he is looking for; such issues will become clearer over time. We want to ensure that, at local level, enterprise staff and local authority staff have a clear way of working that allows them to work effectively together. I would have thought that such an approach would be widely welcomed throughout the chamber.

Peter Peacock (Highlands and Islands) (Lab): The SNP promised the local authorities in the HIE

area that far more powers would be stripped from the enterprise network, but it appears that it has failed to deliver on that promise.

I ask the minister to be clear on the following four points. First, from now on, will the local authorities in the HIE area have fewer duties in relation to regeneration than those in the remainder of Scotland? Secondly, will he clarify whether the Moray Council area is to be taken out of the HIE area and put in the new Grampian region?

Thirdly, in relation to national and small business grants, is the minister signalling that he intends to reduce HIE's current freedoms through the proposed review of those grants in the HIE area? Finally, will he confirm that he is stripping HIE of its functions in relation to wider skills and training, as he is doing to Scottish Enterprise?

John Swinney: I will answer Peter Peacock's four questions. In relation to local authority functions, there will be a clear benefit to the Highland Council area as a result of the measures that I am announcing.

Secondly, Moray Council will remain within the Highlands and Islands Enterprise area.

Thirdly, we will consider how to integrate some of the small grant schemes. We are not announcing that today; we are simply announcing the fact that we will examine the issue.

On the skills agenda, as I set out in the statement, there are further discussions to be had on local skills delivery. Those issues will be taken forward by my Cabinet colleague, Fiona Hyslop.

Glasgow Housing Association

The Deputy Presiding Officer (Alasdair Morgan): The next item of business is a debate on motion S3M-539, in the name of Nicola Sturgeon, on the Glasgow Housing Association inspection report.

15:21

The Deputy First Minister and Cabinet Secretary for Health and Wellbeing (Nicola Sturgeon): The debate, as members know, will centre on the Communities Scotland inspection report of the Glasgow Housing Association. I bring the report to Parliament in recognition of the substantial financial support that the Government provides to GHA and the breadth of interest in the organisation on all sides of the chamber. I bring the report also because it raises issues of considerable substance that demand attention if real and lasting improvements are to be secured for Glasgow's tenants and communities.

The debate is about getting all the issues out in the open quickly. I hope that it will also be about looking forward. At the outset, we need to recognise the regulator's impartiality and integrity. It exercises powers on ministers' behalf, but retains operational independence from the rest of Government. It is recognised for carrying out robust and professional inspections without fear or favour.

There is, of course, a lot of detail in the report, some of which will take some time to assimilate and consider. However, GHA has eight weeks—now down to seven—to produce a comprehensive improvement plan. That plan will be public so that there is a high degree of public accountability. A copy of the plan will be placed in the Scottish Parliament information centre, and I will scrutinise it carefully to ensure that it provides a strong basis for moving forward.

Clearly, some findings are particularly important. I have no doubt that all members who speak in the debate will pick on something different, although I suspect that one theme will dominate.

There are some important positives in the report—for example, it is undeniably good that tenants are becoming more satisfied and it is clear that investment is securing real improvements for tenants—but there are other important areas where significant improvement is needed. Those are strong words indeed from a regulator.

It is more than worrying, for example, that GHA does not have a strong focus on value for money. It is entirely unacceptable that it does not meet important health and safety standards. It is deeply concerning that there are major weaknesses in its

management of investment and repairs contracts and that it is poor at collecting rents. Moreover, the failure to understand owners and their concerns must be addressed. GHA must take the lead in sorting out some of those basics—and they are basics. I have already discussed those issues with GHA. It accepts the criticisms in the report and is focused on moving to put them right. I welcome that.

Before I go into more detail on some of the key issues that are important as we move forward, let me say something about the context in which GHA operates. It is right that GHA should be accountable—to tenants, to stakeholders and, not least, to Government, which is the provider of substantial resources to the organisation.

Lest we fall into the trap of pinning all the responsibility on GHA, let us not forget that GHA is the creation of Government—but not of this Government. This Government did not propose large-scale stock transfer in Glasgow. This Government did not put in place the set of arrangements that have proved to be so massively inadequate. This Government did not press ahead without working out either the financial terms or the operational detail of how to achieve second-stage transfer.

Let me make it clear, to Labour members in particular, that I intend to take no lectures from a party that botched the Glasgow stock transfer, misled tenants and failed to deliver a single second-stage transfer in four years. That party now has the brass neck to lodge an amendment demanding that we sort out the mess that it left. Labour members should follow the example of their leader and apologise for getting it so badly wrong.

The good news for the people and city of Glasgow is that this Government intends to make progress, and the regulator's report provides an opportunity for GHA and all its stakeholders to do that. Let me talk about the future, starting with second-stage transfer, on which the lack of progress is deeply disappointing. Yet that is perhaps not surprising when we consider that the previous Government, in the words of the report,

“did not fully consider the practical implications”

of it.

In looking to the future, I and the Government are determined for progress to be made. I welcome the fact that several local housing organisations have submitted SST business cases to GHA, and I want progress to be made on as many of them as possible over the coming months. The Government will continue to do everything that it can to support transfers where they can sensibly be achieved. I hope that the first

transfers will take place as soon as practicably possible, with others in the pipeline.

If it turns out that the very large number of small-scale transfers that were promised at the time of transfer are not feasible in the near future—because of the inadequacy of the original transfer, that might be the case—I will not accept that as an excuse for GHA retaining an overcentralised management.

Margo MacDonald (Lothians) (Ind): I have two specific questions about the stock transfer. First, does the cabinet secretary have a number for the small-scale transfers that she expects? Secondly, will the business case alone determine which ones she will accept?

Nicola Sturgeon: GHA, of course, must make that decision and it will be at the point of doing so at its board meeting in October. I do not want to put a number on it at this stage—it is proper that the due process is gone through. I want transfers to take place and I hope that the number will approach double figures. It will be less than what was offered by the previous Administration; the reason for that is that Administration's failure to think through the details.

In the absence of second-stage transfer in any area, GHA needs, in the meantime, to find other ways of creating the genuine local control and empowerment that tenants want. It needs to lead an open, honest and transparent debate about what its strategic and structural future might be. There are some who might find it difficult to engage in that debate, but I encourage them to do so. As the inspection report makes clear, GHA needs to take responsibility for leading that debate. However, GHA cannot solve the Glasgow challenge on its own. Collaboration will be the key to achieving the transformational change that the city needs.

I want to speak about the existing contractual matrix that underpins GHA. We are almost five years from the original transfer and some of the issues in the inspection report convince me that the time is now right to review the current suite of grant agreements that are in place between the Government and GHA. I have met the chair of GHA and we have agreed to progress this. Indeed it is worth noting, in the face of Opposition calls for the Government to intervene, that one of the key weaknesses in the original transfer was a lack of real levers for Government to ensure that public money is achieving all that it is intended to do.

Patrick Harvie (Glasgow) (Green): We have heard quite a lot of positive words about what the Government wants to happen and what the Cabinet Secretary for Health and Wellbeing expects will happen in the coming months. However, we need more than that. The

amendments set out some specific measures. I had hoped to come to the chamber today and hear some specific actions that the Government could commit to if that progress does not happen in the coming months and if the wider changes to GHA's purpose are not taken on board by GHA. Can we please hear about some specific measures for the long term as well as the short?

Nicola Sturgeon: That is a reasonable intervention, but the point that I am about to make about the review of the grant agreements between the Government and GHA is, among other things, about giving Government the levers to ensure that the public money that we are investing can deliver what it is intended to deliver. Clearly, progress on second-stage transfer is one of those objectives.

Let me stress that nothing in the review will in any way compromise GHA's viability. It is about securing better value for taxpayers' money and ensuring greater accountability to Government and a better strategic framework for the delivery of improved services for tenants and the regeneration that is badly needed in Glasgow.

The report found GHA sadly lacking in its relationships with owners and said that it must deliver real improvements. I know that the issue of payment timescales for major repairs and refurbishments has been particularly difficult for some owners. Although I am sympathetic to the argument that tenants' rents should not subsidise owners, I recognise the genuine hardship in which some owners find themselves. I have therefore asked GHA to consider whether there is scope for more flexible arrangements for those in most need.

I have laid out some of the Government's early thinking on the way forward and I recognise absolutely that this Government will be held to account with regard to the progress that it makes in that direction. I look forward to hearing the views of members. However, this debate is only a start. I hope that others here and locally will continue to play their part in supporting GHA to find the right way forward in the interests of the tenants and people of Glasgow.

I move,

That the Parliament notes the recent publication by Communities Scotland of the Inspection Report on Glasgow Housing Association (GHA); recognises the importance of putting the interests of tenants at the centre in moving forward; believes that GHA should accept the inspection report in full and deliver progress on all issues raised in the report including second stage transfer (SST) and especially those SSTs that can move forward quickly; deplores the inadequacy of the original basis for the initial transfer of houses from Glasgow City Council, and calls on all stakeholders to work together to achieve substantial improvements for local communities in Glasgow.

The Deputy Presiding Officer: I call Johann Lamont—I am sorry, I should have stressed the first syllable, not the second. Norman Lamont has a lot to answer for.

15:33

Johann Lamont (Glasgow Pollok) (Lab): He certainly has.

I am happy to contribute to the debate. There is no doubt that housing always generates strong feelings and, in certain people, an excessive amount of hyperventilation. It is a genuinely serious issue for the Parliament and I want to address the issues that are highlighted in the Labour amendment.

The amendment attempts to make a genuine contribution to finding a way forward. I make no apology for emphasising the significance of the range of housing issues, sometimes conflicting, that matter to communities across Scotland. Those issues are critical and we expect the Executive to deal with them in a reasonable timescale.

There is a balance to be struck between what we spend on social rented housing and the needs of owner-occupiers. We must consider how we address low-cost home ownership; the balance of need between rural and urban areas; the challenge of homelessness; and the balance between our spending on bricks and mortar and our support for homeless people. What do we do about meeting the needs of those who choose to buy a house inappropriately because the way in which we define need, in terms of social rented housing, means that they cannot apply for those houses? As a consequence of that, too much of our social rented housing has become residual and is not used by mixed communities.

There is something for this Parliament to celebrate in relation to housing, because there has been consensus on a broad range of issues, including the work of the housing improvement task force and the homelessness task force. We welcomed the creation of the housing supply task force, but I am disappointed that the Local Government and Communities Committee was informed this morning that the task force will not be consulted on the forthcoming green paper, will not comment on the future of Communities Scotland, and will have no opportunity to influence or shape the comprehensive spending review, which will be critical to the delivery of policies.

I ask the Minister for Communities and Sport, in summing up, to commit at least to continue with the previous Executive's proportion of spending on housing—a spending commitment in the 2004 comprehensive spending review that was recognised by the housing coalition that now

lobbies on affordable housing as representing significant progress.

We need action on housing. Some people might be concerned about the debate's narrow focus on the inspection report on GHA.

Tricia Marwick (Central Fife) (SNP): Will the member take an intervention?

Johann Lamont: The member should let me make some progress.

I acknowledge that wholesale stock transfer has been a controversial topic. There are serious and legitimate concerns, especially in Glasgow, about the inspection report by Communities Scotland. Indeed, some people have remarked to me that they were surprised that GHA was graded as a C and not as a D. There has been action by Communities Scotland to appoint on to the board. The report is challenging and it highlights serious issues, which concern all of us, about the needs and concerns of the tenants and communities of Glasgow. I do not underestimate the challenge that the report presents.

At the stage of transfer, there were evident tensions and anxieties about the future. On the one hand, there were those in communities such as the one that I represent who knew that the community-based housing association movement and co-operatives had the power to transform their areas and wanted them to do that. On the other hand, there were those who had not seen that happen and were anxious about it. Indeed, one argument for wholesale stock transfer was that it would ensure that nobody was left behind. Partial stock transfer depended on individual communities' capacity to be strong enough to take it forward.

Alex Neil (Central Scotland) (SNP): Does the member still agree with her statement, which she made on 25 May 2006 as the Deputy Minister for Communities, that there is no financial black hole in relation to second-stage transfer?

Johann Lamont: I absolutely agree with that. There is a challenge for Government back benchers who believe that there is a financial black hole. The solution is not to say, "There is one, and we're not going to do anything about it." They have to address the matter.

Second-stage transfer was part of the core business of GHA that was identified in the ballot. When Communities Scotland, GHA and the accountable officer of the Scottish Executive signed off the transfer, they understood that funding had been provided for second-stage transfer. I do not doubt that Nicola Sturgeon will now understand the power of the official advice—not ministerial direction, but official recognised

sign-off—that the finances were correct in that case. That is a significant safeguard.

Nicola Sturgeon: Will Johann Lamont respond directly to the comment in Communities Scotland's report that the previous Government

“did not fully consider the practical implications”

of second-stage transfer?

Johann Lamont: I do not accept that. The point that I am trying to make is that, at the stage of transfer, it was important to go at the pace of tenants, to build confidence, and to move on. No one was in any doubt that the finances were in place to deliver second-stage transfer.

What is critical now is the action that is taken in response to the report. There is a clear message that GHA is failing in its basic responsibilities. Those who say that there is a choice to fund either refurbishment or changes to local structures, as Alex Neil has said, are entirely missing the point. The message that has arisen from Glasgow's housing for a long time, which is reinforced by the report, is that investment on its own is not enough. GHA has huge resources, but it is failing in its core services to tenants and owners.

Indeed, the community-based housing association approach shows that local, rational decision making meets local communities' needs and breaks the cycle of investment in failure that has made Glasgow's tenants suffer for too long. That cycle is characterised by centralised decision making that meets the needs of the body rather than the people whom it serves. It was broken by the community-based housing association movement, which has many friends in the Parliament. That is why second-stage transfer is integral to making investment work throughout Glasgow and is not an added extra. Otherwise, the absence of second-stage transfer from GHA's current programme would have meant that its other services were being delivered. We know that that is not the case.

I must ask the minister to rise to the challenge. In our amendment to the motion, we have given reasonable options for what the minister might want to do. It is not enough to say that it is up to GHA when she is faced by the chief executive of GHA who I understand has said that she is in principle opposed to second-stage transfer; by a report from the Government regulatory body highlighting serious failures in GHA; and by tenants and housing association members across Glasgow who have told me that their needs should not become a cheap political football but should drive the approach in the Parliament.

I understand the temptation of an incoming Administration to blame the outgoing Administration for any problems that it faces. I

know that Government back benchers will be under pressure to disregard the critical issues that are highlighted in our amendment on a way forward in order to secure the entirely partisan political benefit of attacking their political opponents. I understand that—perhaps I would have done it myself. However, all members on the Government benches who raised concerns about GHA and who promised tenants, owners and communities that they would do something when they were in power should be mindful of the consequence of supporting the motion.

In effect, the motion lets GHA off the hook, saying that it is not its problem. It would sign away the opportunity for the 39 local housing organisations that have developed credible cases for transfer, which are now with GHA. Those cases would be written away with the new model of shared services, which has been around for a long time. We owe it to those tenants to ensure that the cases are considered.

In particular, I urge those who style themselves friends of the housing association movement—many of whom belong in the Government party, as well as in mine—to reflect on what we have identified as a way forward. As I said to Alex Neil, if they think that there is a black hole, they need to address it as a Government. If they recognise, as we do, that there is not a black hole but a failure of commitment, perhaps they can address that. The amendment is deliberately non-controversial, and I urge the minister first to reconvene the ministerial progress group.

Nicola Sturgeon: It is time to stop setting up groups to talk about progress—it is time to start making progress. One reason why I propose reviewing the grant agreement is that the agreement that Johann Lamont's Government put in place does not give the Government adequate levers to hold GHA to account. That is what needs to be addressed with real action.

The Deputy Presiding Officer: Johann Lamont is in her last minute.

Johann Lamont: The ministerial progress group was not a talking shop. It brought together every bit of expertise and commitment throughout Glasgow to deliver. It brought together a programme of joint action of a staggered series of proposed transfers across Glasgow. Members should read the joint action report, because it gives us a road map. Critically, the group brings together people to make a difference—not just a discussion or warm words from the minister.

Secondly, I urge the minister to consider the role of Audit Scotland in exploring the financial issues of concern in the report. That would include offering Audit Scotland the opportunity to investigate GHA's home improvement programme

and its impact on owners. Again, I was disappointed by the minister's lukewarm words on that.

Thirdly, I urge the minister to explore other legislative and creative options to use a mechanism of community right to buy to allow those who currently manage properties to see how they could take control.

We urge the minister to explore all those options: be creative and think positively about how matters can be taken forward. There is a challenge in our amendment for the Government, and there are suggestions for action that it cannot justify refusing to consider.

The Deputy Presiding Officer: The member must finish.

Johann Lamont: The Government motion allows GHA off the hook. I urge members on the Government back benches and others to consider the options in our amendment and to support it at 5 o'clock.

I move amendment S3M-539.1, to leave out from "notes" to end and insert:

"agrees that housing is an important priority and calls on the Scottish Executive to come forward with proposals for implementing its housing policy within this session of the Parliament; further notes the Communities Scotland inspection report on Glasgow Housing Association (GHA) and believes that the Executive should act to ensure that GHA meets its responsibilities to its tenants and to owners in the services it provides; further agrees that the Executive should intervene to drive forward progress of second stage transfer in Glasgow, given the critical role of community engagement and ownership in ensuring that the significant investment available to the GHA secures real and lasting improvements to Glasgow's housing, and believes that progress should be based around the following: (1) re-establishing the ministerial progress group, bringing together the broad spectrum of interests and expertise across Glasgow's communities, along with other key stakeholders, to explore the options available to deliver community ownership, (2) exploring the role of Audit Scotland in tackling the issues identified in the Communities Scotland inspection report and (3) exploring possibilities of community right to buy as a means of delivering community ownership."

15:44

Robert Brown (Glasgow) (LD): I welcome a significant part of Nicola Sturgeon's speech. It went a distinct distance beyond what is in the Scottish National Party motion, and it seemed to accept the Government's responsibility—whether the previous one or current one—for having an interest in and moving forward the stock transfer process to second-stage transfer in Glasgow.

Let me define the key context of the debate. Revitalising and regenerating Glasgow's housing stock was and remains one of the biggest challenges in Scotland. It is complex and difficult.

Much of the housing stock is substandard and unattractive. It is the bricks and mortar making up communities across the city, some of which have severe problems of multiple deprivation, environmental decay, social fracture and lack of opportunity.

However, whether houses and neighbourhoods are good, bad or indifferent, they are home to many of Glasgow's citizens and the centre of people's lives. We should make no mistake—the way forward that the previous Scottish Government chose, and which the tenant ballot supported, was bold and visionary. It recognised that the old municipal model of social housing had in significant measure failed, as is largely accepted throughout the Parliament. That approach also recognised that the missing dynamic of change was the talent, interest, involvement and commitment of local residents and the empowering potential of community control. Before us was the outstanding success, particularly in Glasgow, of the housing association movement in reinventing and remotivating communities.

A legitimate part of the debate is to refight battles—to argue about whether former ministers got matters right and whether funding arrangements are appropriate—but to do so is ultimately sterile. Today's debate must focus on where we are now and how we move forward. I supported stock transfer under the previous Administration and I accept that there are lessons to learn from the complex process that has taken place over the years.

In a letter in today's *Herald*, Shettleston Housing Association LHO's chair says:

"The inspection report into Glasgow Housing Association may make interesting reading for professionals but for tenants it is simply depressing and dispiriting ... we want to be able to shape our own future ... Community ownership isn't the problem, it's the answer to what has been wrong with Glasgow's housing ... We need the government to listen to us and to act."

I, too, found Communities Scotland's report depressing, because of the poor rating that GHA was given and because it swallowed GHA's position on second-stage transfers hook, line and sinker. It is astonishing that the report concluded that all parties would have to

"accept that GHA will have a landlord role in the medium to longer term."

It also said that large-scale transfers to other

"organisations can be an option, but only in the longer term."

Like many members, I do not accept that. Put baldly, Communities Scotland claims that having an organisation of impossible size—one of the largest bodies of its kind in Europe—that rated a C

grade for its achievements is preferable to transferring stock to housing association organisations with a proven track record.

Nicola Sturgeon: Robert Brown is making a good and considered speech. I hope he will take from my comments the point that the Government is committed to community ownership and to second-stage transfer. GHA was established as a transitional organisation and I still see it as a transitional organisation.

Robert Brown: I am pleased by the cabinet secretary's comments, because the report said:

"Uncertainty over the central issue of the future ownership of its assets makes it difficult for GHA to develop and appraise options for its direction".

The main uncertainty is that which GHA itself creates. The purpose of establishing it, the terms of the ballot and the agreement that was signed at the beginning—which Johann Lamont was right to touch on—all proceeded on the central importance of second-stage transfer. Liberal Democrats and many others would not have given support otherwise. It is astonishing that people in GHA could imagine at the start, during the development of GHA's various and rather conflicting business plans or now, that they could get away without building into the fabric of GHA's business plan effective and sustainable steps towards achieving the transfer to community-based organisations and GHA's demise. GHA was always intended to be mortal and to have the lifespan of a middle-sized mammal, not the hundreds of years that are allocated to a giant turtle.

GHA and others claim that second-stage transfer is impossible because of the funding gap. I will tell members briefly some of the reasons why I do not accept that. The first reason relates to the original agreement. The second concerns key operating statistics. A typical housing association's management costs are about £900 per unit, whereas GHA's costs are £1,271 per unit. A housing association's regeneration costs are typically £18,000, whereas GHA's costs are typically £28,000. The disastrous record of tension with the owners for whom GHA factors has already been mentioned. Other social landlords are involved in more innovative schemes that take wider action.

The third and last reason relates to GHA's approach to the figures and what has been described as its financial inertia in restructuring the business. GHA has sought to proceed on the basis of financial neutrality, but not one house has transferred on that basis. From long involvement in housing policy and practice, I know that the issue of housing and finance is complex and is ultimately subsidiary to the strategic housing objectives. We can deduce that from the changes that have taken place in the business plan.

The cabinet secretary comes to the matter with a fresh mind. She has the report from Communities Scotland and the views of GHA, and I am sure that she will have the views of the housing associations. The matter should be required to move forward on an agreed basis, but the Government should take the lead. I hope that the cabinet secretary will confirm that she will not accept GHA subverting the original purpose of stock transfer.

The Deputy Presiding Officer: The member must wind up.

Robert Brown: This is a highly political issue that must be determined in the best interests of Glasgow, its communities and its citizens. I hope that the minister can go a little further today and build on the assurances that have been given by the cabinet secretary.

I move, as an amendment to amendment S3M-539.1, amendment S3M-539.1.1, to insert at end:

"and (4) requiring GHA to develop an effective business plan which incorporates the delivery of community ownership through second stage transfers and on the basis of break-up of GHA in due course."

15:50

Bill Aitken (Glasgow) (Con): The debate was always likely to generate more heat than light, but I nevertheless find some cause for optimism. The fact that we are having the debate means that the dead hand of municipal socialism, with its insensitivity and uncaring approach to the genuine aspirations of council tenants, has been removed from the shoulders of those tenants. That cannot be anything other than a good thing.

The report, which is very mixed, contains upsides and downsides. More tenants are satisfied with GHA, but it is poor at handling complaints. It has got better at responding to the problems of homelessness, but it has not responded at all adequately to the genuine complaints of home owners who have been sucked into a repair process that, to be frank, seems at times to be governed by a scattergun approach rather than by a more realistic approach that would regard repairs and rehabilitations as being necessary rather than just desirable.

Over recent years, GHA has delivered substantial investment in Glasgow's housing, for which credit must be given to the previous Administration. We are further down that route, but, at the same time, we are no further forward with regard to what was the apex of everybody's housing ambition—housing transfer—as encapsulated in the Housing (Scotland) Act 2001. When the matter was first debated, I made it clear that the Conservative party regarded the formation of GHA as a transitional approach. I was far from

happy about it, but I was persuaded by the then Executive that, in order for the secondary transfer to take place, it was necessary to go through the initial stage of dealing through GHA. In retrospect, I should not have allowed myself to be so easily persuaded. It is now apparent that that Executive did not fully consider the practical implications of GHA's being simultaneously a large landlord and a transitional vehicle.

There is genuine agreement in Parliament that one of the great success stories—if not the greatest success story—of post-war Scottish public sector housing has been the housing association movement. Of course there has been the odd failure, but the unmistakeable message that comes across, not only in Glasgow but elsewhere in Scotland, is that when people are given responsibility for dealing with their housing problems, they respond positively—in some cases magnificently. It is therefore obvious that we should encourage the housing association movement and ensure that as many as possible of those who are still forced to operate in the public housing sector do so through a housing association that is accountable to local people and responsive to local needs. That is where, sadly, we have gone very wrong.

Robert Brown: I am interested in Bill Aitken's view on the suggestion in the Communities Scotland report that GHA will have a long-term existence and that, in some way, we should depart from the objective of early second-stage transfer, which he and I have both supported over the years.

Bill Aitken: I fully acknowledge that Robert Brown has been entirely consistent in his approach. He will agree that the real success of GHA will be in ensuring that it goes out of existence. That may seem to be somewhat perverse logic, but it would genuinely be the best way forward. We must look for the best way forward.

I do not wish to reiterate what I said six years ago—although looking around me today, I am reminded that we have now been at this for a considerable time and progress has been zilch. That cannot be tolerated any longer. I am encouraged by what the cabinet secretary said today, but I serve notice that unless there is tangible and manifest progress towards secondary transfer we will seek to revisit the matter. The cabinet secretary must accept that she will be held to account in the chamber.

Johann Lamont: Will Bill Aitken take an intervention?

Bill Aitken: In a moment.

I accept that there are technical difficulties and I refer the cabinet secretary to the proposal that I

made last time we discussed the issue, to the effect that a model of 6,000 to 8,000 houses would be acceptable.

With your consent, Presiding Officer, I will allow Miss Lamont to intervene.

The Deputy Presiding Officer: As long as you finish speaking within a minute.

Johann Lamont: Does Bill Aitken accept the concerns of some people, particularly those within the housing association movement, that the message of the Communities Scotland report is that breaking up GHA into big chunks will defeat the aspirations of many organisations that have put in fundable and credible business plans? Would you ask GHA to take those seriously and not impose a number?

Bill Aitken: That is a valid point, but we have to consider that whatever the division is, there has to be local accountability and, at the same time, a critical mass that will allow a housing association to function, to make purchases and to carry out repair programmes. If the number is too small, that will be difficult.

This is an important debate and members take the issue very seriously. However, unless some progress is made, a lot of credibility will be lost.

15:56

Alex Neil (Central Scotland) (SNP): At the beginning of this week, Wendy Alexander apologised for six years of Jack McConnell. She owes Glasgow tenants a huge apology for the mess that she and her successor communities ministers have made of Glasgow housing. Glasgow Housing Association is the housing association that Wendy built. She should apologise for making wholesale housing transfer a precondition for writing off Glasgow's, or any local council's, housing debt. The money that has been wasted in the exercise could have built hundreds, if not thousands, of new homes, or refurbished thousands more. From day 1, there has been a financial black hole at the heart of GHA's business plan, originally written by the Executive and Wendy, the minister.

The Deputy Presiding Officer: Order. The member must refer to other members by their full names.

Alex Neil: Labour promised second-stage transfer but did not cost or fund it.

Johann Lamont: Will the member give way?

Alex Neil: I will in a minute. When Wendy Alexander, as the Minister for Communities, and her successors, were told about that black hole, they chose to ignore and deny it.

Johann Lamont: Will the member give way?

Alex Neil: In a minute. We have seen report after report. In October 2005, PricewaterhouseCoopers's report, which cost the Executive £100,000, told us that there was a big financial black hole. A month later—

Johann Lamont: Will the member take an intervention?

Alex Neil: I will let Johann Lamont in soon.

In November 2005, Savills reported that there was a big black hole. In March 2006, the Auditor General's report said that there was a big black hole, but on 25 May 2006, Johann Lamont, as the Deputy Minister for Communities, denied that there was any black hole. When I published a research paper a month later, she said that I was scaremongering. Then, a couple of months after that, another £100,000 report commissioned by the Executive—from Deloitte this time—said that there was a £500 million black hole. Then—lo and behold—Malcolm Chisholm admitted that there is a big black hole but, even today, Johann Lamont contradicts Malcolm Chisholm and says that there is no black hole.

Johann Lamont: Perhaps Alex Neil, who is now clearly a great supporter of his party, unlike in the past, could define the logic of his position. If there is a black hole, are you calling on the Executive to fill it or have you bought GHA's line that it should continue to exist as it does now? Your minister says that GHA is a transitional body, but you are saying that it is a black hole—I do not agree with that—so will your minister fill that black hole? Otherwise, your position is totally illogical.

The Deputy Presiding Officer: I remind members that they must speak through the chair. I am not going to do anything so do not talk to me.

Alex Neil: I remind Johann Lamont that the ministerial group that was announced in January 2006 as an urgent measure did not meet for three months. Its members talked and talked for months and months after that, but the group did nothing but produce some financial models that were commissioned from another set of consultants, which showed that the minimum cost of second-stage transfer would be £190 million and, under certain scenarios, could be as much as £500 million. I am sure that the reason for the silence among Labour back benchers is that they know the truth of the matter.

We have to face up to reality. We are in favour, as the cabinet secretary has said, of stock transfer to community owners, but we must acknowledge that we are where we are. I am no apologist for GHA—far from it. However, despite what Robert Brown and Johann Lamont have said, the reality is that it is Labour's big black hole rather than

GHA's. We have been left to clean up Labour's mess—but the Scottish National Party Government will do that.

16:01

Tom McCabe (Hamilton South) (Lab): No member who has held a surgery is unaware of the heartbreak that lack of access to affordable social rented housing can cause. It is against that background that we need to acknowledge just how crucial decisions about the future of Glasgow Housing Association are. If Alex Neil thinks that his speech is doing a service to tenants in Glasgow, he is very wrong: he has made a good defence for the Glasgow Housing Association rather than what should have been a strident criticism of its actions—or its lack of action—over the past few years.

There has been significant progress in the provision of social rented housing, but the changing natures of our society and of the demands that are placed upon housing services mean that the next Government to find enduring solutions to those problems will be the first Government to do so. The problems demand much more than investment alone. There are a multitude of issues that must be addressed, and they are perhaps more deep seated than any of us has previously recognised. The problems extend the length and breadth of Scotland—they undoubtedly exist even in the great city of Glasgow, which is showing day after day that it can, and will, be one of the most vibrant and dynamic cities in Europe.

It was right to create the Glasgow Housing Association, as it was right to break up a monolithic housing provider that struggled to inject the diversity that is required to meet the strong desire for influence and involvement that has been expressed by tenants in Glasgow. The stock transfer process afforded hope to people who wanted greater involvement in their homes; it afforded far greater opportunity for investment in those homes and it afforded the opportunity to break up a monolith that was not best placed to estate manage and plan for the future of that stock properly. The tragedy is that the opportunities that those initiatives should have presented to the people of Glasgow are now being missed. It is right and proper that the reasons why those opportunities are being missed should be the focus of this afternoon's debate.

As has been acknowledged by the cabinet secretary, Glasgow Housing Association was set up in a way that minimised political involvement or interference. I believe fundamentally that that was done for the right reasons. Sadly, however, I believe that that has been used against the best interests of Glasgow's tenants.

Glasgow Housing Association is an organisation that was designed to divest itself of its considerable power, in the interests of the tenants who occupy houses in Glasgow. In my view, it all too quickly became fond of itself. That is not an uncommon phenomenon in the public sector, but it is a dangerous phenomenon which, to be quite frank, politicians have found to be difficult to deal with. The people of Glasgow deserve better. They also deserve better than a parliamentary debate that merely seeks to apportion blame.

I am encouraged by the cabinet secretary's statement that the Government continues to regard Glasgow Housing Association as a body of transition; that is exactly how it should be. The people of Glasgow deserve a Government—informed by the report and supported by Parliament—that is prepared to make the necessary changes to ensure that the transfer to greater tenant control begins and is implemented as quickly as possible.

Anyone who walks around the city of Glasgow and sees the transformation that is taking place there knows that the city is inhabited by people who are determined to improve their lot and to compete with the best in Europe. The hard truth is that an organisation that was created for the right reasons and which was granted a unique level of autonomy has failed to achieve its objectives and has failed the tenants of Glasgow. I am convinced that if the minority Government is prepared to tackle that serious and pressing issue, it will receive cross-party support in Parliament.

There is a strong and relevant test, not just of Parliament but, more especially, of the Government. Will there be a willingness to examine the situation in Glasgow Housing Association as it is and to focus not on apportioning blame—blame lies in many quarters—but on the partnership that is required in Parliament to find, in early course, the solutions that will achieve the original intentions of the stock transfer? I am encouraged by the cabinet secretary's remarks, but the people of Glasgow deserve no less than a serious attempt to divest Glasgow Housing Association of its power and position and to place control in the hands of the people who care and know most—the tenants of Glasgow.

16:07

Tricia Marwick (Central Fife) (SNP): I start by responding to a couple of points that previous speakers have made. I agree completely with Tom McCabe that the monolithic housing department that was Glasgow City Council needed to be broken up. Before 1999, I referred to Tom McCabe's colleague Frank McAveety, who was then the leader of Glasgow City Council, as the

largest slum landlord in western Europe. Tom McCabe did not address the fact that we have replaced the monolithic housing department that was Glasgow City Council with another monolithic housing department—Glasgow Housing Association. That is the reality.

It is a pity that Johann Lamont is not in the chamber, because at one point in her speech I tried to intervene to ask her about part (3) of the Labour amendment, which states that we should explore

“possibilities of community right to buy as a means of delivering community ownership.”

I point out to the missing member that Kenny Gibson and Fiona Hyslop lodged just such an amendment, which Labour members defeated, during consideration of the Housing (Scotland) Bill. It is a bit rich now for the member to call for something that the SNP advocated but Labour rejected.

It is important for us to look forward, but it is equally important that we recognise where the problems have come from and who is responsible for them. I understand that Johann Lamont and other Labour members would like us only to look forward and just accept that they had no part in the matter. Even today, she continues to be in denial about her personal role, as a former housing minister, and about the role of Labour and the Liberal Democrats in this debacle. We must remember that wholesale stock transfer was the flagship policy of the Labour-Liberal Executive. It is right and proper that SNP members and the people of Glasgow should judge Labour and the Liberal Democrats by the failure of that policy.

Margo MacDonald (Lothians) (Ind): Will the member give way?

Tricia Marwick: I ask the member to give me a minute to make some progress.

The people of Glasgow voted for second-stage transfer of their homes to community associations, but the inspection report makes it quite clear that GHA was never set up financially or structurally to achieve that aim.

There are two possibilities at play: either the previous Executive was so stupid that it did not put in place the mechanisms by which second-stage transfer could proceed, or it knew exactly what it was doing and did not anticipate that second-stage transfer would proceed in the future. The reality of the situation is that, from 2001 onwards, my colleagues and I asked repeatedly about timescales and timetables. In May 2006, Johann Lamont said that second-stage transfer in Glasgow was not a problem to do with there being a financial black hole and that progress was being made. In November 2006, another former housing

minister, Malcolm Chisholm, said that ministers wanted

“some transfers to move forward in the near future ... Indeed, that will be an absolutely central priority for me over the next few weeks, and I am having on-going meetings with the different players in Glasgow to ensure that that happens.”—[*Official Report*, 30 November 2006; c 29909.]

No wonder the previous Labour Government refused to accept Kenny Gibson’s amendment to the Housing (Scotland) Bill, which would have put a five-year limit on second-stage transfer. If the previous Executive had accepted that amendment, second-stage transfer would have taken by now.

I understand that 39 bids—accounting for nearly a third of the housing stock in Glasgow—to take forward the programme have been made to GHA. The cabinet secretary is committed to second-stage transfer. Along with her SNP colleagues, she has already acknowledged that GHA was never more than a transitional body, so I hope that she will move as quickly as is practicable to ensure that the maximum number of transfers can take place as quickly as possible.

16:12

Jim Tolson (Dunfermline West) (LD): This is a debate in which the SNP claims to be backing the views of Communities Scotland, even though it sought to abolish that organisation in its recent manifesto. Does that mean that the SNP Government is willing to retract its manifesto promise to drastically overhaul or even disband Communities Scotland, or is it damning an organisation that, on the whole, does a very good job for Scotland?

The SNP may not have liked stock transfer, but it should now acknowledge that, where tenants voted for it, their democratic choice should be accepted. There is little doubt in Glasgow or elsewhere that Glasgow Housing Association is, just like the former Glasgow City Council housing department, simply far too big and unwieldy to serve the tenants of Glasgow adequately. The best way forward for Glasgow’s tenants is to move towards the break-up of such a monolithic organisation by progressing to second-stage transfer as soon as possible.

The Liberal Democrats remain committed to making progress towards second-stage transfer for Glasgow, and we encourage the use of community management and ownership as the model that is best suited to meet the needs of the people of Glasgow. Members should remember that community ownership is not privatisation by the back door, as some people have claimed. Such models are widely used and work on a not-for-profit basis, ensuring that any profit is ploughed back into the organisation to provide direct help in improving the quality and availability of rented

housing stock in an area. We also believe that, to ensure delivery of community ownership, it is essential that GHA’s business plan include a commitment to deliver—second-stage transfer as soon as possible.

GHA is the only housing association in Scotland in which there is a need for a second-stage transfer; all other transfers involve only one change. Communities Scotland has rated the performance of GHA as fair, even though it had £900 million of debt written off as part of the transfer process. Stewart Maxwell said that the fact that GHA insists that owner-occupiers repay money for repairs within a year is a relatively small issue. That may be the case for someone who is on a minister’s salary but, lest he forget, it is not as easy for people who are on low salaries and are struggling to make ends meet.

Johann Lamont: Will the member take an intervention on that point?

Jim Tolson: I will happily give way.

Johann Lamont: I wonder whether the Liberal Democrats support the call for Audit Scotland to examine the rights and interests of owners in the programme that GHA developed.

Jim Tolson: I thank the member for that question.

Johann Lamont’s amendment certainly fills in many of the gaps in Nicola Sturgeon’s motion—for example by seeking to make the Government accountable for implementing its housing policy in a defined timescale. I ask Ms Lamont to accept, however, that the amendment in my name is an improvement on her amendment. My amendment calls for Glasgow Housing Association to confirm its commitment to what we all seek, which is community ownership by second-stage transfer, secured through a robust business plan. Only through the move to smaller housing associations will Glasgow tenants obtain the real benefits that are enjoyed by many housing association tenants throughout Scotland.

16:15

Paul Martin (Glasgow Springburn) (Lab): SNP members referred to the failure of the GHA stock transfer. If that is their version of failure, I will speak of the so-called failure in my constituency that has seen £115 million of housing investment. Indeed, Nicola Sturgeon’s constituency has seen £64 million of housing investment and Glasgow as a whole has seen over £0.5 billion of such investment. If the minister wants to disassociate herself from that investment, I am happy to support her in that. In fact, if she is happy to disassociate herself from any of the new-build initiatives that we will see in my constituency, I am

happy to be there at their launch and confirm that she does not support them.

Nicola Sturgeon: I am genuinely not aware of whether Paul Martin was present during my speech, so I will just read out the relevant part. I said:

"It is clear that investment is securing real improvements for tenants."

When I talked about the failure of the stock transfer, I was talking about the failure of the previous Administration to deliver. Does Mr Martin agree that that was indeed a failure?

Paul Martin: I am afraid that the minister is not being as constructive as previous housing ministers have been. She should give credit where credit is due—some of her fellow SNP members should have done likewise.

The minister did not pay tribute in her speech, though it is important to do so, to the 600 voluntary members on the management committees of local housing organisations. Those organisations would not exist if people did not give up their time day in, day out, to ensure that the investment that is in place is used in the best possible way for local priorities. The minister should give due recognition to those people in her closing remarks because they are local heroes who make a difference in our constituencies throughout Glasgow.

As Tom McCabe said in his speech, we must have a balanced debate about the GHA situation. I would simply say that GHA has, to use a famous Glaswegian saying, overstayed its welcome. As Johann Lamont and many other members have recognised, GHA has taken a lethargic approach to second-stage transfer. However, I do not want second-stage transfers to be pushed out the door just for the sake of it. Whatever second-stage transfers are considered, we must ensure that there is a robust argument for them so that they can deliver for future generations. The issue is not just delivering second-stage transfer but ensuring that we deliver futures for our communities.

Another major disappointment for me is the poor relationship between GHA and community-based housing associations. I recognise that there may be faults on both sides of the argument, but I call for the minister to show leadership. The previous minister established a foundation that ensured that we brought together as many stakeholders as possible in the working group, which was helpful. We should ensure that community-based housing associations share best practice with GHA and that they are involved in the development of second-stage transfer. I am not convinced that good practice and a robust relationship are in place.

The Communities Scotland inspection report refers to the poor handling of complaints by GHA,

which is a particular issue that should be addressed.

We have had a good debate. We should consider ways in which we can work together and put in place a timeline to ensure that we deliver second-stage transfer. A robust argument must be made in that respect.

16:20

Sandra White (Glasgow) (SNP): The brass neck of the Labour Party is truly amazing. It is suggesting that everyone else is responsible and to blame. Labour members orchestrated what has happened. They put forward the policy and they have left us, the Government, to deal with the mess. They should not give us or the Glasgow people any platitudes. They are responsible and they cannot wriggle out of it.

Given that Wendy Alexander had the courage to apologise to the Labour Party for its election defeat in Scotland, I had hoped that she would have had the courage to apologise here to the people of Glasgow who voted for the stock transfer. They did so in the belief that transferring Glasgow's housing stock to GHA would give them new-build housing—nothing has been built yet—more social rented homes, more good houses for rent and local and accountable community ownership, but they have had none of that and they are bitterly disappointed that the promises have been broken.

We should not forget Glasgow City Council's role in all this. One of its chief people, who played a leading role in the stock transfer, is an MSP. It was not just the Parliament, Wendy Alexander and the Labour Party that were responsible; Glasgow City Council played a role, too. The fiasco that it has presided over has been allowed to continue because of inaction and cowardice by Labour members, who did not challenge it.

I am not holding my breath, but the people of Glasgow deserve an apology and a commitment from the Labour Party to work with the Government to sort out this mess once and for all. However, the Labour Party amendment makes it clear that it is unwilling to accept responsibility for its past failings and is unable to look to the future.

Margo MacDonald: I make this appeal to the member: please do not underestimate the understanding that exists among those of us who do not have an immediate interest in the problem. We know that the previous Government did not do everything that it should have done and that lots of mistakes were made. However, before I vote tonight, I want to know the difference between the Government's proposal and the Labour amendment—I think that I can understand the Liberal Democrat position. I want to know the

practical difference between what Labour would do and what the Government will do.

Sandra White: I am sure that the minister will answer that question in his summing up. I am sorry if Margo did not quite catch the cabinet secretary's opening speech in which she laid out those differences. I have only five minutes, but the cabinet secretary had 11 minutes. GHA will not be let off the hook. I am sure that the minister will be able to respond to Margo, who I thank for the intervention.

Back in 2000, Wendy Alexander, commenting on the stock transfer, said:

"Power will cascade down to local level, with tenants playing a pivotal role in managing their own communities".

It certainly looks more like a trickle than a cascade. Those were grand words, but they were only words. I hope that the member or her colleagues can explain why we did not see any cascading in their years of power. I might not be able to put it as grandly as Wendy Alexander did, but I will work to ensure that second-stage transfer takes place and that GHA works itself out of existence and hands over responsibility to the people who should have had it: the LHOs, many of which are waiting in the wings with years of experience and costed plans. They must be given the opportunity to deliver SST.

Bob Doris (Glasgow) (SNP): Does the member agree that the previous Executive failed not only in relation to stock transfer but in not giving leadership and direction to Glasgow's housing demolition process? Many communities still have no idea whether their houses will be maintained or demolished and face uncertainty and fear in that regard.

Sandra White: I thank Bob Doris for his intervention, as I thought of intervening on Paul Martin on that point. In areas such as Springburn and Maryhill, people were moved here and there and had to live in limbo because plans were not costed or put forward properly.

I welcome the cabinet secretary's comments on owner-occupiers and her recognition that more needs to be done to address their concerns. No one should be subjected to the horrors to which owner-occupiers have been subjected, particularly by social landlords. All people asked for was fair and equitable treatment.

Wendy Alexander is fond of delivering fairytales—indeed, she delivered one to John Swinney one day. This is not a fairytale; this is a horror story that has been written by Labour and perpetrated on the people of Glasgow. They deserve better and that is what the Government will give them.

The Deputy Presiding Officer (Trish Godman): Before I call Claire Baker, I remind members to address each other by the member's full name.

16:25

Claire Baker (Mid Scotland and Fife) (Lab): I am pleased to speak to the Labour Party amendment and to take this opportunity to talk about housing issues that affect communities throughout Scotland, including Glasgow. The Government has brought a narrow focus to the debate. In my speech, I will broaden out the discussion in line with Labour's amendment.

There is no doubt that the increased supply of social housing is of crucial concern in Glasgow and throughout Scotland. The issue is not a recent one, although it has become particularly acute as a result of the current high demand for affordable housing solutions in a buoyant housing market. The problems that stock transfer in Glasgow sought to address were long-standing ones. Whatever the criticisms of GHA, there is no doubt that the situation in Glasgow required radical solutions to improve standards of housing for tenants and to address the problem of the huge debt that had accumulated.

Of course, there has been a great deal of debate about how the process has unfolded, but it is unworthy of the priorities of addressing the needs of tenants in Glasgow to focus only on a critique of the current situation and opposition to the policy, without providing specific measures for the long term.

As Tom McCabe and other members outlined, the future of Glasgow housing is of crucial importance to the people of Glasgow and their representatives. In the Labour Party amendment, we have set out clear proposals to progress the situation. In the spirit of consensus, I hope that the cabinet secretary will give due consideration to the content of the amendment.

As I am a Mid-Scotland and Fife MSP, GHA does not directly impact on my constituents, but its reputation is important to the future of the housing association movement and to community ownership. I appreciate that the cabinet secretary recognises the scale of the housing issues that face Glasgow and Scotland. This week, the Prime Minister announced an investment of £8 billion for affordable and social housing, which is a 50 per cent increase in funds for social housing.

In its programme for Scotland, the Government stated that it would set out proposals for the provision of affordable housing. Although I appreciate the importance of today's discussion on GHA, and the support that all members have expressed for second-stage transfer, it is

regrettable that the cabinet secretary did not take the opportunity that the debate gave to set out proposals for the whole of Scotland.

Kenneth Gibson (Cunninghame North) (SNP): Will the member give way?

Claire Baker: I am sorry, but I had to revise my speech twice to reduce it in time.

Kenneth Gibson: The member has three minutes left.

Claire Baker: I will give way.

Kenneth Gibson: Thank you. Does the member accept that one of the reasons why stock transfer went through in Glasgow and other places was debt write-off? Does she agree that the Treasury should write off the debt in Edinburgh, Renfrewshire and other places that voted against stock transfer and in the local authority areas where no transfer ballot has taken place thus far? Would that not be an excellent way of providing local authorities with the resources to enable them to tackle the lack of affordable housing?

Claire Baker: There are different solutions to tackling debt. It is up to the Government to take forward proposals in that area.

I take the opportunity of speaking on a housing platform today to raise a few issues that are relevant to Fife. In Fife, we face two major challenges in housing: first, more people are expected to locate to Fife and, secondly, we have a need for good-quality affordable housing, both for sale and for rent, to ensure that people who choose to live in Fife are able to stay in the communities where they have strong links. The issue is one that other members raised in relation to Glasgow.

The average house price in Fife is just over £130,000, while the average salary is just under £20,000. Around 12,000 people are on the housing list, a figure that includes nearly 4,000 people who have applied for a transfer. As in Glasgow and throughout Scotland, there are issues to address in Fife in the rented sector in terms of the availability of affordable and mixed-tenure housing.

Tricia Marwick: Will the member take an intervention?

Claire Baker: I am sorry, but I am short of time. I took an intervention from Kenneth Gibson.

The cabinet secretary will be aware that a reappraisal of the housing land requirement in Fife is out for consultation. If it is approved, 4,270 fewer homes will be built in Fife over the next two decades than were originally planned as part of the structure plan. I remain to be convinced by the arguments supporting that reduction. Restricting house building in Fife will increase house prices

further, run the risk of pricing many people out of the market, and stall town centre regeneration and leisure developments.

Another crucial element will be the type of housing to be built. I would have welcomed details from the Government on its manifesto commitment to reserve a minimum of 25 per cent of all new housing developments for affordable housing; and I would have welcomed details on how it plans to ensure that the element of affordable housing includes a mix of properties, so that new developments are inclusive of communities and are not simply commuter villages that sit on the edge of more established towns and villages. I hope that the minister will take those points into consideration when considering the plan's approval.

I look forward to the Government providing firm solutions to meet housing needs in Scotland and to address the situation in Glasgow. At a time when it is clear that we need a great deal of investment in affordable housing and such investment is being committed in England and Wales, it is crucial that the Government come forward urgently with proposals for affordable homes in Scotland. I urge the SNP to match, if not exceed, plans for affordable homes in the rest of the United Kingdom. I am disappointed that it has not taken the opportunity to do so today, but I hope that the SNP will return to Parliament in the near future on this crucial issue. I hope that it will bring forward proposals for implementing its housing policy within this session of Parliament.

16:31

Ross Finnie (West of Scotland) (LD): To use similar words to those used by Bill Aitken about the Communities Scotland report, I think that this debate has had its good bits and its bad bits.

I am sorry that Alex Neil is not in the chamber. I wanted to say to him how warmly we have all welcomed the fact that he is now a close supporter of the Scottish National Party. However, in his transition, he does not yet appear to have resigned his membership of the hyperbolic tendency.

I want to raise a serious point, and I hope that it answers the point that Margo MacDonald raised. Tom McCabe said that GHA was set up in good faith. It was intended by the Government of the day to deliver the will of Parliament on the stock transfer and to deliver on the vote of the good people of Glasgow on the issue. There was no doubt about that. Some people in the debate have said, "Well, yes—it's all the Government's fault." However, there is a puzzle to which they have to give an answer, and it concerns the very curious conclusion of Communities Scotland. Somehow—

despite the will of Parliament and despite what the previous Government said—Communities Scotland concluded that GHA can have a longer life. That conclusion is wholly inconsistent with the purpose for which GHA was set up.

That brings us to why Liberal Democrats support the Labour amendment with, we hope, the addendum to it in our amendment. I say to Margo MacDonald that, if we look in the middle of the motion, we see that it says

“that GHA should accept the inspection report in full”.

In other words, the Government supports the view that GHA should have a longer life. Liberal Democrats do not accept that, and if the Government does accept it, we fundamentally disagree.

Nicola Sturgeon: I give Ross Finnie credit for making a very clever debating point. The key point is that GHA should accept the criticisms in the report and should act to put them right. However, as the cabinet secretary responsible, I have said today that I regard GHA as a transitional body. The report makes the important point that, while GHA exists, it must act in a way that not only benefits the tenants in Glasgow but helps in the broader regeneration of Glasgow. That is a reasonable comment, and I hope that we can all agree that GHA is not an organisation that will exist for ever and a day.

Ross Finnie: I am grateful to the cabinet secretary for recognising the merit of my point. I wish that she had made those points before and had not drafted her motion in the terms that will go into the official record if the motion is accepted by Parliament. With all due respect to the cabinet secretary, I think that the motion would allow wriggle room. I do not in any way dispute the good faith with which the cabinet secretary has made her statement to the chamber, but I think that the chamber is entitled to pass motions that are clear and unambiguous.

From our point of view, it is a question not of trying to rewrite history but of accepting the fundamental difficulty that is presented by the element of the report that tries to look forward. The way in which the Government has drafted its motion is not helpful. My colleague Robert Brown has pointed out an inherent contradiction in the Government's position. It needs to be more specific about what it is calling GHA to do. In that regard, the amendment in the name of Johann Lamont goes much further than the motion.

The report makes detailed criticisms of the nature and content of GHA's business plan. GHA has repeated ad nauseum, not just to previous ministers but to Communities Scotland, that it believes that it can duck out of second-stage transfer. Its previous business plan may have

failed—although goodness knows how it managed that—but the Liberal Democrats' amendment would ensure that any subsequent plan specifically addressed that issue.

Bill Aitken: Does Mr Finnie accept that we would find his arguments, eloquently put as they are, somewhat more persuasive if, during the eight years in which he had a large degree of control over these matters, some measures had been taken to bring about the desired result, namely the demise of GHA?

Ross Finnie: It depends on what the member takes in good faith. I still find it remarkable that GHA can continue to argue to Communities Scotland that it will ignore the position of previous ministers and the Parliament and the vote of the good people of Glasgow, and put forward a contrary proposition. I am happy to accept that perhaps the previous Administration could have done more, but we are where we are, and it is not good enough simply to say that we were wholly responsible. There are people in GHA who have a wilful view about second-stage transfer—that has to be addressed now. The report is not helpful in the sense that it concludes that second-stage transfer does not need to happen.

I hope that even Bill Aitken, despite the reservations that he may have about what happened previously, will find that both the amendment and the amendment to the amendment are more directed to meeting the very objectives that he is seeking. I hope that members accept that there is a need for specific action and that there are inherent contradictions contained within the report. I hope that they will support both the amendment and the amendment to the amendment.

16:37

Mary Scanlon (Highlands and Islands) (Con): The debate has been good. It is always healthy when there is recognition throughout the chamber of the issues, the problems and the way forward. It is right and proper to debate the Glasgow housing stock transfer. It is right and proper not only to learn from that experience, but to examine the effect of the Glasgow stock transfer on the overarching policy of stock transfer for the rest of Scotland, which gives me an excuse to have a minute on the Highlands.

I do not understand why the SNP can be in favour of the transfer of council housing in Glasgow yet campaign against it so vociferously in the Highlands, as was covered in two columns in last week's *Inverness Courier*, if the minister wishes to read it.

Nicola Sturgeon: As the Opposition is no doubt straining to remind the member, the SNP was not

in favour of the stock transfer in Glasgow. We foresaw some of the difficulties that we are now experiencing. Large-scale stock transfer was never the plan. The whole point was that we wanted small-scale, community-based stock transfer.

Mary Scanlon: So, obviously, the Highlands was GHA mark 2 and the SNP campaigned against that because it could foresee the difficulties. However, we will move on from that.

It is rich for the Labour front bench to criticise the five-month-old nationalist Government for blaming the previous Liberal-Labour Executive, given that Johann Lamont's party, after 10 years in government, is still blaming the Tories.

Robert Brown: The central point is whether, accepting all that, Mary Scanlon supports the SNP's suggestion that the Communities Scotland report should be accepted in full, with the absence of second-stage transfer that that implies.

Mary Scanlon: I fully accept what the minister and Bill Aitken said on that.

I thank Tom McCabe for a considered, measured and well-informed speech. However—I am sorry, but I must be fair—he and his colleagues had eight years in government and, in setting up the GHA, five years to establish the structures and financing for the second-stage transfer, but they failed.

Robert Brown put it well when he said that the old municipal form of housing has failed. Bill Aitken described it as the dead hand of municipal socialism.

Kenneth Gibson asked about the writing off of debt with no stock transfer. The real question is why local authorities clocked up hundreds of millions of pounds of debt. If the chancellor writes off Highland Council's housing debt and that of other councils without stock transfer, how can we be assured that those councils will manage and invest in their housing stock effectively and not build up millions of pounds of debt in future?

Margo MacDonald: Will Mary Scanlon give way?

Mary Scanlon: No, I have given way twice already.

The debate concerns the issues that the GHA's situation raises, but I will ask about another missed opportunity. There is undoubtedly a housing crisis in the Highlands. Highland Council has a housing debt of £153 million—an average of £11,000 per house—which would have been written off by the housing stock transfer. I think that it is the largest housing debt in Scotland next to the City of Edinburgh Council's. Of every pound of rent collected, 41p goes to service the debt.

Nine thousand council-owned houses do not meet the housing standard. Highland Council faces a bill of £137 million to get them up to standard and is applying for exemption from the standard for 4,000 properties. That is what happens with a no vote.

The SNP group leader on Highland Council has called for the council's housing debt to be cancelled. Will the SNP Government accept that its vociferous campaign against the housing stock transfer left Highland Council with a burden of £153 million in housing debt? The SNP actively campaigned against housing stock transfer in full knowledge of the financial consequences that the council and tenants would face. Now that it is in power, will the SNP Government respond to the issues that face Highland Council and its tenants? They expect the Government to come up with an answer to a problem of its own making.

16:43

Mr Frank McAveety (Glasgow Shettleston) (Lab): When we started the process of housing stock transfer, prior to the first session of the Parliament, Bill Aitken had a full head of hair and mine was fully dark. Obviously, time has moved on since then.

We can dwell in the past. Labour members recognise that there were many complexities to the most radical and innovative stock transfer in Europe—it was unique. We knew that we had to try to overcome some of those complexities, but others emerged in the process.

I recognise that members in each party had different perspectives. In fact, some of them have changed their views on the matter over the past eight or 10 years. For example, I welcome Sandra White's conversion to second-stage transfer—I do not recollect her supporting the initial transfer.

Sandra White: Will the member take an intervention?

Mr McAveety: Along with Alex Neil and others who have a conspiracy theory of politics, Sandra White needs to reconcile that conversion herself.

Sandra White: Will the member take an intervention?

Mr McAveety: I welcome Nicola Sturgeon's speech—I never thought I would say that—because it recognises that we are as unanimous as we could possibly be—

Sandra White: On a point of order, Presiding Officer.

Mr McAveety: I am sorry—I will not take an intervention at the moment. The reality is that—

The Deputy Presiding Officer: I am sorry, Mr McAveety, but I have to take a point of order.

Sandra White: Is it not the case that, if a member names another member in the chamber, that member is allowed to reply to whatever they have been accused of?

The Deputy Presiding Officer: No. That is not a point of order. It is for the member who has the floor to decide whether they will take an intervention.

Mr McAveety: I thought that the member was going to confirm—

Sandra White: Will the member take an intervention?

Mr McAveety: I thought that the member was going to confirm that she opposed stock transfer at the first stage. Thank you for that, Presiding Officer.

It is important for us all to acknowledge the agreement around the chamber that we need to proceed with second-stage transfer. Many submissions have been made to members by community-based housing associations, a considerable number of which are in my constituency. They know that the process has been difficult. The people who have been engaging with me on the issue over the past two to three weeks had entered into discussions with Glasgow Housing Association in good faith on what was a complex transfer process.

Sandra White: Will the member take an intervention?

Mr McAveety: I am sorry, but I want to make progress.

Those people tried to identify how to reconcile the large-scale transfer model with the commitment to have smaller-scale, community-based housing associations and other local housing organisations emerging over the next six to 10 years. I refer to the regulatory framework, for which Communities Scotland has responsibility.

I remind members that one of the key elements in the GHA's core business plan was to make progress on second-stage transfer. Many theories and reasons have been advanced for why it has not been fulfilled. Some people have apocalyptic views on it; others have malevolent views on it. Fundamentally, that does not matter any more now. The inspection report is very critical of GHA on some of its core responsibilities. I welcome the cabinet secretary's contribution on that aspect of the report.

However, the report engages in a fair amount of sophistry on the financing models relating to the next stage of transfer. Some members are experts on housing finance. They know as well as I do about the changes in assumptions and in the models that we make. Can we engage with those

who seek to arrive at a second-stage transfer model while delivering for the tenants we all care about? Even since the inspection report was produced, substantial bids have been tabled for a quarter—if not nearly a third—of the council house stock that is currently under GHA ownership. There was a dispute in the GHA and community-based housing associations about the financially neutral model that was advocated, but those submissions are viable. Therefore, things could now move relatively quickly.

I understand the claim that the cabinet secretary made regarding Labour: that no progress has been made. This is a political chamber, but the joint progress group that the minister set up identified something not dissimilar to what Nicola Sturgeon has said this afternoon. The words have changed slightly, but the direction is exactly the same as that of the former Executive. I remind members of what the proposals were. Pilots should be progressed; we should move to second-stage transfer; small-scale regeneration opportunities should be fulfilled; and we should be creative in our use of finances in relation to the model.

Even if we accept the position that Alex Neil articulated, wrongly in my opinion, about a financial black hole—I would put inverted commas and a question mark there—the reality is that, under the GHA's current resources, which have been built up over eight or 10 years, there is sufficient funding to reach the next stage of the process. If ministers and the Parliament—including my party—are agreed on that, our amendment at least gives a model for achieving progress and a more effective proposal than the cabinet secretary has advanced.

Alex Neil: Will the member take an intervention?

Mr McAveety: Alex Neil has had his opportunity.

We have an opportunity to make a real difference. I am passionate about this subject—I am a former council house tenant and I represent an area with a substantial amount of GHA stock, or former council housing, and have seen the transformation that has taken place when community-based and tenant-led models have been made. The Gorbals had two major transformations before, and both failed. The third one is a success because its model, its engagement, its design and its investment make a difference. I want that for the rest of my constituency. We have elements of it, but not to a full scale. We can achieve it, though.

There is unanimity in the chamber about telling GHA that it can do better. I am a former teacher of English. When I gave a C and a recommendation

to try harder, that meant that I did not really want to fail the student; I was giving them an opportunity to prove me wrong.

The minister has a responsibility to act. She faces a hard task. Those of us who were behind the scenes previously endeavoured to do what we could. I do not think that there are any saints in this room in relation to what has been achieved, but there is a chance to make a genuine difference.

With regard to the point Robert Brown and Ross Finnie, who spoke on behalf of the Liberal Democrats, made, I agree that the Government's motion is not adequate and leaves the GHA room to renegotiate some of those terms. Our amendment allows for more flexibility.

With regard to consensus, I will quote the words of another person who I did not think I would ever quote:

"Good ideas—well researched and well argued—will be welcomed and considered ... the public interest ... is better served by thoughtful reflection rather than knee-jerk reaction."—[*Official Report*, 23 May 2007; c 58.]

Those are the words of Scotland's First Minister, Alex Salmond. I hope that members on the Government benches support the Labour amendment, along with the Liberal Democrats and other members.

16:50

The Minister for Communities and Sport (Stewart Maxwell): I have to agree with the many members who have said that this has been a good and thoughtful debate. I have been pleased at its wide-ranging nature and I welcome the comments and suggestions that have been made by members across the chamber, which I will try to address in my closing remarks.

The debate has shown the level of interest in the Parliament in this issue and its commitment to securing real improvements for Glasgow's communities. We all share that aspiration.

Some of us have had to face some hard truths today. The Glasgow package, despite its substantial resources, is not delivering as much as it should. We have rightly made the point that the situation is not of our making, and I make no apology for re-emphasising that. We have been crystal clear about the fact that we have no intention of turning our backs on the people of Glasgow and that we believe that this Government has to be a part of the solution.

The Government is, however, only one part of the solution. We want GHA to lead a debate on where it goes from here in a way that commands the confidence of tenants and other stakeholders. The solution should not be about deals agreed

behind closed doors. We want there to be an open and frank discussion that focuses on outcomes for tenants and the city and on issues that really matter rather than on ideological issues of ownership and structure.

Robert Brown: Does the minister accept the point, which we have made a number of times in this debate, that we will get off on the wrong foot if GHA is required and encouraged, as it were, to accept the inspection report of Communities Scotland in full, including the kind of get-out-of-jail-free card that it issues in relation to second-stage transfer?

Stewart Maxwell: The position is clear. The cabinet secretary is on the record as saying that, in our view, GHA is a transitional organisation that will cease at some point in the future. We want there to be as many second-stage transfers as possible as quickly as possible. Our position could not be any clearer and I have just put it on the record again. Frankly, I do not see what else we can do apart from clearly state our views, once again, about GHA and the future of housing in Glasgow.

The regulator operates at arm's length from ministers and the report that has been produced is thorough. Most important, it sets out a series of expectations that GHA will have to fulfil. I hope that many members will agree that there is much merit in the points that are raised in the report, which is hard hitting. I believe that the GHA board is taking it seriously. It must do so. GHA knows that it has to address the performance failures as well as continue to build on what it has already achieved.

On the first point in the Labour amendment, I do not agree that it is essential or even helpful to set up more groups. We need to make real progress, not set up more groups to produce more reports to talk about more recommendations rather than make genuine progress on these issues.

Johann Lamont: I accept that we do not want talking shops, but why would bringing together the people who do the financial modelling with ministers, the key people in GHA, Communities Scotland, community activists, tenants and the community-based housing associations not drive progress forward? The alternative, which is proposed by the minister, gives the responsibility to GHA, which has been given an opportunity to get off the hook by the Communities Scotland report. I have been involved in an environment such as the one we propose. It is a challenging place to be, but it could be very productive.

Stewart Maxwell: Two simple points: one, the previous Executive already did that and it did not get it anywhere; two, many of those partners are

already involved in discussions about making progress in Glasgow.

On the second point in the Labour amendment, I would not rule out the use of Audit Scotland to examine GHA at some point, but GHA must be given a chance to respond to this report before we go down that road.

On the third point, Tricia Marwick made it clear that Labour rejected the very proposal that it makes today when the SNP made it a number of years ago.

On the fourth point, which the Lib Dems' amendment seeks to add, I make it clear that the GHA is a transitional organisation. That is our view, which is on the record.

In an intervention, Margo MacDonald made some serious points about the difference between the motion and the Labour amendment. As I said, I believe that the amendment would set up a group to consider the GHA, commission a report and provide a recommendation. We do not want that; we want action and real progress. As the Cabinet Secretary for Health and Wellbeing said, reviewing the grant agreements will allow us to secure the levers that will enable us to hold the GHA to account. I thought that that was what we all wanted to do. The original set-up of the organisation did not allow us to hold GHA to account, but that is what we intend to do.

I offer a further commitment on the negotiations. We will report to Parliament on progress on the renegotiation of contracts as soon as possible. That commitment represents progress in ensuring that the Parliament is up to date and up to speed with what is happening between the Government and the GHA.

At the beginning of her speech, Johann Lamont said that the GHA is failing to deliver and that it has an overly centralised decision-making process. I have to say that the previous Labour Administration set up the GHA. That Administration set up an organisation that is overly centralised and which failed to deliver, so it is a bit rich for Johann Lamont to come here and criticise us. It is also a bit rich for her to quote the report selectively and refuse to accept some parts while praising other parts to high heaven. We accept the report and we will move forward on that basis to make real progress in Glasgow.

Robert Brown, Bill Aitken and Tom McCabe made welcome, thoughtful and constructive speeches. Tricia Marwick was right to say that there is no point in replacing one monolithic body with another. Frankly, this was a flagship policy of the previous Labour Administration. We recognise the benefits of the investments that have been made in Glasgow—in Paul Martin's constituency and in others. It is right that those investments

have been made and we support the work that has been done thus far.

As usual, Ross Finnie made an interesting and amusing speech. On his technical point about the use of the words "in full" in the motion, we have clarified exactly what they mean. There is no doubt that we regard the body as a transitional body.

I say to Mary Scanlon that it was not the SNP, the Tory party or any individual group or campaign group who voted no in the Highlands, it was the tenants.

Mary Scanlon: Will the minister give way?

Johann Lamont: Will the minister give way?

Stewart Maxwell: No. I have already given way.

We said that we wanted the debate to be about looking to the future. It is right to point out the failures of the past, but our priority is to make sure that tenants' interests are protected and promoted. That is why we welcome the GHA's agreement to commission independent research involving stakeholders to help us all get a better understanding of tenants' priorities and interests.

Looking to the future, we welcome GHA's agreement to a review of the suite of agreements that was put in place at transfer. The review will enable better outcomes for taxpayers, current tenants and future tenants. We also welcome GHA's ready acceptance that it needs to do more to understand and address the concerns of owners who are affected by its programme of investment in improvements.

Owner occupation is the majority tenure in Scotland. I acknowledge that, when the original package was put in place, support for owners formed part of it. I also acknowledge that legislation that was agreed in the Parliament sought to support owners in taking on their responsibilities to maintain their homes.

The report is seriously critical of the way in which the GHA has handled owners, and I welcome its acceptance of that criticism. I now want real progress for owners. I want owners to be encouraged to participate in the crucial work of improving housing in Glasgow and I want to see that they have the best possible opportunity to pay. I am sympathetic to the argument that tenants' rents should not fund owners but, by the same token, genuine hardship should not be the outcome for those who try their best to pay. The GHA assured us that it is actively considering how to improve its service to owners, and the board will consider its proposals. I look forward to the outcome of those deliberations.

We have acknowledged the ambitions for regeneration and improved services that the city

rightly has, and we recognise the rich experience in Glasgow to deliver good-quality sustainable communities. However, the city has to share that experience and expertise with the GHA if the transformation of some of the most deprived parts of Scotland is to happen. We are determined to see progress, and I ask members to support the motion.

Business Motion

The Presiding Officer (Alex Fergusson): The next item of business is consideration of business motion S3M-542, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out a revised business programme.

Motion moved,

That the Parliament agrees the following revision to the programme of business for Thursday 27 September 2007—
after

2.55 pm Ministerial Statement: Rail Links to
Edinburgh Airport

delete

followed by Ministerial Statement: Broadcasting

and insert

followed by Scottish Government Debate: Rail Links
to Edinburgh Airport.—[Bruce Crawford.]

The Presiding Officer: I call Robert Brown.

Members: Oh!

The Presiding Officer: Order.

17:00

Robert Brown (Glasgow) (LD): I am grateful to members for the warmth of their reception, but I want to bring to their attention the context of the arrangements for tomorrow's business on the Edinburgh airport rail link. Initially, the minister offered only a ministerial statement, which was astonishing in the circumstances. He wriggled manfully to avoid a debate on this most controversial issue, but he has now been forced to agree to a debate on a motion.

However, let us consider what will now happen. We now have a ministerial statement that gives the minister 20 minutes of uninterrupted attention—no doubt he would regard that as appropriate—followed by 10 minutes of only clarifying questions from members. There will then be a foreshortened debate; it has, in effect, lost half an hour from the potential time.

I recommend to the chamber the process that we have just gone through on the Glasgow Housing Association and stock transfer. There was an introductory statement by the cabinet secretary followed by a full and, everyone would accept, good debate on the issues. That is a much better way of dealing with matters than that which is suggested in the motion. I suggest respectfully that the proposal that there should be a ministerial statement followed by a debate is, in this context, simply designed to give ministers a longer uninterrupted time to speak and to avoid as much as possible of the debate that follows. Against that background, I oppose the business motion.

17:02

The Minister for Parliamentary Business (Bruce Crawford): I start by informing the chamber that the issues raised by Robert Brown were raised during the Parliamentary Bureau meeting on Tuesday and voted on, with agreement reached.

Robert Brown: On a point of order, Presiding Officer. Will you confirm that agreement was not reached? There was a contentious division in the bureau on the matter.

The Presiding Officer: I will allow the minister to refer to that, should he wish to do so.

Bruce Crawford: When there is a contentious issue, there is a vote, so it goes without saying that there was a contentious issue that was voted on and that agreement was reached. [*Interruption.*]

The Presiding Officer: Order.

Bruce Crawford: Let me first turn to the request for only a debate on the rail links to Edinburgh airport. I remind members of Robert Brown's comments here last week:

"I want to put on the record today the view of the Liberal Democrats that the importance of the issue and the uncertainty that surrounds it are such that there requires to be a parliamentary debate on it—preferably next week but certainly before the October recess."—[*Official Report*, 19 September 2007; c 1885.]

As I said last week, we have fulfilled the commitment for Parliament to debate the issue. On 27 June, the Parliament agreed a motion that called on the Scottish Government

"to report back to the Parliament in September on the outcome of its discussions with the relevant parties."

By providing a statement on the issue prior to the debate, we have fulfilled that commitment as well. Given the importance of the issue, I am surprised—or perhaps I am not—at Robert Brown's request for less time for the Scottish Government to report back to Parliament on its plans for the rail link to Edinburgh airport.

Let me address the specific issue of being able to ask only clarifying questions. I am, again, surprised that Robert Brown has contested that procedure, because the Liberal Democrats did not seem to have a problem with it when they were in government. Then, clarifying questions were a normal part of the process. I wonder what has changed. I will remind Robert Brown of a time when he was perfectly content with that process. When his party was part of the Government, Sarah Boyack made a strategic roads review statement on Thursday 4 November 1999, and a total of one hour and 40 minutes were provided. The motion will provide the Parliament with two hours in which to consider the matter tomorrow.

David McLetchie (Edinburgh Pentlands) (Con): Will the minister give way?

Bruce Crawford: I suggest that the Liberals' rather unusual position is rejected by the Parliament.

David McLetchie: Will the minister give way?

The Presiding Officer: I am sorry; the minister has finished.

The question is, that motion S3M-542, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, Brian (Aberdeen North) (SNP)
 Ahmad, Bashir (Glasgow) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Allan, Alasdair (Western Isles) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brocklebank, Ted (Mid Scotland and Fife) (Con)
 Brown, Gavin (Lothians) (Con)
 Brown, Keith (Ochil) (SNP)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Campbell, Aileen (South of Scotland) (SNP)
 Carlaw, Jackson (West of Scotland) (Con)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)
 Constance, Angela (Livingston) (SNP)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Margaret (Glasgow Baillieston) (Lab)
 Don, Nigel (North East Scotland) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Eadie, Helen (Dunfermline East) (Lab)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 FitzPatrick, Joe (Dundee West) (SNP)
 Foulkes, George (Lothians) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Annabel (West of Scotland) (Con)
 Gordon, Charlie (Glasgow Cathcart) (Lab)
 Grahame, Christine (South of Scotland) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Harper, Robin (Lothians) (Green)
 Harvie, Christopher (Mid Scotland and Fife) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Hepburn, Jamie (Central Scotland) (SNP)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Adam (South of Scotland) (SNP)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley)

(Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Glasgow Rutherglen) (Lab)
 Kerr, Andy (East Kilbride) (Lab)
 Kidd, Bill (Glasgow) (SNP)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Roxburgh and Berwickshire) (Con)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 Marwick, Tricia (Central Fife) (SNP)
 Mather, Jim (Argyll and Bute) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West of Scotland) (SNP)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Tom (Hamilton South) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McKee, Ian (Lothians) (SNP)
 McKelvie, Christina (Central Scotland) (SNP)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McMillan, Stuart (West of Scotland) (SNP)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Morgan, Alasdair (South of Scotland) (SNP)
 Mulligan, Mary (Linlithgow) (Lab)
 Murray, Elaine (Dumfries) (Lab)
 Neil, Alex (Central Scotland) (SNP)
 Oldfather, Irene (Cunninghame South) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (West of Scotland) (SNP)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Robison, Shona (Dundee East) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Alex (Gordon) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Elizabeth (Mid Scotland and Fife) (Con)
 Somerville, Shirley-Anne (Lothians) (SNP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Sturgeon, Nicola (Glasgow Govan) (SNP)
 Swinney, John (North Tayside) (SNP)
 Thompson, Dave (Highlands and Islands) (SNP)
 Watt, Maureen (North East Scotland) (SNP)
 Welsh, Andrew (Angus) (SNP)
 White, Sandra (Glasgow) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Whitton, David (Strathkelvin and Bearsden) (Lab)
 Wilson, Bill (West of Scotland) (SNP)
 Wilson, John (Central Scotland) (SNP)

AGAINST

Brown, Robert (Glasgow) (LD)
 Finnie, Ross (West of Scotland) (LD)
 Hume, Jim (South of Scotland) (LD)
 MacDonald, Margo (Lothians) (Ind)
 McInnes, Alison (North East Scotland) (LD)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 O'Donnell, Hugh (Central Scotland) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scott, Tavish (Shetland) (LD)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)

Stephen, Nicol (Aberdeen South) (LD)
 Tolson, Jim (Dunfermline West) (LD)

The Presiding Officer: The result of the division is: For 106, Against 14, Abstentions 0.

Motion agreed to.

That the Parliament agrees the following revision to the programme of business for Thursday 27 September 2007—

after

2.55 pm

Ministerial Statement: Rail Links to Edinburgh Airport

delete

followed by

Ministerial Statement: Broadcasting

and insert

followed by

Scottish Government Debate: Rail Links to Edinburgh Airport.

Points of Order

17:06

Alison McInnes (North East Scotland) (LD):

On a point of order, Presiding Officer. My point is about rule 12.4 of standing orders, which is on witnesses and documents. As is normal practice, at the outset of its stage 1 scrutiny of the Abolition of Bridge Tolls (Scotland) Bill, the Transport, Infrastructure and Climate Change Committee identified witnesses that it wished to call, one of whom was Transport Scotland. When the committee met yesterday, we heard that Transport Scotland had declined to attend. Asking Transport Scotland to attend is clearly in the committee's competence and it surely should not have to require a representative of a public body that is in the service of the Government to attend. We can only conclude that Transport Scotland is acting under instruction from the minister to avoid scrutiny. Will the Presiding Officer investigate the matter and report to Parliament?

The Presiding Officer (Alex Fergusson): No, I will not, because that is a matter to take up with the committee's convener.

Jackie Baillie (Dumbarton) (Lab): On a point of order, Presiding Officer. My point is separate and relates to the points of order that Kenny Gibson and Bob Doris of the Scottish National Party raised earlier today. At First Minister's question time last week, Wendy Alexander asked Alex Salmond why the SNP was reviewing the central heating programme, with targeting the likely outcome. Alex Salmond made a truly valiant attempt to twist the facts by suggesting that targeting was not part of the review.

I will point out the factual position to the Parliament—a full transcript of the relevant Local Government and Communities Committee meeting is of course available. Quote number 1 is from Stewart Maxwell, who said:

"The review that we must conduct should examine targeting and how things are done."—[*Official Report, Local Government and Communities Committee*, 19 September 2007; c 85.]

If members are not satisfied by that, I present them with quote number 2, which is again about the central heating programme. The committee's convener said:

"So there are no guarantees for its future in its present form",

and Stewart Maxwell replied:

"Nothing stays the same forever ... It is entirely reasonable to review it"—[*Interruption*.]

The Presiding Officer: Order.

Jackie Baillie: Stewart Maxwell continued:

"The programme will continue, but we have to ensure that it targets those who live in fuel poverty".—[*Official Report, Local Government and Communities Committee*, 19 September 2007; c 88.]

So the SNP is reviewing the central heating programme; it is considering targeting; and it will not say whether all pensioners will qualify for the programme. I am sure that the Presiding Officer agrees that accuracy in the Parliament is essential.

The Presiding Officer: I am not entirely clear what the point of order that the member raised was.

Bob Doris (Glasgow) (SNP) rose—

The Presiding Officer: I would like to deal with this point of order, Mr Doris, although I am not sure whether it was a point of order.

I repeat my response to points of order that were raised last Thursday: I am not here to adjudicate on the accuracy of what members say in exchanges in the chamber.

I also take the opportunity to remind members that, under the rules, points of order should concern whether proper procedures are being, or have been, followed. I am not prepared to allow a continual run of points of order on what are essentially debating matters. That being the case, I would like to consider the matter closed.

Business Motion

17:09

The Presiding Officer (Alex Fergusson): The next item of business is consideration of business motion S3M-544, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees—

(a) the following programme of business—

Wednesday 3 October 2007

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Scottish Government Debate: Crerar Review

followed by Debate on the draft Provision of School Lunches (Disapplication of the Requirement to Charge) (Scotland) Order 2007

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 4 October 2007

9.15 am Parliamentary Bureau Motions

followed by Scottish Labour Party Business

11.40 am General Question Time

12 noon First Minister's Question Time

2.15 pm Themed Question Time—
Education and Lifelong Learning;
Europe, External Affairs and Culture

2.55 pm Scottish Government Debate: Wildlife Crime

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 24 October 2007

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Scottish Government Business

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 25 October 2007

9.15 am Parliamentary Bureau Motions

followed by

Scottish Conservative and Unionist Party Business

11.40 am General Question Time

12 noon First Minister's Question Time

2.15 pm Themed Question Time—
Rural Affairs and the Environment;
Health and Wellbeing

2.55 pm Scottish Government Business

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

and b) that the period for members to submit their names for selection for General and Themed Question Times on 25 October 2007 should end at 12.00 noon on Wednesday 3 October.—[Bruce Crawford.]

Motion agreed to.

Decision Time

17:10

The Presiding Officer (Alex Fergusson): We move to question time—I apologise—to decision time, which sometimes masquerades as point of order time. There are three questions to be put as a result of today's business. The first question is, that amendment S3M-539.1.1, in the name of Jim Tolson, which seeks to amend amendment S3M-539.1, in the name of Johann Lamont, on the Glasgow Housing Association inspection report, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brocklebank, Ted (Mid Scotland and Fife) (Con)
 Brown, Gavin (Lothians) (Con)
 Brown, Robert (Glasgow) (LD)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Carlaw, Jackson (West of Scotland) (Con)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Margaret (Glasgow Baillieston) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Foulkes, George (Lothians) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Annabel (West of Scotland) (Con)
 Gordon, Charlie (Glasgow Cathcart) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Hume, Jim (South of Scotland) (LD)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Glasgow Rutherglen) (Lab)
 Kerr, Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Roxburgh and Berwickshire) (Con)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 Macintosh, Ken (Eastwood) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Tom (Hamilton South) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)

McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mulligan, Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Elaine (Dumfries) (Lab)
 O'Donnell, Hugh (Central Scotland) (LD)
 Oldfather, Irene (Cunninghame South) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Elizabeth (Mid Scotland and Fife) (Con)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stewart, David (Highlands and Islands) (Lab)
 Tolson, Jim (Dunfermline West) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Whitton, David (Strathkelvin and Bearsden) (Lab)

AGAINST

Adam, Brian (Aberdeen North) (SNP)
 Ahmad, Bashir (Glasgow) (SNP)
 Allan, Alasdair (Western Isles) (SNP)
 Brown, Keith (Ochil) (SNP)
 Campbell, Aileen (South of Scotland) (SNP)
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)
 Constance, Angela (Livingston) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Don, Nigel (North East Scotland) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 FitzPatrick, Joe (Dundee West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)
 Harvie, Christopher (Mid Scotland and Fife) (SNP)
 Hepburn, Jamie (Central Scotland) (SNP)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Adam (South of Scotland) (SNP)
 Kidd, Bill (Glasgow) (SNP)
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)
 Marwick, Tricia (Central Fife) (SNP)
 Mather, Jim (Argyll and Bute) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West of Scotland) (SNP)
 McKee, Ian (Lothians) (SNP)
 McKelvie, Christina (Central Scotland) (SNP)
 McMillan, Stuart (West of Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Gil (West of Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Alex (Gordon) (SNP)
 Somerville, Shirley-Anne (Lothians) (SNP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow Govan) (SNP)
 Swinney, John (North Tayside) (SNP)
 Thompson, Dave (Highlands and Islands) (SNP)
 Watt, Maureen (North East Scotland) (SNP)
 Welsh, Andrew (Angus) (SNP)

White, Sandra (Glasgow) (SNP)
 Wilson, Bill (West of Scotland) (SNP)
 Wilson, John (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 74, Against 46, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The second question is, that amendment S3M-539.1, in the name of Johann Lamont, as amended, which seeks to amend motion S3M-539, in the name of Nicola Sturgeon, on the Glasgow Housing Association inspection report, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Margaret (Glasgow Baillieston) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Foulkes, George (Lothians) (Lab)
 Glen, Marilyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gordon, Charlie (Glasgow Cathcart) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Hume, Jim (South of Scotland) (LD)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Kelly, James (Glasgow Rutherglen) (Lab)
 Kerr, Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 Macintosh, Ken (Eastwood) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Tom (Hamilton South) (Lab)
 McInnes, Alison (North East Scotland) (LD)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Mulligan, Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Elaine (Dumfries) (Lab)
 O'Donnell, Hugh (Central Scotland) (LD)
 Oldfather, Irene (Cunninghame South) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)

Scott, Tavish (Shetland) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stewart, David (Highlands and Islands) (Lab)
 Tolson, Jim (Dunfermline West) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Whitton, David (Strathkelvin and Bearsden) (Lab)

AGAINST

Adam, Brian (Aberdeen North) (SNP)
 Ahmad, Bashir (Glasgow) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Allan, Alasdair (Western Isles) (SNP)
 Brocklebank, Ted (Mid Scotland and Fife) (Con)
 Brown, Gavin (Lothians) (Con)
 Brown, Keith (Ochil) (SNP)
 Brownlee, Derek (South of Scotland) (Con)
 Campbell, Aileen (South of Scotland) (SNP)
 Carlaw, Jackson (West of Scotland) (Con)
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)
 Constance, Angela (Livingston) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Don, Nigel (North East Scotland) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 FitzPatrick, Joe (Dundee West) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Goldie, Annabel (West of Scotland) (Con)
 Grahame, Christine (South of Scotland) (SNP)
 Harvie, Christopher (Mid Scotland and Fife) (SNP)
 Hepburn, Jamie (Central Scotland) (SNP)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Adam (South of Scotland) (SNP)
 Johnstone, Alex (North East Scotland) (Con)
 Kidd, Bill (Glasgow) (SNP)
 Lamont, John (Roxburgh and Berwickshire) (Con)
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)
 Marwick, Tricia (Central Fife) (SNP)
 Mather, Jim (Argyll and Bute) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West of Scotland) (SNP)
 McGregor, Jamie (Highlands and Islands) (Con)
 McKee, Ian (Lothians) (SNP)
 McKelvie, Christina (Central Scotland) (SNP)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMillan, Stuart (West of Scotland) (SNP)
 Milne, Nanette (North East Scotland) (Con)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Gil (West of Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Alex (Gordon) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Smith, Elizabeth (Mid Scotland and Fife) (Con)
 Somerville, Shirley-Anne (Lothians) (SNP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow Govan) (SNP)
 Swinney, John (North Tayside) (SNP)
 Thompson, Dave (Highlands and Islands) (SNP)
 Watt, Maureen (North East Scotland) (SNP)
 Welsh, Andrew (Angus) (SNP)
 White, Sandra (Glasgow) (SNP)
 Wilson, Bill (West of Scotland) (SNP)
 Wilson, John (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 60, Against 60, Abstentions 0. Members have clearly got it in for me. I use my casting vote against the amendment.

Amendment disagreed to.

The Presiding Officer: The third question is, that motion S3M-539, in the name of Nicola Sturgeon, on the Glasgow Housing Association inspection report, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (Aberdeen North) (SNP)
 Ahmad, Bashir (Glasgow) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Allan, Alasdair (Western Isles) (SNP)
 Brocklebank, Ted (Mid Scotland and Fife) (Con)
 Brown, Gavin (Lothians) (Con)
 Brown, Keith (Ochil) (SNP)
 Brownlee, Derek (South of Scotland) (Con)
 Campbell, Aileen (South of Scotland) (SNP)
 Carlaw, Jackson (West of Scotland) (Con)
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)
 Constance, Angela (Livingston) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Don, Nigel (North East Scotland) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 FitzPatrick, Joe (Dundee West) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Goldie, Annabel (West of Scotland) (Con)
 Grahame, Christine (South of Scotland) (SNP)
 Harvie, Christopher (Mid Scotland and Fife) (SNP)
 Hepburn, Jamie (Central Scotland) (SNP)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Adam (South of Scotland) (SNP)
 Johnstone, Alex (North East Scotland) (Con)
 Kidd, Bill (Glasgow) (SNP)
 Lamont, John (Roxburgh and Berwickshire) (Con)
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)
 Marwick, Tricia (Central Fife) (SNP)
 Mather, Jim (Argyll and Bute) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West of Scotland) (SNP)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McKee, Ian (Lothians) (SNP)
 McKelvie, Christina (Central Scotland) (SNP)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMillan, Stuart (West of Scotland) (SNP)
 Milne, Nanette (North East Scotland) (Con)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Gil (West of Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Alex (Gordon) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Smith, Elizabeth (Mid Scotland and Fife) (Con)
 Somerville, Shirley-Anne (Lothians) (SNP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow Govan) (SNP)
 Swinney, John (North Tayside) (SNP)
 Thompson, Dave (Highlands and Islands) (SNP)

Watt, Maureen (North East Scotland) (SNP)
 Welsh, Andrew (Angus) (SNP)
 White, Sandra (Glasgow) (SNP)
 Wilson, Bill (West of Scotland) (SNP)
 Wilson, John (Central Scotland) (SNP)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Margaret (Glasgow Baillieston) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Foulkes, George (Lothians) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gordon, Charlie (Glasgow Cathcart) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Hume, Jim (South of Scotland) (LD)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Kelly, James (Glasgow Rutherglen) (Lab)
 Kerr, Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 Macintosh, Ken (Eastwood) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Tom (Hamilton South) (Lab)
 McInnes, Alison (North East Scotland) (LD)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Mulligan, Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Elaine (Dumfries) (Lab)
 O'Donnell, Hugh (Central Scotland) (LD)
 Oldfather, Irene (Cunningham South) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scott, Tavish (Shetland) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stewart, David (Highlands and Islands) (Lab)
 Tolson, Jim (Dunfermline West) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Whitton, David (Strathkelvin and Bearsden) (Lab)

The Presiding Officer: Perhaps unsurprisingly, the result of the division is: For 60, Against 60,

Abstentions 0. As the motion promotes a change of position, I vote against it.

Motion disagreed to.

The Presiding Officer: That concludes decision time.

Aberdeen Western Peripheral Route

The Deputy Presiding Officer (Alasdair Morgan): The final item of business today is a members' business debate on motion S3M-459, in the name of Mike Rumbles, on the Aberdeen western peripheral route.

Motion debated,

That the Parliament notes with concern the pledge given in writing by the First Minister on 15 June 2007 to abide by the findings of the public inquiry into the Aberdeen Western Peripheral Route (AWPR) and ensure that the project is not financed by PPP/PFI funding; further notes with concern reports that the Scottish Government will make no statement on its intended method of financing the AWPR until after the public inquiry is completed; expresses its concern at the year's delay for the estimated completion of the project that was announced in June 2007 by the Minister for Transport, Infrastructure and Climate Change; recognises the importance of the AWPR to the economy of the north east, and believes that clarification should be given as a matter of urgency on how the project will be financed.

17:15

Mike Rumbles (West Aberdeenshire and Kincardine) (LD): Last week, in this very chamber at question time, I asked the Minister for Transport, Infrastructure and Climate Change about the Aberdeen western peripheral route and whether he accepted that

"by dropping the commitment to a public-private partnership programme, he risks, at least, further delay on top of the one-year delay that he has already announced, and that he might jeopardise the entire project?"—[*Official Report*, 20 September 2007; c 1963.]

The minister chose to give a one-word reply: "No".

That was most unwise. He could have laid out his thoughts clearly and reassured the public and Parliament with his response, or he could have given a detailed explanation of his future plans. He chose to do none of those things; he simply said no. At the end of tonight's debate, when the minister has a duty to respond to the genuine issues raised by members of the Scottish Parliament, I hope that he will respond in full and not simply say no and sit down.

The Aberdeen western peripheral route is well overdue. When the previous Administration announced that funding would be forthcoming and that the road would be built, it was supported by every north-east based MSP of every party—Labour, Conservatives, Liberal Democrats and the Scottish National Party. Now we hear that, apparently, the Scottish Executive has unilaterally decided not to proceed with a public-private partnership scheme. Did the minister engage with the two councils that have an agreement with the

Government? No. Did the minister come to Parliament and announce the changes? No. Did the minister give proper answers to questions in Parliament when asked directly about the issue? We heard earlier that he did not. The minister for transport has been reluctant to give proper answers to any questions about this matter, which is why this debate is taking place tonight.

The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson): Does the member agree with the statement about private finance initiatives that they are not a

“wonder cure for public sector investment. Value for money is not always clear cut”?

In case the member does not know, that is from Ming Campbell's blog of 11 October 2006.

Mike Rumbles: That intervention was completely irrelevant.

Why has the minister been so reluctant to answer questions about the decision to cancel the PPP agreements for the western peripheral route? It is all very well quoting what other people want, but we are interested in hearing about what the minister will do. The answer to the question is straightforward. It was not the minister for transport who made the decision; it was his leader, Alex Salmond, our First Minister himself, who decided to throw a spanner in the works.

I have in front of me a letter written by Alex Salmond on 15 June 2007 to one of my constituents. He makes it absolutely clear that, as First Minister, he will ensure that the project

“is not financed by ... PPP/PFI”.

There was no announcement to Parliament or the other partners in the project, and there have been no answers for MSPs. There was just a letter, sent to one of my constituents, that has been made public through the good offices of the Aberdeen *Evening Express*.

The First Minister says that he will ensure that the Aberdeen western peripheral route is not funded by PPP, but neither he nor the minister for transport will say how it will be funded. That is the crux of the matter. We need openness and honesty from the Government about that.

Brian Adam (Aberdeen North) (SNP): Will the member give way?

Mike Rumbles: I have already given way once, but I am certainly going to come to Brian Adam and the ridiculous press release that he issued yesterday. If that was not bad enough, we have even more confusion from the Government.

In that same letter of 15 June 2007, our First Minister gives an assurance that he will be

“abiding by the findings of the public enquiry”

on the road.

The First Minister and the transport minister surely understand that the reporter's recommendations to the Scottish Executive are just that: recommendations. Ministers are supposed to use their judgment either to accept or reject the reporter's recommendations. To say that they will abide by the recommendations—whatever they are—is an abrogation of ministerial responsibility.

We return to the absurd press release that Brian Adam issued yesterday, in which he said that the Scottish Government has already said that it will listen very carefully to the findings of the public inquiry on issues such as the route and the way in which it was chosen. That is not true; that is not what the First Minister said. Brian Adam also said that it would be absurd as well as improper to do what Liberal Democrat MSPs want to do: dismiss the findings of the public inquiry. That is absolutely absurd. I repeat that ministers are supposed to use their judgment, not abrogate their responsibility.

The existence of the letter helps to explain why the transport minister is reported as saying that he will make absolutely no comment on the financing of the road until the public inquiry is over. The obvious assumption being made by the road protesters is that if the public inquiry recommends that the road does not go ahead—and we have the precedent of the M74 to go on, when the previous minister used his judgment on the recommendations given to him—there will be no need to make an announcement on funding. That is what is being organised. That need will not arise because, according to the letter that the First Minister has written to Road Sense, the Government would be committed to ending the whole project. What a disaster that would be for the north-east.

The transport minister's failure to respond effectively to detailed questions on the matter has added to the uncertainty about the Government's commitment to building the Aberdeen western peripheral route. In responding to this debate, the minister needs to answer four questions in detail. First, how will the Aberdeen route be financed? Secondly, when will he make an announcement that the funding for the road is in place? Thirdly, will the Government really do what Alex Salmond has said and abide by the findings of the public inquiry even if it recommends that the road does not proceed? Fourthly, when can we expect the road to be completed?

The Deputy Presiding Officer: We come now to the open debate, and I ask for speeches of no more than four minutes. I call Brian Adam to be followed by Lewis Macdonald.

17:23

Brian Adam (Aberdeen North) (SNP): I am intrigued by the brass neck of Mr Rumbles in trying to parlay the answer that the minister gave him last week, which could be no clearer in terms of the length and the detail. The answer to your question last week was “No”—that is absolutely clear.

On the issue of ministerial abrogation of responsibility, your party has a very difficult furrow to plough, if you are suggesting that this transport minister is abrogating his responsibility, given that two of your colleagues—who are present in the chamber—were directly responsible for the delay, because of their abrogation of responsibility in failing to deliver the project in a sensible way. Since the current transport minister took office, he has made progress on the AWPR.

Mike Rumbles: What a ridiculous thing to say. The member knows full well that the Minister for Transport, Infrastructure and Climate Change announced this summer a further 12-month delay in the project. I am surprised at you.

Brian Adam: The minister announced the delay but, as you have already been informed, the delay was wholly due to circumstances that were created by the previous Government and the previous minister. Indeed, the minister has made progress. He has announced not only that the AWPR will proceed but that changes to the Haudagain roundabout in Aberdeen will happen in tandem with the project.

The minister has also announced detailed studies of the northern leg of the route, so that progress may be made on it. That did not happen under the previous Government. This week, detailed orders on the AWPR have had to be published, as a direct consequence of the previous minister's failure to get them right.

On finance, it would be very strange to suggest that this Government would make use of PFI/PPP. I am delighted to see that Liberal Democrats south of the border take a rather different view from their colleagues north of the border on what is or is not appropriate. The Liberal Democrats owe the people of the north-east an apology for the delays that they have caused to the project. In particular, the people of the north-east want to know why Liberal Democrat MSPs for the north-east have voted for £600 million to be made available for trams in Edinburgh and may vote tomorrow for an even larger sum to be provided to fund an Edinburgh airport rail link, but are dancing on the head of a pin over the mechanics of financing the AWPR.

Mike Rumbles: The member is saying, “Never mind the money.”

Brian Adam: No. Clearly, you have no great concern for the money, because you have already voted for Edinburgh trams and are likely to vote for the Edinburgh airport rail link.

The Deputy Presiding Officer: Order. I remind members gently that there is only one “you” in the chamber at the moment—that is me, and I should not be addressed.

Brian Adam: I apologise for addressing the member directly in the heat of the debate.

This is a rather unusual members' business debate, as it relates to a contentious matter. The Liberal Democrats owe the public an apology for suggesting—by whatever means—that our financial prudence is in question, as they are spendthrifts. Their commitments in the Parliament are much more likely than anything that the Government has done to make the delivery of the AWPR more difficult.

17:27

Lewis Macdonald (Aberdeen Central) (Lab): I congratulate Mike Rumbles on securing this debate and on his persistence in pursuing, along with Labour colleagues, some of the questions to which we eagerly await answers from the minister later this evening.

It is nearly five years since the then Minister for Enterprise, Transport and Lifelong Learning and his deputy sat down with council leaders from Aberdeen City Council and Aberdeenshire Council to agree the details of how the western peripheral route would be funded. Iain Gray and I were that ministerial team; Len Ironside and Alison McInnes were present on behalf of their respective councils. The agreement that we reached reflected the priority that both national and local government gave to the WPR at the time.

The WPR still offers many benefits. It would remove traffic from busy city streets, improve access from rural Aberdeenshire to markets to the south and secure for Scotland the benefits of a world-class city region, with the infrastructure to match.

Of course, demand for an Aberdeen bypass was nothing new in 2003, but two things made the WPR proposal different from previous proposals. First, what was proposed was not a bypass in the conventional sense but a peripheral route—a fast road around the edge of the urban area to take commuter traffic away from King Street and St Machar Drive and to allow people to travel from one suburban area to another without going through the middle of town. Secondly, the proposal was not just about local councils saying that central Government should build them a new road. It was championed effectively by Aberdeen

and Grampian Chamber of Commerce and by Scottish Enterprise Grampian, as well as by Aberdeen City Council and Aberdeenshire Council. Even more important, the AWPR was proposed not in isolation but as part of a wider package for a modern transport system that was endorsed by all partners, in the interests of the wider city region. Today, that remains its greatest strength.

Earlier this year, ministers received from local partners in the north east of Scotland transport partnership a finalised regional transport strategy, which carries forward to 2021 the modern transport system that I have described. Once it has been approved, the strategy will have statutory force. Central to it is the commitment to seek to reduce car commuting, which is the key to sustainable transport in the future.

The WPR should be a platform for a much-enhanced park-and-ride network, so that people who have to drive for part of their journey to work can leave their cars outside the city limits. It should be complemented by the development of Aberdeen crossrail and new railway stations in the city and beyond, to improve the public transport options for travellers.

Brian Adam: I have found it difficult to disagree in any way with what the member has said so far, but does he agree that if the public transport budget is devoted to Edinburgh trams and the Edinburgh airport rail link, that will make it much more difficult to find the money for crossrail and the rest of the modern transport system to which we have all signed up?

Lewis Macdonald: It is one of the bizarre ironies of modern Scottish politics that a party that describes itself as the Scottish National Party spends most of its time trying to set one region of Scotland against another. Promoting public transport in Edinburgh and promoting public transport in Aberdeen go together. That is exactly what we in the Parliament should be seeking to do.

Bus priority measures, car-sharing schemes and safe walking and cycling routes to work and school are not optional extras. No city or city region can hope to compete in the modern world unless it has high-quality roads, high-quality public transport and city centre public spaces that are safe and comfortable for residents and visitors alike.

I hope that ministers will approve the regional transport strategy and that Aberdeenshire Council and Aberdeen City Council will give it practical effect. I hope, too, that the minister will give a stronger commitment to the WPR, in contrast to the First Minister's apparent willingness to be driven by the outcome of the public inquiry, regardless of what that might be. In the context of

a progressive regional transport strategy, the WPR will deliver benefits far beyond those of a simple bypass and will allow Aberdeen to continue to succeed as a dynamic city region, to the benefit of Scotland as a whole.

17:31

Alex Johnstone (North East Scotland) (Con):

Despite my youthful appearance, I can remember what Aberdeen and the north-east were like before oil was discovered. Our main industries were farming, fishing and education, and our main export, above all else, was people. Even then, the issue underlying the Aberdeen western peripheral route was being discussed. The scheme might have had a different name, but the priority had been recognised.

Now Aberdeen and the north-east have become an economic powerhouse, not only of Scotland, but of the United Kingdom. The requirement to invest in infrastructure to support that continuing economic development is not lost on any of the members who are present.

However, Aberdeenshire and the north-east contain areas of economic difficulty. Places such as Peterhead and Fraserburgh in the minister's constituency are very much in need of better links to the south and have huge unrealised potential that could be exploited if they had such connections. Roads connections are doubly important, given that there is no rail link to that important area in the north of Aberdeenshire.

It is essential that we in the Parliament work together to ensure that plans that were introduced by the previous Government are not affected by the divisive politics that I have heard expressed in the chamber today.

Although there is much in the motion with which I agree, there are aspects of it with which I disagree. I cannot accept the Liberal Democrats' year zero approach. There are too many examples of local Liberal Democrats in the north-east colluding with ministers to be optimistic about the delivery rate of projects large and small. Consequently, I cannot accept that, one month into his tenure, the new minister was responsible for the delay in the project. I can accept only that the minister was honest enough to identify that delay.

I will not blame the minister for the delay, but I am concerned about some of the decisions that have been made. The position on funding is at the top of my list of concerns. I want the road to be built and, regardless of my ideological position, I have an open mind on how it should be funded. However, having seen how major projects can be funded, I cannot understand how the aim of

delivering the route swiftly can be achieved if we turn our backs on PPP as a funding option.

Mike Rumbles: Does Alex Johnstone agree that the crux of the issue is that the funding was in place under the previous Administration, but that it is no longer in place under the current Administration?

Alex Johnstone: Indeed. That is the concern that I am trying to articulate.

We need a commitment by the minister and, if necessary, by the First Minister that we will consider every possible option, evaluate them fairly against one another and take into account the speed at which the western peripheral route can be delivered.

The PPP option may turn out to be slightly more expensive in the long term, but if it got the WPR on the ground one or two years earlier, the economic advantages to the north-east would far outweigh any additional cost. We all realise that we must sometimes borrow, if we want to invest for the future; and if we are going to borrow, we sometimes need to get the investment in place as early as possible, although that is not always the cheapest option.

I support the construction of the western peripheral route, and I resent the fact that members are trying to score political points at this delicate stage. I support the minister and I believe that, as a minister in a minority Government, he is entitled to expect support from all corners of the chamber in trying to achieve the earliest possible delivery of the WPR project.

17:36

Patrick Harvie (Glasgow) (Green): Mike Rumbles probably expects me to strike a wee discordant note in the debate—I will not let him down.

Lewis Macdonald talked about how no city in the modern world can be competitive and successful without modern roads, which reminded me of being challenged to name a successful and competitive city that does not have ring roads and bypasses—I was standing in the city of Edinburgh at the time.

Lewis Macdonald: Is Patrick Harvie's suggestion that Edinburgh is not a successful city, or that the Edinburgh bypass is a figment of the collective imagination?

Patrick Harvie: The suggestion is that there is no ring road around Edinburgh and that the 1960s, concrete-mentality proposals that Edinburgh was faced with were rejected.

It is traditional in a members' business debate to welcome the motion and to congratulate the

member on bringing it to the chamber. I congratulate any member for persistence, but Mike Rumbles will know that I cannot welcome the terms of his motion. It refers to the economic importance of the AWPR project, which I believe has been overstated, as was the economic importance of the previous major road project that his party pushed through—the M74 extension, in respect of which figures for predicted jobs were more or less pulled out of the air.

Regardless of any supposed benefits that the AWPR will bring, it is clear that levels of traffic will continue to rise and that economic benefits will be lost over time. It should be clear to anybody that congestion harms the economy and that it is a function of too much traffic, rather than a function of a lack of roads. The motion says nothing—not a word—about the environmental impact of the AWPR scheme, which will be increased road miles and road journeys, and more CO₂ emissions. It has been suggested that there will be a 7 per cent increase in emissions. There will be mixed impacts locally from pollution; some areas may benefit in the short term, but potentially serious increased local pollution will affect a number of schools close to the route.

On the public local inquiry and the First Minister's commitments on that, I suppose that it is no surprise that a member of the Liberal Democrats wants to ensure that ministers can continue to ignore utterly the recommendations of a PLI, given that his colleagues happily threw out the report on the M74 extension and pushed through that monstrosity of a road project. Members of the public do not have the resources to represent themselves at PLIs that developers and local authorities have. If we expect them to put their time, effort and money into the PLI process, it is important that they trust it. However, there is a perception that not only for the AWPR project but for many similar ones, the PLI is just another form of tick-box consultation, particularly given the political commitments that were made before the beginning of the process.

The AWPR project was originally costed at £120 million, but the current projection is for £295 million to £395 million—none of the figures is realistic. If Mike Rumbles is right that the only alternative to PFI is further delay, the costs will continue to spiral no matter what. Given the average cost of building a mile of motorway—I think that we are talking about something like £16.2 million—and the amount of money that has already been committed, I suggest that a £600 million price tag for the project is much more realistic. Who will pay for it? Will it be the council tax payers? Will the money come from local authority budgets for other services? Is this just another example of general taxpayers subsidising the roads lobby while politicians mouth platitudes

about public transport, modal shift, sustainable development and climate change? Either way, we need honest figures for the cost of the road if anyone is going to have confidence in the public local inquiry.

17:40

Alison McInnes (North East Scotland) (LD): The Liberal Democrats, in partnership with the Labour Party in government, previously made record investment in transport and announced that it would take forward the AWPR. I therefore say to Brian Adam that there is nothing to apologise for.

There are cogent arguments for the need for the road: it will increase connectivity throughout the region; it will reduce traffic levels and emissions on urban and rural routes; it will increase transport interchange opportunities through a network of park-and-ride sites; and it will free up city-centre road space to allow more imaginative public transport options and priorities.

The majority of people and businesses in the area support the road. It has gained support repeatedly, first in the consultation on the modern transport system, way back in 2003, and again in the consultation on the regional transport strategy in 2006, which will be finalised in 2007. I know of no other road scheme that carries so much support. There might well be objections, but I remind members that there has been a petition with more than 15,000 signatures in favour of the road.

It is a project that has had a long gestation. The people of the north-east deserve certainty, which I ask the minister to provide by committing to ensuring that there will be no further delays because of uncertainty around the funding package.

Brian Adam: Will the member give way?

Alison McInnes: No. I am about to finish.

I also ask the minister to sign off the regional transport strategy for the north-east, which places the AWPR at its heart. The minister's endorsement of that strategy would be a good step forward.

17:42

Nigel Don (North East Scotland) (SNP): I will address some of the issues that have not been touched on, because there is no point going round the houses.

I will first present my position on the Edinburgh ring road. It seems to me that a road that runs from the Forth road bridge to the top of the A1 covers most of the ground that a ring road would cover. If Patrick Harvie requires us to have

something on stilts running down the river, that would be an interesting project, but I do not think that there would be much support for it. Surely, what we have around Edinburgh is a ring road.

It seems to me that the consultation process about the AWPR has been less than perfect. However, we are going to have a public local inquiry. I encourage everybody who is listening or who will respond to ensure that the issues are properly aired in the PLI. If that is done once and for all on the record, people can then consider properly what has been said.

There are environmental issues. We need to be aware of them and ensure that they have been properly heard. I endorse the view that the scheme will enable good park-and-ride facilities around Aberdeen; it will be of huge benefit to the centre of Aberdeen to get cars and large vehicles to the right places.

I draw to the minister's attention some of the issues that will follow. There is a large procurement issue in building 46km of road—somebody will have to think carefully about how the contract will be put out and divided up. The minister is nodding; I know that he appreciates the point, but it is worth recording that we need to explore the opportunities. We need to ensure that the contractors know what they are being asked to bid for. They need to know fairly soon, given that we are talking about a large project that has to fit with all the other projects that are going on throughout the country. Our contractors cannot just drop other things to make the project happen.

I turn to cost control. This hardly needs to be said in these days of the Alloa railway, trams in Edinburgh and pretty much every other project that one cares to mention, but I would like assurances from the minister that the lessons from previous projects throughout the country have been learned and that we will keep the project under control once it has been started.

17:44

Richard Baker (North East Scotland) (Lab): I congratulate Mike Rumbles on bringing the debate to the chamber.

The Aberdeen western peripheral route is the key transport priority for the north-east, with some estimates putting its value to local businesses at £1 billion. Anyone who lives or works in Aberdeen knows how vital the route is to addressing the unacceptable levels of congestion in the city, which is why the route was a key commitment of the Scottish Labour and Liberal Democrat coalition, and why the announcement on its construction was so widely welcomed in Aberdeen and throughout the north-east. Of course, my colleague Lewis Macdonald played a crucial part

in bringing forward that commitment in his role as Deputy Minister for Enterprise, Transport and Lifelong Learning, at the time when Jack McConnell came to Aberdeen to announce that the Executive had agreed funding for the route.

There is cross-party support for the route to be constructed as a matter of urgency: we have heard that in all the speeches from local members tonight, which is why it was so disappointing to hear of the minister's decision to delay completion of the route by a year. That decision means an additional year of frustration for commuters and an additional year of costs to local businesses because of congestion. It is simply not credible to say—as the minister suggested last week—that no additional costs will be incurred in the scheme and, consequently, to local council tax payers.

Brian Adam: Who does the member think is accountable for the year's delay to which he referred?

Richard Baker: The minister decided to delay the project for a year. I cannot make it clearer than that.

There has been further consternation locally about additional pronouncements from the SNP, including from the First Minister, about how final determination of the route will proceed. Of course, due process has to be undertaken and the outcome of the public inquiry is important, given the strong views of the affected residents. As Mike Rumbles pointed out, the idea that the outcome may be not abided by in any event neither follows precedent, nor is it the correct way in which ministers should proceed in such circumstances. If the inquiry is to be abided by—whatever the outcome—it is important for the minister to clarify what he meant when he said at committee that all the routes would be consulted on. If the inquiry ends simply in rejection of the route, the result can only be more, and significant, construction delays, which would be damaging and unacceptable. If the SNP is so committed to the route, such action would be strange.

The SNP has thrown an additional spanner in the works with its determination to review how the route should be funded, despite a mechanism's having been put in place and agreed with the local authorities. Again, we should remember that the local authorities are partners in the project. As a result, local council tax payers will have to foot the bill for a share of the costs of any delays.

I disagree strongly with ministers on their views on PPP. However, whatever the debate over PPP, a Scottish futures trust—which the minister has indicated is his favoured funding mechanism—is unproven, untested and unconstitutional. The trust is no doubt one of the issues that the SNP has set up to pick a fight with Westminster, but to threaten

to delay a vital project because of political dogma and affection for constitutional wrangling is to badly let down the people of the north-east.

We have had assurances from the Administration that it wants the peripheral route to be completed as quickly as possible. Frankly, its actions thus far have not matched those words. I say to the minister that it is vital that he address those concerns: he must give the clearest possible commitment that there will be no further delay or prevarication in delivering this key transport priority for Aberdeen and the north-east.

17:48

Nanette Milne (North East Scotland) (Con): I am disappointed that we are having yet another debate on the Aberdeen western peripheral route. I tend to agree with Alex Johnstone that the debate may have more to do with Mike Rumbles playing politics against the SNP than a genuine concern on his part for the delivery of the route. A debate on the delay serves to conceal his party's failings over the development of the project.

However, I agree absolutely with Mr Rumbles that the Aberdeen western peripheral route is of enormous importance to the economy of the north-east, as do the huge and largely silent majority who see it as an essential part of the modern transport infrastructure that is being planned for north-east Scotland. Whatever the detractors of the project have said, or continue to say, what we are talking about is not a stand-alone route that would encourage more car usage but an integral component of a rail, road, cycle and public transport plan that will ease congestion and speed up movement in and around the hub of the north-east to ensure that we keep our place in a highly competitive global market.

I have been involved with the route for 20 years, long before anyone in the north-east had heard of Mike Rumbles and certainly long before he had shown any interest in our well-being. I tell him that, but for the vociferous protests of some of his political friends when they scuppered the proposals that were put forward in the late 1980s, we could have had a peripheral road round Aberdeen many years ago.

However, there is little point in raking over the history; the crucial thing is to get the road built as soon as is reasonably possible. The people who are driving the project are confident that it is going according to plan. Those whose properties will be affected either know how they will be compensated or are in the process of finding out. The public inquiry is planned and on schedule. The year's delay that was announced by the minister in June was hardly unexpected, given—

Mike Rumbles: Will the member take an intervention?

Nanette Milne: I am not taking any interventions.

Mike Rumbles: You just throw insults at people.

The Deputy Presiding Officer: Order.

Nanette Milne: The delay was hardly unexpected given the incompetent way in which proposals for amending the western leg of the route were handled by the Liberal Democrats in government at the time.

I have little truck with the SNP's ideological stand against PPP/PFI funding, and I feel that we should be given full details on the financing of the route as soon as the Scottish Government has agreed to it—whether or not that happens before the public inquiry is complete.

The AWPR is important to people in the whole of the north-east—including the constituents of the minister and of the First Minister. It will not have escaped the Government's notice that the road must be built with the absolute minimum of delay once due statutory processes have been completed.

I have great sympathy with Brian Adam's suggestion over recent weeks that consideration should be given to going ahead with the relatively uncontroversial northern leg of the route. Not only would that help to speed up the ultimate completion of the road, it would give credence to the Government's stated commitment to the AWPR and would help to build business confidence in the future prosperity of the north-east of Scotland.

I trust that the minister will reaffirm his commitment to his constituents in Banff and Buchan and to my constituents across the north-east that he will ensure appropriate funding for this project and will ensure its timely delivery. The project is vital to our future economic well-being and prosperity.

Mike Rumbles: On a point of order, Presiding Officer. Is it appropriate for one member to hurl insults at another, saying that they are not interested in the interests of their constituents? I assume that there is a protocol that, if a member does such a thing, they give way to the individual whom they have insulted. That is how we have behaved over the past eight years. Is that not the protocol?

The Deputy Presiding Officer: There are two points. First, it is entirely up to the member who has the floor whether he or she gives way. Secondly, had the member been out of order, I would have stopped her.

17:52

Des McNulty (Clydebank and Milngavie)

(Lab): Brian Adam has told me that he is anxious to get home for his tea, and I can understand people's anxiety to press on. I am not going to go over the arguments on the need for the road; colleagues have already gone over that ground. Lewis Macdonald, Richard Baker and other colleagues around the chamber have made those arguments very clearly. However, a number of questions remain outstanding and I would like to put them to the minister. I have previously asked some questions to which the minister's answers were less than clear. Just to encourage him, I would like to ask the questions again.

The first was raised earlier by Patrick Harvie. It concerns the plausibility of the cost estimates when we compare the benchmarking with the cost estimates used elsewhere. A 46km road will almost inevitably cost more than has been specified. I notice that the answers that ministers have given do not defend the costs as they stand. If costs have gone up, Parliament needs to know as quickly as possible by how much they have gone up.

We also need to know how the Government will exercise control over the costs. Delaying the road for another year will entail further cost overruns. We also have to consider whether a road of this length can be built for the amount of money specified at present.

I understand that the deal between Aberdeen City Council and Aberdeenshire Council—in connection with their contribution towards the road—was made on the basis of the previously envisaged length of the road. Since that time, there has been an extension involving the fast link section. I understand that the estimate from Aberdeen City Council and Aberdeenshire Council does not include the amount that is required for the fast link, but ministers have been unwilling to separate the cost of the fast link from the cost of the other section of the road. It is perfectly reasonable for people in Aberdeen and Aberdeenshire to want to know the total of which they are expected to pay a proportion. If they are going to pay 19 per cent of X, we need to know what X is.

Another issue on which the minister needs to satisfy us is the cost of land acquisition and remediation. A statement was released yesterday about the land requirement, which included the land for the international school. We need to know how much it will cost to relocate the international school from where it is now to where it is going to be, and who is going to pay for that. What proportion of the overall cost allocated to land acquisition is associated with the international school? Is that amount sufficient to meet the land

acquisition costs, bearing in mind that it is a 46km road?

My final point is that we need answers to specific questions about the funding volume and about the funding mechanism. If the Government is not going to go down the PPP route, it has to specify what route it will go down. That needs to be made clear by the minister. I hope that I have helped him to identify the questions that he must answer, and I now give him the opportunity to answer them.

17:56

The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson): I thank members for their generous help in identifying the issues that I should address. I welcome the opportunity to set the record straight on the issues raised by the motion. However, I start by reiterating what I said to Parliament on 27 June:

"The Aberdeen western peripheral route is vital to the north-east and we are committed to its delivery."—[*Official Report*, 27 June 2007; c 1131.]

I am delighted that support remains broad based in Parliament and elsewhere, with the exception of the principled and consistent objections from Patrick Harvie. I understand where he is coming from. Richard Baker significantly understated the benefit of the road. It has a cost benefit ratio of in excess of 5:1. The benefit is well in excess of £1 billion, which is why the Government and others recognise the critical importance of the road to the north-east.

Lewis Macdonald: On 30 June 2007, Alex Salmond told the Aberdeen *Evening Express*:

"I can tell you that the bypass will definitely be built, subject to the public inquiry."

In light of what the minister has said about the SNP's commitment to the road, what does that qualifying phrase

"subject to the public inquiry"

really mean?

Stewart Stevenson: I will come back to planning issues a wee bit later.

I agreed with almost everything that Lewis Macdonald said. It made absolute sense. I disagree only with some of his conclusions.

On the subject of the timetable, it is bizarre to imagine that, when I inquired early in this Administration about where the project stood, I should have masochistically decided to postpone a project of such value to my constituents and to the constituents of other members. That is not what happened. I simply announced where the project was when I found it.

Mike Rumbles: That announcement came after Alex Salmond wrote to my constituent and to the Road Sense campaign. The minister took that decision once Alex Salmond had told him that the project could not proceed, so he should not give us that story.

Stewart Stevenson: I took no decision. I announced how the project was when I found it on taking office. I give the assurance that funding issues will not delay the project further. That is the important point.

We are making progress and have published draft compulsory purchase orders to take the project forward. There were 8,000 responses to the previous orders and there may be more to the new ones. That means a PLI, which will inevitably take time—time that should have been provided for in the schedule.

The inquiry will examine objections to the draft orders, hear evidence for and against the proposals and report to ministers. It is important that ministers carefully consider the implications of the inquiry's findings, which will be central to the way forward. Members know that it would not be proper for me to make any comment on the detail of planning decisions that will come before the Government.

I turn now to the funding vehicle for the scheme, which is at the core of Mr Rumbles's discontent. The previous Administration suggested PFI. In opposition and now in government, we have consistently stated that we want to examine a mechanism to deliver better, more efficient infrastructure for taxpayers than PFI can deliver. We have now started work on the Scottish futures trust initiative. At its core, it retains the essence of long-term funding and long-term repayment but at significantly lower interest rate costs. We will consult on the trust when we are ready to do so and publish information at that time. However, I can tell members that its purpose is to reduce the cost of borrowing and increase affordability so that, every year, we will have more money available for Scotland's priorities.

On PFI, it is passing strange that—of all people—it should be a member of the Liberal Democrats who lodges such a motion. I will gently read a few quotations to Mr Rumbles.

"Bonds are a perfectly good way of raising funds for capital investment. It does not have to be done through PFI."—[*Official Report, House of Commons*, 23 May 2007; Vol 460, c 1372.]

Those are the words of Norman Lamb, a Liberal MP.

Bob Russell, another Liberal Democrat MP, said of PFI contracts:

"They tend to end up costing the public purse more—mortgaging future generations with huge debts".—[*Official Report, House of Commons*, 25 July 2006; Vol 449, c 830.]

Matthew Taylor, speaking at the Lib Dems' conference when he was shadow chancellor, said:

"Liberal democrats oppose this dogma".

We will have no more of that dogma from Mr Rumbles.

Mike Rumbles: Has Stewart Stevenson heard of devolution?

Stewart Stevenson: I have heard of devolution and that is why we will do things differently. If Mr Rumbles disagrees with his Liberal colleagues, he should be honest about it—as I have been about the timetable that I inherited from a Liberal minister.

Mike Rumbles rose—

Stewart Stevenson: I have no more time.

Mr Rumbles suggests that we need to decide now on funding; actually, we have to decide about funding at the point at which we need it, and we will do that. The local inquiry is the important thing that we have to get through. It will consider the proposed routes and the compulsory purchase orders; it will not be about the funding mechanism.

We need a robust procurement strategy and good management of the project, but it is important that we keep our options open to deliver best value. In the meantime, we are trying to bring forward as much work as we can. On the northern section, we have people on the ground working on the project. We are making the acquisitions that will pave the way to support this vital road for Aberdeen. We are proceeding with the planning process. We are clearly underlining our commitment to getting on with the project practically and undogmatically.

The benefits that the scheme will bring to Aberdeen and the north-east are considerable. It will represent a highly significant and important investment in the area by the Scottish Government. Decisions on procurement of such a large investment will be taken at the appropriate time. We continue to take steps to ensure that the project delivers best value for the Scottish taxpayer.

Meeting closed at 18.04.

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