

MEETING OF THE PARLIAMENT

Wednesday 11 February 2009

Session 3

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Scottish Parliament

Wednesday 11 February 2009

[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. Our time for reflection leader today is Vinesh Chandrasegaran, a member of the Scottish Interfaith Youth Council, the Sri Sathya Sai Service Organisation and the Art of Living Foundation.

Vinesh Chandrasegaran (Scottish Interfaith Youth Council, Sri Sathya Sai Service Organisation and the Art of Living Foundation): Presiding Officer, members of the Scottish Parliament, brothers and sisters. It is wonderful to be here, sharing my experiences and what I have learned from the Sathya Sai Service Organisation and the other organisations with which I associate.

We all need time for reflection. In my reflections, I have learned that we are one in creation—children of the one and only God. In our interactions, we can be a shoulder to cry on or make a person jump for joy. If we went further within, we would find that random acts of kind service that are rendered unexpectedly and selflessly bring us the greatest joy and bring the receiver perhaps a tear of joy or bliss. True happiness is experienced only in sharing what we have.

“Hands that serve are holier than lips that pray.”

When one part of our body hurts, the whole body feels it and takes steps to heal. Likewise, any pain in society is felt by all. Education in the human values of truth, love, peace, right conduct and non-violence allows us to feel that oneness and to wholly correct that pain. God and the laws of the universe and of creation are simple, although everything else may be complex. In summary, we say, “Love all, serve all” and “Help ever, hurt never.”

If we walk into a dark room, we do not try to eliminate the darkness—we switch on the light. If a child is holding a knife, we do not try to take the knife away—we give the child a chocolate, to induce a loosening of their grip. Similarly, problems in society can be addressed by providing an alternative, value-filled lifestyle, and not by focusing on problems. Mother Theresa understood that very well when she said that she would not attend any anti-war rally but would travel miles to attend a pro-peace one. Over the years we have

used the modalities of education, song, drama, cartoon competitions and courses to spread that message of human values and selfless service. That—brothers and sisters—we pledge to carry on.

In the current economic climate, what we need is inner strength and faith in ourselves and the Creator working to and through us. Happiness and peace surround such a person of faith at all times and under any circumstances, further manifesting themselves in health, wealth and abundance to share and collectively enjoy with everyone.

If we help someone up the hill, we are closer to the top ourselves. If we based our actions and decisions only on what is right, sincerely benefiting and blessing all with abundance, such we would have. If success is our birthright, service to all is our supreme and only responsibility. A child who was brought up in an environment in which 10 languages were spoken would effortlessly learn to speak them. Likewise, a child who was brought up in an environment filled with human values would naturally imbibe them all. Together, we can fill our homes and schools with human values, but that has to start with us in our own homes and we must do it right now.

If there is righteousness in the heart,
There will be beauty in the character.
If there is beauty in the character,
There will be harmony in the home.
If there is harmony in the home,
There will be order in the nation.
When there is order in the nation,
There will be peace in the world.

But, brothers and sisters, if the mind of man is not purified, all the plans to reform the world will be futile.

“Politics without principles, education without character, science without humanity and commerce without morality are not only useless, but positively dangerous.”

I leave you with another beautiful saying:

There is only one religion, the religion of Love;
There is only one language, the language of the Heart;
There is only one caste, the caste of Humanity;
There is only one law, the law of Karma (the universe);
There is only one God, he is Omnipresent.

Thank you very much for the opportunity to speak here today. I wish you all the very best in your service to society.

Motion without Notice

14:31

The Presiding Officer (Alex Fergusson): I am minded to accept a motion without notice from the First Minister, Alex Salmond.

Motion moved,

That motion S3M-3419 be taken at this meeting of Parliament.—[Alex Salmond.]

Motion agreed to.

Motion of Condolence

14:35

The Presiding Officer (Alex Fergusson): The next item of business is one that we would all prefer not to be holding: a motion of condolence following the death of Bashir Ahmad MSP.

One of my early duties as Presiding Officer was to introduce Her Majesty the Queen to the members of this third session of the Scottish Parliament at a reception that she gave for us in the Palace of Holyroodhouse. With 43 new members, getting everyone's name right was not the easiest of tasks. As I approached one group at that reception, I noticed two men who were resplendent in the national dress of Pakistan, but I completely failed to recognise Bashir Ahmad as one of them. We sorted it out quietly between us and I duly introduced him to Her Majesty. Later, I went back and apologised to him for my error.

Many members—including myself—would possibly have been none too pleased if that had happened to them, and might quite justifiably have made their feelings known in no uncertain terms. Bashir, however, went to great lengths to put me at ease, to the extent that it almost seemed that he was apologising to me rather than the other way around. That, I suspect, was the very essence of Bashir Ahmad: unassuming, forgiving, patient and kind. He seemed to me to be the very epitome of the gentle man, in every sense.

I also suspect that he harboured not one ounce of malice towards anyone else, politically or otherwise, and it was clear to me that that absence of malice was accompanied by modesty that was anything but false. Yet, that gentle, modest and unassuming man has blazed a trail in becoming the first Asian MSP to grace the benches of our Scottish Parliament. Those who will follow his lead will do so in the certain knowledge that their forerunner set the finest of examples—one that they would do well to emulate.

In saying goodbye to Bashir, Parliament is saying goodbye to a good friend who made a great mark on this place in a sadly curtailed term of office. Our thoughts and prayers are very much with his wife and family, many of whom we are honoured to have with us in the gallery today.

I call on the First Minister to speak to and move the motion of condolence.

14:39

The First Minister (Alex Salmond): As-salamu alaykum.

In the Islamic funeral rites, it is common for the imam to ask the assembled congregation for forgiveness on behalf of the deceased for any wrongs or injuries that were done by that person. That is obviously as it should be, because in all the great religious traditions, forgiveness, like self sacrifice, is at the centre of the order of things—and so it was on Saturday, at the funeral prayers for Bashir Ahmad, at the Central mosque in Glasgow. Appropriate though that appeal certainly is, I have probably never known anyone less in need of it than Bashir.

For 15 years, it was my privilege to know this man. He did no one knowingly any injury, harm or hurt; rather, he left everyone who met him feeling that bit better about themselves and about life. That is a major quality for any human being to have, but in a politician, it is priceless. As Burns put it:

The heart ay's the part ay
That makes us right or wrang.

Born in Amritsar in pre-independence India, Bashir came to Scotland as a young man with little English and few prospects. Through hard work and dedication, he worked his way through a career on the buses to become a successful businessman and five-times chair of the Pakistan welfare trust. He was triumphant when elected in his beloved Pollokshields to Glasgow City Council and then went on to make history as the first Asian member of our Scottish Parliament.

All—indeed any—of that would be a matter of great pride, and Bashir was a proud man. However, his was not pride in himself: Bashir's pride was for family, community and country. He was fiercely proud of his family: his wife, Mrs Naseem Ahmad, to whom we send our deep condolences, and his seven children, who are with us today in the gallery—Sajid, Atif, Rosie, Uzma, Saima, Sumbla and Bushra, whose wedding I had the great privilege of attending just before Christmas—and the 11 grandchildren. That family was Bashir's pride and joy. He was also proud of his faith and his community.

All of us, when we enter Parliament, embrace a duty of care to our constituents, but Bashir had carried such a duty all his life. At the burial service in Cathcart cemetery on Saturday, I stood beside a man whose younger sister had died tragically last month, leaving behind a young family. Not only had Bashir visited that family as their MSP, he had been to the graveside no fewer than three times.

When someone is the first to make a mark in any job or profession, or to sit in a Parliament, their character becomes enormously important. The Muslim community and, indeed, the community of Scotland, were hugely fortunate in

the character and the calibre of our first Asian MSP. He will set the standard and the mark for those to come.

Bashir had great pride in his adopted country: he was probably the most patriotic Scot I have ever met. Since he came to Scotland in 1961, he embarked on a near-half century mission—a campaign—to repay a simple debt of kindness that was offered to a young penniless immigrant by a Glasgow bus driver who took Bashir to a place of refuge and safety.

The attempt to repay that debt led Bashir into the occasional scrape. A few years ago, he and I stopped at Harthill service station, where we came across a young Polish worker who was encamped there for a few hours, and who had no English and only a scrap of paper with the name of an Edinburgh lodging house. Bashir was delighted, and seized the opportunity—in what seemed like an exact replica of his own visit to Scotland all those years ago—to drive the young Pole to Edinburgh. We arrived at midnight, but as we got to Edinburgh, the young man became increasingly agitated. We later found out that he had good reason for not wanting to return to the Edinburgh lodging house, and the last we saw of him he was hightailing it up Leith Walk. However, the intention and the thought were there.

Bashir could see no wrong in Scotland: to him, our manifest faults were incidental to the essential goodness that he had witnessed and experienced. Through his life and work, Bashir repaid his debt to Scotland in full. His faith was extraordinary—I wish I could be half the First Minister that Bashir thought I am. If this country could be just half of what Bashir thought we could be, we would be a great nation indeed.

When Bashir launched Scots Asians for independence at the Scottish National Party conference in 1995, he developed a phrase of which he was so fond that he worked it into every available speech since. He said: "It isn't important where you come from; what matters is where we are going together as a nation."

Let that stand as his epitaph.

Inshallah.

With great sadness and great pride, I formally move,

That the Parliament expresses its deep regret and sadness at the death of Bashir Ahmad MSP; offers its sympathy and condolences to Bashir's family and friends, and believes that as the first Scots-Asian Member of the Scottish Parliament, and a man of faith and dignity, his contribution to Scotland's democratic process and community relations over many years leaves a hugely positive legacy for all of Scotland.

14:45

Iain Gray (East Lothian) (Lab): I am grateful for this opportunity to extend the sympathies and condolences of every Labour member of the Parliament to the family of our colleague and brother Bashir Ahmad in this, their time of loss. I also express our support for our SNP colleagues in their bereavement. We all feel sadness for the loss of Bashir, but to lose one of your own number is a special hurt indeed, as we know from experience in this part of the chamber.

It is a truth that, when someone we know dies, we often find out things about them that we did not know before, but wish we had. I learned from the published tributes to Bashir that he began his working life in this country as a bus conductor. I did, too. I wish I had known that, because we ex-bus conductors consider ourselves special people indeed, with a particular bond. I wish that I had had the chance to compare notes.

Bashir used that special start in life rather better than I did, becoming a very successful businessman who was highly regarded in his adopted home city of Glasgow and beyond. Those of us who were privileged to be at his funeral on Saturday were left in no doubt as to the affection with which he was regarded by all of Glasgow, especially the Muslim community of that city, and how profoundly his passing is felt by it. His time in the Parliament was all too short. Like, I suspect, many members here, I wish that I had known him better. When one met him in the corridors or lobbies of Parliament, the warmth of his smile and the generosity of his greeting lit up the whole place.

Bashir has a special place in the story of the Scottish Parliament. He was the first Asian Scot and the first Muslim to be an MSP. At the opening of the Parliament, another who was to be taken suddenly from us, Donald Dewar, spoke of the echoes of Scotland and its past that could be heard in the chamber. He said:

"This is about who we are, how we carry ourselves. In the quiet moments ... we might hear some echoes from the past. The shout of the welder in the din of the great Clyde shipyards; the speak of the Mearns ... the discourse of the enlightenment".

When Bashir Ahmad took his oath as an MSP in Urdu, he wove into that tapestry of "who we are" another of Scotland's authentic voices, which had been missing until that moment. Its cadence was never strident—indeed, Bashir's was perhaps the gentlest voice in this place—yet it will echo through the chamber for as long as men and women meet here to seek a better future for the country that Bashir clearly loved so much. That is a fine legacy for a good man.

14:48

Annabel Goldie (West of Scotland) (Con): The Scottish Parliament is still young, but history will chronicle particular events of singular importance in its development. Among them will undoubtedly be the election to Parliament in 2007 of Bashir Ahmad, our first Asian MSP. Although he was a committed member of the Scottish National Party and an unstinting champion of its cause, I feel that I can use the phrase "our first Asian MSP" because he had an influence in Parliament and beyond that transcended party-political boundaries. His presence made Parliament a better place, and the pride in his achievement was a collective pride that was shared across the parties.

Yes, he was a diligent, conscientious and effective MSP and his service on cross-party groups in the Parliament illustrated his wide span of interests in political and parliamentary activity, but it was the way in which he conducted that activity that attracted universal respect and affection. He was the embodiment of dignity and courtesy—gentle in demeanour and gracious in attitude. He was a man who, on meeting me on the Glasgow underground, was more concerned with carrying my suitcase than with getting himself to a formal dinner to meet the First Minister.

We shall all miss him. His wife and family are very much in our thoughts and prayers, but they should be proud and take comfort in the knowledge that Bashir Ahmad was a fine ambassador for politics and politicians. His mark on Parliament is a lasting one, not just because of his legacy as an MSP, but because of the challenge that his presence in this Parliament has laid before all the political parties to reflect better the diversity that is today's Scottish society. What better way to remember him than that we, the political parties, should be determined to succeed in that objective.

14:50

Tavish Scott (Shetland) (LD): Bashir Ahmad never struck me as a politician's politician. He was rather better than that. He was a man of sincerity, dignity and manners—a genuine gentleman. In many a walk from the Parliament chamber back to the office after a vote, we would discuss marriage—the need for marriage and the importance of it. He gave me that polite and cheerful lecture in the most understated of ways on a number of occasions. He was referring to my then girlfriend, and I finally got the point.

His achievement as Scotland's first Asian member of the Parliament will be to encourage people of all backgrounds, faiths and thoughts to tackle politics and public life. The party of which he was a member deserves credit for putting him

here. On a day of reflection, I cannot be the only party leader observing that his presence should apply across politics. However, Bashir Ahmad was no identikit politician—he was not just another man in a dark suit. Perhaps the greater legacy, at a time when people can find politics to be too much of the same, is to appeal to people who are outside the orthodoxy of modern public life. That would be a worthwhile change indeed.

The First Minister has called Bashir Ahmad a great patriot—I do not doubt that he was. We are a stronger Parliament, country and people if we can revel in our Scottishness but reflect it in the diversity of 21st century Scotland. Bashir Ahmad epitomised that. From the Liberal Democrat benches, I express my sorrow at his passing, our condolences to his family—who join us today—and our hope and desire that that genuine gentleman will be, in memory, a beacon of hope across politics and throughout the country. Scotland is a sadder place for his passing.

14:52

Patrick Harvie (Glasgow) (Green): I offer my condolences and those of the Green party to Bashir Ahmad's family and friends and all his colleagues. Previous speakers have reflected on Bashir's gentleness and politeness and his quiet nature, which are characteristics that are perhaps not found in politics as often as they should be. However, as the First Minister reminded us, before his contribution to Parliament, local government or business, Bashir Ahmad—that polite and quiet man—was on the Glasgow buses. I would never want to question the character of bus drivers in my city, but even those whom I know well might agree that Bashir's qualities of quiet courtesy would be as remarkable in that field as they are in the political arena.

Each morning in Glasgow, I board a bus. In recent years, I have shown my bus pass to as diverse a range of drivers as could be. There have been Asian—probably first, second and third generation—African, North American, South American and Polish drivers. I have heard accents from every part of the United Kingdom and from far beyond. Not all those bus drivers will choose to spend their whole lives in Scotland, as Bashir did, but all those communities, accents and voices are part of Scotland. Bashir's election to the Parliament was a reminder not only of the truth of that diversity, but of the time that it has taken for that diversity to be reflected here.

In his first speech in Parliament, Bashir said of tartan day that it

“must reflect people's many experiences of Scotland.”

He continued:

“It is not about heather and haggis, or even software and

silicon chips; it is about the reality for all the people I represent”.—[*Official Report*, 27 June 2007; c 1199.]

In respecting his memory, let us all recommit to ensuring that, every day, all Scots in our diverse society can feel part of the Parliament and our political life and that they will in the future be able to speak proudly with their voices in this, their Parliament.

14:54

Margo MacDonald (Lothians) (Ind): Salaam alaykum.

Bashir Ahmad's sheer humanity and love of life shone out of his face. I did not know him well, but I knew him to be the good man of whom others have spoken. Tavish Scott said that he was not “a politician's politician”, but I take issue with that because, before a tight vote, he knew how to speak to this politician. Even more important than that, he gave me Panjabi tablet. I was bought and sold on Bashir Ahmad.

Local Government Finance Act 1992 (Scotland) Order 2009

The Presiding Officer (Alex Fergusson): The next item of business is a debate on motion S3M-3386, in the name of John Swinney, on the Local Government Finance Act 1992 (Scotland) Order 2009.

I invite all members who wish to speak in the debate to press their request-to-speak buttons. I remind members that the one-minute warning is no longer being given.

14:55

The Cabinet Secretary for Finance and Sustainable Growth (John Swinney): The Scottish Government's budget for 2009-10, which was approved by Parliament last Wednesday, included the overall funding for Scotland's local authorities. The motion that is before Parliament today seeks agreement to the detail of the allocation of revenue funding within that total to individual local authorities, as set out in the Local Government Finance Act 1992 (Scotland) Order 2009. The order provides for the distribution of almost £9.8 billion in general revenue grant and non-domestic rates income to local authorities in 2009-10.

Before I explain the detail of the order, I want to say something about the context in which it is set. When this Government came to power in 2007, we made it clear that we wanted to achieve better partnership working. Central to that was the forging of a new relationship with local government. Under the concordat, local government sits alongside the Scottish Government as an equal partner, and we are already seeing benefits from that relationship. For example, we are moving to an outcome-focused approach, as is evidenced by the progress on single outcome agreements; we are delivering jointly agreed commitments such as the council tax freeze and the small business bonus scheme; and we are working with local government to tackle the economic downturn, as is evidenced by local government's contribution to programmes that we have announced to accelerate investment across Scotland.

I turn now to the detail of the order that is before Parliament this afternoon. In 2009-10, we will provide local government with total funding of more than £11.8 billion, which represents an increase of £658 million, or 5.9 per cent, over the comparable sums for 2008-09. That sustains our commitment to increase the share of the Scottish budget going to local authorities. It includes total revenue funding of £10.8 billion and support for capital expenditure of more than £1 billion.

Compared with 2007-08, the total funding that this Government is providing to local government in 2009-10 will have increased by £1.2 billion, or 11.1 per cent. The package includes a further £70 million which is—as it was for 2008-09—to help local authorities freeze council tax levels again in the forthcoming financial year. It also includes specific grant funding of £820 million, mainly for police services, with the distribution of a further £124 million still to be confirmed.

Freezing council tax for a further year will provide an important boost for council tax payers across Scotland during these particularly difficult economic times. Once all councils have set their rates, I will bring a revised order to Parliament to allow that support to be issued as early as possible from the start of the new financial year.

The order that we are debating today confirms the amount of business rates to be distributed to local authorities. Through the small business bonus scheme rates, bills for tens of thousands of small businesses have already been cut, thereby saving them tens of millions of pounds. From April this year, when the scheme is fully implemented as we have promised it will be, many small businesses will pay no rates at all. That will help our smallest businesses and provide them with real protection and support as we enter what could be the most challenging phase of the economic downturn.

Although it is not part of today's order, the overall package to local government next year includes support for capital funding amounting to more than £1 billion. Included in that figure is £90 million of funding, which is part of the accelerated capital funding that was agreed last week in the budget process—as I mentioned earlier, the overall funding package for local government was approved as part of the Budget (Scotland) Bill. Today's order seeks approval for distribution of that funding to local authorities.

Last year, I agreed to a review of the distribution process in order to ensure that it is as fair and equitable as it can be. The review, which is being carried out jointly with the Convention of Scottish Local Authorities, is now under way. I expect it to be completed by the end of October 2009 and to feed into the distribution mechanism in 2011-12.

The order also seeks Parliament's approval for a net additional £90.5 million in the current financial year. That is over and above the amounts that were approved for 2008-09 in earlier orders and is to allow councils to carry through a number of agreed commitments. The breakdown includes £20 million to be transferred from the local government capital allocation at the request of individual councils, as agreed with COSLA; £12.2 million to be transferred from Scottish Enterprise for running the business gateway; £37.5 million for

the teachers induction scheme; almost £18 million for the zero waste fund; £7.8 million to support implementation of the Adult Support and Protection (Scotland) Act 2007; £9.4 million for fire pension commutation; and £1.5 million for tobacco sales legislation enforcement. Those sums will assist local government in delivering a number of the shared aspirations of national Government and local government.

Mike Rumbles (West Aberdeenshire and Kincardine) (LD): When is the earliest the cabinet secretary expects the Government to be able to change the distribution formula as a result of the review?

John Swinney: I expect the review's implications to feed into the distribution arrangements for 2010-11 at the earliest.

Local taxation is an important part of local government funding, and our settlement once again makes available the resources that local government will need to freeze the council tax. Some authorities have already announced a freeze this year and many will decide council tax levels tomorrow. In 2009-10, a council tax freeze will save a family in an average band D property more than £60, which will increase as the freeze is sustained in the years to come. So, with the help of our partners in local government, we are delivering lower local tax. On top of that, our proposal to abolish the unfair council tax and replace it with a fairer local income tax would give low and middle-income Scots the biggest tax cut in a generation.

When we launched the proposal in 2007, we identified a £450 million tax saving, with two thirds of Scots being better off and fewer than two out of 10 at the very top of the income scale paying a little more in taxation.

However, the financial context has changed. The current Labour Government in London has announced a reduction of as much as £500 million in Scotland's budget next year and the year after—a planned £1 billion raid on Scottish public services. Those United Kingdom Government cuts will have a substantial impact by threatening front-line public services, reducing investment and undermining our work to create and protect employment. Its planned cuts are the wrong choice as we emerge from the current recession. It would not be wise—indeed, it would not be possible—to introduce a tax reduction of the scale that we propose in the face of such swingeing Westminster-imposed cuts.

We have also taken account of the parliamentary vote on 4 December and the experience of the budget process over the past few weeks. Those two events highlighted in the starkest possible terms the realities of minority

government. The parliamentary arithmetic means that, although we might get the support of the Liberal Democrats for our proposals to introduce a local income tax, the Labour Party and the Conservative party are united in their opposition.

Members: Hear, hear.

John Swinney: I am glad to hear that they are still united.

The Scottish Green Party MSPs, although they are opposed to the council tax, have made it clear that they do not support a local income tax, and Margo MacDonald has made it clear that she believes that such a radical reform should be considered only once Parliament has full control over taxation matters. In short, we cannot put together a stable majority to enable us successfully to steer detailed local income tax legislation through this Parliament. Indeed, Parliament's vote in December last year made it clear that there is no consensus on the best way forward for local taxation.

The Cabinet has therefore decided not to introduce legislation to abolish the unfair council tax and replace it with a local income tax until after the election in 2011. However, members should make no mistake—the Government will fight that election to win a parliamentary majority that backs the abolition of the unfair council tax. *[Applause.]*

The Presiding Officer: Order.

Andy Kerr (East Kilbride) (Lab): The cabinet secretary has just outlined a political fig leaf to cover events. Why did he say on 2 January that

"The Government is working towards bringing forward its bill in 2009 to abolish the unfair council tax",

when all the points that he has used to defend his retreat from that policy were known at that time?

John Swinney: Andy Kerr ignores both the realities of the budget process that we have just undertaken and the enormity of the swingeing cuts for which he makes apologies every day of the week.

We look forward to a financial environment that is more suited to the introduction of a fairer local income tax.

Margo MacDonald (Lothians) (Ind): The cabinet secretary has done the sensible, right and brave thing. Even if independence is not achieved after the vote in 2011, I ask him not to return to promising a daft policy, but to keep the situation the way it is.

John Swinney: Let us just say that we intend to deliver independence.

When they were in government, the Labour and Conservative parties used the council tax to punish low and middle-income families, so it is for

them to explain their record of spiralling council tax levels to the people of Scotland. This Government has not only brought that to a halt, but worked hard to deliver a substantial tax cut through local income tax and freezing of the council tax.

We believe in lower and fairer tax and we will continue to act to support individuals and families. That is why I announce today that we intend to provide a further £70 million for 2010-11, so that council tax can be frozen for a third year. That is also why we will work with local government to freeze council tax for the remainder of the parliamentary session, into 2011-12. The council tax then will be no higher than it was when the Government took office. That is what we will deliver for the people of Scotland and that is the basis on which I move the motion.

I move,

That the Parliament agrees that the Local Government Finance Act 1992 (Scotland) Order 2009 be approved.

The Presiding Officer: I repeat my request for members who have not yet pressed their request-to-speak buttons to do so.

James Kelly (Glasgow Rutherglen) (Lab): On a point of order, Presiding Officer. I ask you to consider a matter of concern. Copies of the cabinet secretary's full speech have been circulated to the press, but they are not available at the back of the chamber for members' perusal. The speech has been released to the press, but not to members.

The Presiding Officer: That is a matter for the cabinet secretary, who has made his speech to Parliament, but I will reflect on what the member has said.

15:08

Andy Kerr (East Kilbride) (Lab): It is a great concern that the cabinet secretary has chosen the debate on the order to announce what is probably the biggest retreat on a policy in the Parliament's history. The excuses that he used were downright laughable. In a debate in Parliament in January, when he knew full well the outcome of the pre-budget report, he repeated his pledge to introduce a bill to abolish the council tax. The Government has not introduced such a bill because the policy is bad and the cabinet secretary cannot afford to let the people of Scotland know how bad it is. As we know from discussion of the Scottish Futures Trust and public-private partnerships, the Scottish National Party knows what it is against, but it does not have a clue about what it is in favour of. We all know that the SFT will not work in place of PPP.

The Government has now retreated on the council tax. I am pleased that the hard-working families of Scotland will not have to pay the

ludicrous local income tax. Likewise, I am pleased for hard-working businesses.

The cabinet secretary talked about who gains from the council tax freeze. All the evidence suggests that the best-off—those who are in a better position in society and who have more wages coming into their homes—gain from the council tax freeze, as the evidence to the Finance Committee showed. Council tax benefit exists to support the people who are most in need.

Because of the retreat that has been made today, I question the cabinet secretary's political right to sit in his position. He and the Government have been elected on a false prospectus. They promised the people of Scotland that they would abolish the council tax; however, they know that their proposals are nonsense, so they have simply retreated. The announcement has been made today to mask a very poor local government settlement.

At the heart of the Government, policy direction is in chaos. We find ourselves in the current situation because of staggering incompetence. Procrastination and broken policies are not the way in which to run our country. On public buildings, infrastructure, schools, teachers, the skills strategy and the local income tax, we hear retreat after retreat from the Government's big promises and pledges. That is unacceptable. I call on the Government to bring forward plan B on local taxation at the earliest possible opportunity, because clearly plan A does not work.

This is a week of sneaking out bad news. First, the Government got rid of useless ministers. Secondly, it is getting rid of useless policy. Thirdly, today it has announced massive cuts to local government expenditure.

John Swinney: Will Mr Kerr tell us what he plans to do on local taxation? For years, there has been a deafening silence from him on that subject.

Andy Kerr: There has been no deafening silence. We have said all along that we will reform the council tax, and that is exactly what we will do. However, we did not go to the people of Scotland with promises on student debt, grants for first-time home buyers, class sizes, free school meals and local income tax. We meet our pledges when we are in government, unlike Mr Swinney's Government, which fails to do so. Today the Government has announced its biggest retreat of all.

I return to the local government settlement and the issues that we should be discussing. I and many other members made predictions about the way in which the Government would treat our local authorities under the concordat con. We heard that that was all scaremongering, but up and down the country there is increasing evidence of real

cuts and closures, increased charges and loss of jobs in our local authorities. It is the concordat for cuts and closures—that is what is happening. Councillor David Alston, the budget leader of Highland Council, said:

“We have tried to make the cuts where they are the least worst option but I won’t try and disguise the fact we have had to make cuts.”

Those are not my words, or even the words of another Labour politician—they are the words of a councillor who has to deal with the inadequate settlement that the cabinet secretary has imposed on our local authorities.

This is a bad settlement for local government. People in towns, villages and cities throughout Scotland will feel the chill of the cuts that the SNP has announced—in the previous budget, in this budget and for next year. For two years, the chasm that is the Scottish Futures Trust has stopped our local authorities building any new schools.

Alasdair Allan (Western Isles) (SNP): The member has much to say about the settlement that local government receives from the Scottish Government, which, as we have learned, includes many increases. Is he prepared to comment on the settlement that this place receives from another place, which includes a £1 billion cut over the next two years?

Andy Kerr: I am not prepared to accept the figure of £1 billion, because it has not yet been made available. I am talking about the budget that has been presented to this Parliament, which is making real cuts to local government throughout Scotland. That is the real effect of the SNP budget.

The cabinet secretary has made much-vaunted claims about the share of the Scottish budget that goes to local government, but he is wrong on that matter, too. During the current spending review period, under the SNP, the average share of the budget that goes to local government is 33.6 per cent. During the previous spending review period, under Labour, the average share over three years was 34.4 per cent. Before that, the average share for local authorities under Labour-led Governments in Scotland was 35.5 per cent—2 per cent more than it is now. That is why there is now a crisis in our local authorities, with many cuts having been proposed up and down the land.

The cabinet secretary has at his disposal resources additional to the normal settlement—end-year flexibility, money set aside by the Labour-led Executive and resources from the Chancellor of the Exchequer’s pre-budget report. However, people around the country are now paying the price for the rash manner in which the Government has spent money in the past. We are

suffering from increased charges and service cuts. Councils up and down the country that are trying to manage the situation will be least impressed by the spin of the SNP Administration. John Swinney consistently tells us that the councils’ share is bigger than ever, but it is not. He always says that it is a record share of the cake, but clearly it is not.

When we examine closely what is happening up and down the country, we find real problems being experienced; in Highland, for example, 111 jobs are to be lost in the local authority. Some of the most important services to our local communities are being lost as a result of the budget. Aberdeen City is experiencing a swingeing £25 million of cuts, with key services such as education and social work in danger of decimation. Sports centres and cultural facilities are to close. There will be cuts to school and roads maintenance budgets. That is the real effect of the SNP budget.

Job losses are under consideration in West Dunbartonshire, where there are plans to end free school meals and breakfast clubs. There are plans to close primary schools, swimming pools, residential care homes for the elderly and facilities for children. Those are the real effects of the SNP local government settlement. Dumfries and Galloway will have £3.9 million of cuts. Child care is one of the planned services that will suffer most. Dundee City is considering reducing public holidays for staff. East Dunbartonshire is making £6.5 million of cuts. Again, the vulnerable are most at risk. Our children are suffering. Social work and education budgets will be affected. That is all because of the settlement from the Government. Falkirk will have £9 million of cuts, and Glasgow has an £8.1 million spending gap.

For all the cabinet secretary’s great words about the concordat and the settlement, the reality for councils and communities up and down the country is cuts in services, as a result of a poor, poor settlement. Over the past 10 years, Glasgow has spent £550 million to improve schools and the quality of school buildings; 64 new schools have been built and five more have been refurbished.

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

Andy Kerr: In just a second.

Those schools were built using the public-private partnership, prudential borrowing and receipts that were generated from the sale of surplus land and property. What has happened since May 2007? Absolutely nothing. The SNP Government has tied that city’s hands by not allowing it to use the public-private partnership. Of course, we await the promised Scottish Futures Trust.

Joe FitzPatrick (Dundee West) (SNP): Does the member acknowledge that one of the difficulties that councils face is having to pay the

price of the PPP and private finance initiative schemes that Labour left them with?

Andy Kerr: No, I do not. The benefit to communities throughout Scotland is that people have had new schools to go to under Labour—but they have no new schools to go to under the SNP. That is the real message that is contained in the budget.

I am afraid that I am running out of time, largely because of the inclusion in the cabinet secretary's speech of the retreat on local income tax, when we should be discussing the budget in more detail.

15:17

Derek Brownlee (South of Scotland) (Con): I note that the Government's rapprochement with the Liberal Democrats lasted a whole week. Last Wednesday, my colleague David McLetchie said:

"the next best thing to a Tory Government is a Government that does what the Tories tell it to do".—
[*Official Report*, 4 February 2009; c 14667.]

Not even we dreamed that, within a week, there would be a retreat on the local income tax, which we whole-heartedly welcome. It is long overdue. Words almost fail me. I am tempted to rip up my speech, in the same way that the Government has ripped up its policy.

I will make some serious comments on the issue. As we have said on the subject of local government finance since the beginning of the session, we are happy to have constructive discussions with the Government and any other party about reform of the council tax. We do not accept that the status quo is the right option, and we are perfectly happy to discuss council tax reform. I hope that the Government will now be receptive to such discussions, which would be in the broader national interest. We strongly welcome the council tax freeze, and we welcome what the Government has said about extending it next year. That will be a real help to people who are struggling in these difficult economic circumstances. The retreat on local income tax is good news, and we warmly welcome it. I am, however, rather disappointed on one level—I was going to have a lot of fun with the detail of the plan when it was introduced. However, I will find other ways to occupy my time.

We can now have a constructive debate across the Parliament about how to reform local government finance. There are a number of suggestions that the Government should consider seriously. One of the issues surrounding council tax is the uptake of council tax benefit, a matter that we have raised with the Government previously. If my memory serves me correctly, the Government undertook to work with local authorities back in 2007 to increase uptake of

council tax benefit. As we go into difficult economic circumstances, that is more important now than ever, and no Government should have any problem with working on that.

The tax cut to which the cabinet secretary referred was not a tax cut as such, but a reduction in the revenue expected from local income tax relative to council tax. It is one thing to argue that the revenue saving cannot be found, but I hope that the SNP at least accepts that local income tax was not a tax-cutting measure per se but simply a measure that was designed to raise less revenue.

The killer for local income tax was not, as the Government suggested, the implications of the forthcoming spending review at Westminster but the impact on income tax revenues. If we accept that the recession could lead to a 6 per cent decline in the economy even in this year, as the governor of the Bank of England said today, and consider that in the context of tax revenues, we realise why there was a significant problem with local income tax from the start. The local income tax proposals were seriously flawed. As much as I am happy to blame the Labour Party on occasions, even I cannot blame the party for the policy's failure.

As Andy Kerr said, the cabinet secretary's speech contained much that we are right to be concerned about. The allocation of spending for local government was agreed last week in the budget of national unity. The allocation between councils is set out according to a formula and I welcome what the cabinet secretary said about the review of allocation methodology. We need the review to lead to the introduction of a framework that is seen to be fair to all parts of the country and not just to parts of the country. There are arguments about which areas should benefit and which should lose out under a revised funding formula, and I note the representations from the north-east and other areas about the system's unfairness.

Brian Adam: Does the member share my view that not only should the formula be fair to all Scotland, but it should be transparently so? Does he agree that a new funding formula must have a much narrower range of the proportions of funding that go to each authority?

Derek Brownlee: Whether there should be a narrower range is one thing, but the formula certainly needs to have the confidence of people the length and breadth of the country, in particular because under any conceivable form of local government finance, local taxation is likely to raise only a small part of local government revenue, unless we are contemplating a significant shift away from councils in relation to their responsibilities. The formula's transparency is important.

Some members have criticised the council tax freeze and argued that it is regressive or that it is not fully funded. However, it is important to acknowledge that the £70 million that was made available last year—which was more than was required for an inflation-level increase—has been baselined into this year's settlement. In effect, a council that chose not to freeze council tax this year would get the benefit of last year's above-inflation increase. I hope that no council will take advantage of that situation, and I hope that there will be another council tax freeze throughout the country. A separate issue is the cost pressures that arise as councils implement policies in the concordat. David McLetchie will address that issue in more depth, if a COSLA representative does not get to him first.

The biggest issue that the Parliament has faced in relation to local government has been the failure to discuss options for change. It is not acceptable to have a sterile debate about local income tax versus council tax. The Government has accepted that proposals for a local income tax will not be introduced in this session of the Parliament, so we should all be mature enough to discuss how we can reform the council tax and move forward with a form of local government finance that can be the basis of a stable framework for local authorities and the Scottish Government.

15:23

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): People in Scotland who are on low incomes will be confused and, I suspect, angry that the SNP and Labour Governments north and south of the border prefer partisan division to ensuring that a fairer, more progressive system of local taxation can be introduced to pay for local services in Scotland. The poorest quarter of taxpayers of Scotland pays six times as much tax as a proportion of their income as the richest quarter pays. The perpetual freezing of council tax, which will have the cumulative effect of putting more money in the pockets of people who live in the biggest houses, seems to be the adopted policy of the Scottish Government. That is a scandal.

Derek Brownlee: Will the member give way?

Jeremy Purvis: I will in a moment, if I have time.

Council tax is not progressive and nor is the perpetual freezing of council tax. Conservatives, as I am sure that Mr Brownlee was about to remind me, have said that they believe in the principle of the council tax. They think that that is the right system of local taxation and that only the amount is at issue. They are wrong, and constituents of mine who are elderly, who are on

fixed or low incomes or who may be losing their jobs know that they are wrong. The Scottish Government has told councils that it does not have sufficient information to give them indicative figures for the financial year 2010-11, but Scotland has now been told that the Government has sufficient information to drop its flagship policy.

The SNP has been heralding tax cuts today. The cabinet secretary reinforced that in the first part of his speech. He castigated any other party that proposed tax cuts over the past few weeks, but we now understand that, as well as heralding tax cuts in the first part of his speech, he was shying away from them in the second part. He was shying away from statements that could not be misinterpreted, such as the one that Alex Salmond made in 2007:

"The SNP are setting out our plans to cut the overall burden of local taxation by £450 million—the biggest tax cut in a generation—which will benefit pensioners and middle Scotland".

However, we are now told that he needs to secure a bigger parliamentary majority to do that.

I suspect that we will not hear that argument when it comes to the referendum on independence. Will the same rationale be used? Will the Scottish Government say that, because there is no longer a majority for independence and the economic situation under independence is uncertain, it will not even introduce the bill for a referendum? We will watch that closely, because no draft bill has even been published.

The SNP has betrayed the people who voted for it; every day during the election, it promised to scrap the council tax but it has backed away from that policy just as it did with the abolition of student debt. The Scottish Government knows that there are 78 votes—a majority—against a referendum on independence, and we expect it to act in exactly the same way as it has done on the council tax.

Alex Salmond was not mincing his words when he said on 18 March 2007:

"Any ... MSP who does not understand the distress that Council Tax is causing is not fit to be a Member of Parliament.

That is why as First Minister I will abolish Labour's Council Tax.

Fairness in local taxation is a talisman for the fair society the SNP will build."

That talisman is now shaking in the wind. If we aim to introduce a system of fair and progressive local taxation, a perpetual freezing of council tax is not sufficient.

The council tax freeze for the three-year period that the cabinet secretary outlined will cost £410 million. At the end of this parliamentary session, that could mean that the Scottish Government has

used more than £500 million of funding to freeze council tax while, at the same time, robbing councils of almost all local discretion to raise local revenue for local services in their areas. The Government's actions today signal that, in effect, there will be no local accountability on any revenue in Scotland.

The Government condemned other parties that proposed tax cuts for the budget. It told them that it was impossible to cut taxes in a fixed budget, but we hear today that there could be more than £500 million of tax cuts. We all thought that consistency was at the heart of the cabinet secretary's message, but we have neither clarity nor consistency from the Scottish Government on tax.

Even worse, local government knows that its revenue from building licences or planning applications is under threat as a result of the recession. At the same time, there is no clarity on the capital budget for school building, flood management or waste management or, worse still, there has been a hiatus in the building of local schools. As if that was not bad enough, we have the historic concordat, which will be matched only by the historic U-turn on council tax. We have single outcome agreements with 3,599 outcomes, indicators and targets from the Government. It is a mess. In fact, it would be amusing if it were not for the fact that the people who attended Alex Salmond's surgeries in tears about the unfairness of the council tax will have to go his surgeries yet again.

15:30

Brian Adam (Aberdeen North) (SNP): Clearly, local government funding is one of the largest spends that any Government makes each year as part of the budget settlement. Despite the extra time that some parties needed before realising that they would vote for the budget bill, the local government finance order is only a week behind schedule. Although the debate on the order no doubt appears a formality—the overall local government budget has already been set and members cannot lodge amendments to the order—today's debate is nevertheless necessary. Given that local authorities are obliged to set their budgets in accordance with the finances available, failure to pass the budget bill last week could well have resulted in local authorities being required to set their budgets within the previous year's spending levels. That would have meant very significant cuts across the board, which would not have been acceptable.

Andy Kerr gave a long litany of what might happen in various places across Scotland as a consequence of this year's local government settlement. I do not recognise that in any way. In

fact, the order provides a record local government settlement. Despite Andy Kerr's attempts—

David Whitton (Strathkelvin and Bearsden) (Lab): Will the member give way?

Brian Adam: If he will let me finish the point, I will be delighted to give way to Mr Whitton.

In spite of Andy Kerr's continued attempts to produce averages that show a rather different outcome, local government's share of the cake is rather larger under the current Administration than it was at the end of the previous Administration. There is no doubt whatsoever that the council tax freezes are exactly what our constituents are looking for.

David Whitton: Are Mr Adam's constituents in Aberdeen grateful for the £25 million-worth of cuts that SNP-led Aberdeen City Council is about to introduce?

Brian Adam: Undoubtedly, there are significant historical circumstances in Aberdeen that are very difficult to deal with. However, Aberdeen City Council will receive an above-average settlement this year for the first time in some time.

We have the opportunity of a rather more transparent system of funding for the future. The Cabinet Secretary for Finance and Sustainable Growth has been able to deliver that, whereas no one else would even contemplate it. Mr Brownlee's speech indicates that the need for a fundamental review has at least some support outwith the Government benches. We need a funding system that is clearly transparent and rather fairer than the current system, which has had to be modified on successive occasions in ways that were difficult for anyone to understand.

David Whitton: Will the member give way?

Brian Adam: No, I have already given way.

So far, we have not heard from the Labour Party how it squares the claim that the local government finance order somehow delivers a poor settlement for local government—Mr Kerr returned to that point—with the fact that Labour members voted for the overall settlement as part of the budget process last week. Indeed, Mr Kerr did not say where, within the overall Scottish budget, the increased amounts of money that he would give to local government would come from. Nor did he say how he would change the financial arrangements for local government, such as the distribution formula and the local contributions. Mr Kerr is very good at delivering criticism, but he is not so hot at coming up with the Labour Party's alternatives.

Des McNulty (Clydebank and Milngavie) (Lab)
rose—

Brian Adam: If Mr McNulty wants to tell me what the Labour Party's alternatives are, I will be delighted to hear them.

Des McNulty: There was an alternative, but it has just been dropped.

Brian Adam: I was not aware that the Labour Party supported the idea of a local income tax. If that was a conversion to that cause, it might well be possible for the finance secretary to welcome with open arms at least Mr McNulty, if not the rest of his colleagues.

Jeremy Purvis: Will the member be consistent in his rationale by agreeing that the same principle should apply to the referendum bill?

Brian Adam: The distinction is quite clear. We have had a significant financial change that directly affects the situation. We have £500 million of cuts per year coming down the line from London as a result of decisions made by the Treasury and number 10. This Parliament also failed to support the idea of a local income tax.

The Government's commitment to holding a referendum should have been abundantly clear in yesterday's announcement about the changes in Government. A minister is now charged with the responsibility for driving that forward, and I look forward to engaging with Mr Purvis on that during the next few months.

Mike Rumbles: Will the member give way?

Brian Adam: If the member will forgive me, I am short of time; I have only 30 seconds left.

I appeal to the Cabinet Secretary for Finance and Sustainable Growth to look at the distribution formula and consider bringing in an absolute floor. The idea of introducing a floor on the uplift was an interesting concept that was meant to stop, or at least ameliorate, the significant changes being driven by a rather opaque formula. I would like to get to an absolute floor and a narrower range of rate support grants per capita across the local authorities.

I encourage the cabinet secretary to invite ideas from across and outside the Parliament.

15:36

Des McNulty (Clydebank and Milngavie) (Lab): The affair between the Liberal Democrats and the SNP was short lived. The Liberal Democrats went from a rough wooing to being jilted in less than a fortnight. I suppose that Mr Purvis will get over it—after all, he has barely escaped adolescence—but the damage to Mr Swinney's reputation will be a little longer lasting.

In May 2007 Mr Swinney said:

"We stood for election on a platform of abolishing the unfair council tax. We are determined to deliver that as part

of our agenda to create a wealthier and a fairer Scotland."—[*Official Report*, 30 May 2007; c 198.]

In June of that year, he said:

"We stood for election on a platform of abolishing the unfair council tax. We are determined to deliver that in the lifetime of this parliamentary session and to honour our commitment to the people of Scotland."—[*Official Report*, 21 June 2007; c 975.]

In September 2007, Mr Swinney said:

"It is certainly our intention to introduce legislation in this parliament to scrap the regressive council tax in favour of local income tax."

As recently as January 2009, he said:

"The government is working towards bringing forward a Bill in 2009 to abolish the unfair council tax and replace it with a fairer system of local income tax".

It is not just Mr Swinney. Alex Salmond said:

"We support a local income tax ... To paraphrase somebody from a few years ago: you turn if you want to; this Administration is not for turning."—[*Official Report*, 21 June 2007; c 1007.]

What happened to all that? The flagship policy and the Government's anchor of credibility are ignominiously dropped in a day, and Mr Swinney tries to blame the Labour Party, the Conservatives or a big boy with a big stick somewhere else.

The SNP managed to abolish its flagship policy before it had to put flesh on the bones and own up to the fact that 3p in the pound was a chimera—the tax was never going to be delivered at that rate. The Government has never had to deal with the mechanics of the proposal—not a dot, comma or sentence was brought forward.

Brian Adam: Will the member give way on that point?

Des McNulty: Mr Adam has said enough.

No Government can ever have proposed a core policy that contains so little substance and has been so comprehensively rubbished before being withdrawn in this manner. SNP members should think of all the people whose doorsteps they went to and who told them, "The SNP stands for the abolition of the council tax. I am considering voting SNP because they have promised me that they will get rid of the council tax." The SNP, Mr Swinney and Mr Salmond have let down all those people.

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

Des McNulty: Every individual member, including Tricia Marwick, went to speak to people in Glenrothes and told them, "I will make sure that the council tax is got rid of." Is she now going to say that she was not telling the truth?

Tricia Marwick: Will you confirm that the council tax is discredited and that, under your Government, it rose by 60 per cent between 1999 and 2007? In the light of your concern about the SNP postponing the introduction of the local income tax, will you confirm whether you would vote for it?

The Deputy Presiding Officer (Alasdair Morgan): I remind members to make remarks through the chair.

Des McNulty: At the last election, neither Tricia Marwick nor any other member of the SNP said on the doorsteps, "We will abolish the council tax but not yet—we might do it after the next election." Abolition of the council tax was central to their appeal to the electorate: they said that it was what they would do. It was advertised in every SNP candidate's leaflet that the SNP would abolish the council tax, and now the SNP has said, "No, we won't." It is not prepared to go ahead with the proposal because it is frightened of the consequences. Mr Swinney has not said that concerns about deliverability are the reason for the decision. He has not owned up to the truth of why the SNP is not going ahead with the local income tax, nor has he said what the Government will do with the money that was laid aside in the budget to implement the policy.

Mr Swinney says that he will not go ahead with the local income tax because the Labour Party and the Conservative party do not agree with it, but why will he not give the real reasons? The people of Scotland need to know the real reasons; they also need to know whether Mr Swinney intends to proceed with the agenda that Mr Adam put forward. People in Clydebanks in my constituency are suffering as a consequence of the settlement that has been put in place. The SNP council in West Dunbartonshire is proposing significant cuts in health, employment and community arts projects, in carer support and in services for elderly people that used to be delivered with supporting people money. All that provision has already been taken away or is about to be taken away as a result of today's settlement.

The SNP has produced a hit list of libraries, community centres, nurseries and other community services that are destined for closure. SNP councillors say that discussing that list amounts to scaremongering, but they published it. They said, "This is the list of proposed cuts that we are considering." It may be that some of those proposals do not go ahead because the council has factored in zero inflation—

The Deputy Presiding Officer: Could the member wind up, please?

Des McNulty: There is a fundamental element of dishonesty in what we have heard today from

the Government; it can no longer hold up its head with any credibility.

15:43

Shirley-Anne Somerville (Lothians) (SNP): It is vital that the Local Government Finance Act 1992 (Scotland) Order 2009 is passed today, so that local authorities across the country can access the record levels of funding that are being allocated to local government. A week is a long time in politics—that is particularly true of this week—and I welcome the Scottish Government's swift action to minimise the delay and insecurity that Opposition recklessness with the budget had created. Iain Gray said that we have until June to set budgets; let us hope that he is not so relaxed about timescales today.

The Opposition parties may have woken up late to the need to work together for the benefit of the people of Scotland, particularly at a time of financial crisis, but partnership working is what the SNP Government is all about.

Mike Rumbles: Will the member take an intervention on that point?

Shirley-Anne Somerville: I will develop the point slightly first.

The concordat signalled a new relationship with local authorities based on mutual respect and trust, by removing ring fencing and having greater flexibility, which has enabled councils to achieve their agreed outcomes, and by cutting red tape at a time of financial difficulties. That is to be welcomed rather than undermined.

Mike Rumbles: I understand why the SNP Administration has dropped the local income tax—it does not have a majority in the Parliament—so can the member explain why the SNP Administration has not dropped the independence bill for the same reason?

Shirley-Anne Somerville: We have heard in great detail about the £1 billion of cuts from the Westminster Government that we will be hit by. We will work with the Liberal Democrats on that when we consider public expenditure in future years. That is an issue that we will have to address as a party.

Today's debate is about the available budget for local authorities, which has risen under the SNP after it fell by almost 4 per cent under the previous Administration. Funding for local government is set to rise by more than 5 per cent, and I look forward to that funding being used to take forward key SNP policies to counter the impact of the economic recession—or is it depression?—and build a fairer Scotland.

One of the welcome measures is the £70 million being provided nationally to ensure that the council tax freeze is fully funded for a second year. Edinburgh had one of the highest rates of council tax in the country, and bills had increased by 44 per cent since 1997. With Labour's recession biting, a freeze for a further year is welcome respite for householders facing tight budgets across the city.

As its share of the financial settlement, the City of Edinburgh Council will receive an additional £44.8 million in revenue over last year's figure, which is a higher than average rise. I am delighted that, for the first time, Edinburgh will receive a capital city supplement of £3.5 million in recognition of the additional pressures on its budget as a capital city. I know that the former Labour leader of the council, Ewan Aitken, called for that for some time. His call fell on deaf ears within his own party, so I am sure that he and the other Labour councillors on the City of Edinburgh Council are delighted that the SNP Administration is more supportive of the city's claims than his own party was.

I am also delighted that the cabinet secretary has stated his intention to work with COSLA to review the way in which local government funding is calculated for future years to ensure that it matches need as fairly as possible. Like many authorities, the City of Edinburgh Council has faced a number of challenges. Showing staggering levels of incompetence, the former Labour administration in Edinburgh managed to run up overspends and run down reserves during times of plenty, leaving nothing for a rainy day. That irresponsible governance meant that when that rainy day came the cupboards were nearly bare. The SNP-Liberal Democrat coalition has been working hard together to get the finances back on track, but it is also facing the severe impact of the recession that is affecting us all. It is affected by massively reduced income from capital receipts and far higher bills. Efficiency cuts have been necessary in some circumstances, but the SNP Government has not only increased the share of the budget for local authorities but removed the bureaucracy from them, allowing savings made by departments to be kept and ploughed back into front-line services, not clawed back by central Government as under the previous Administration.

In Edinburgh, it is hard to take some of the Opposition claims about the budget seriously because it is so quick to spread ill-founded rumours about what is being affected. Last year, we had the sight of Wendy Alexander pictured next to the famous Jersey cow at Gorgie City Farm in Edinburgh, claiming that funding for the farm was being cut by a massive 75 per cent. I can think of another Jersey-related source of funding that had to be cut not long after that, but it

had nothing to do with that valued education resource that continues to go from strength to strength.

This year, we have had George Foulkes and Sarah Boyack up in arms about 2 per cent cuts in school budgets in the city. The only problem was that they had not been accepted by councillors and were never going to happen, but why let the facts get in the way of a headline and story? Labour's position on budget cuts shows staggering hypocrisy when its party is about to impose £1 billion of cuts on this Parliament. What impact will that have on the schools, voluntary sector and our national health service in Edinburgh and the Lothians?

These are difficult times, and I welcome the action that the Scottish Government is taking within its limited powers to work together with local authorities to mitigate the worst impact of the recession. I hope that the Opposition parties have stopped playing politics with Scotland's funding and will allow the order to be passed today.

15:48

Charlie Gordon (Glasgow Cathcart) (Lab): I applaud the demise of the proposed local income tax not just for administrative and political reasons but for constitutional reasons, because a centrally set so-called local income tax would have removed effective local democracy from Scottish councils.

Today's order will give Scotland's councils, when inflation and the council tax freeze money is taken into account, just over £80 million of new revenue support to deal with a host of new burdens sought by the Scottish Government within the ambit of the not very historic concordat. I say that it is not very historic not simply because it is still filed under "miscellaneous" on the Scottish Government's website but because the reality of implementing Government objectives under the concordat for £80 million is about to become a harsh one.

The order will fetter the discretion of councils, notwithstanding the demise of the threatened local income tax, by still providing for a council tax freeze and assuming minimum efficiency savings of 2 per cent. If councils feel that their share of the £80 million is inadequate, they will have very little room for manoeuvre.

It is not that efficiency in itself should be a daunting challenge for Scotland's councils. After all, some years ago, the Parliament imposed a statutory duty of best value on Scottish councils, unlike the rest of the Scottish public sector. Nevertheless, many of the efficiencies have already been found and yet there is relentless pressure on council budgets.

To be fair, some of that pressure will be eased by the £80 million. I was pleased to see the announcement in Glasgow today of an extra £2 million in each of the next three years to enable the council to recruit 1,000 extra apprentices. I salute Mr Swinney's swift implementation of Labour's amendment to the Scottish budget.

Other pressures continue to be felt in the system in Glasgow. The city's busy roads are pounded by heavy traffic while the grants system is based on road length rather than on traffic volume. Glasgow also has far more special needs school pupils than its revenue support allows for, and there are other pressures.

Mr FitzPatrick erroneously highlighted the revenue consequence of PPP schools as a pressure in Glasgow. In fact, the 29 schools that my council administration built under PPP between 2000 and 2002 enjoy 100 per cent revenue support, which was put in place by the previous Labour-led Scottish Government. That support will continue into the third decade of this century. Now I know why Mr FitzPatrick was not promoted in the recent ministerial reshuffle.

Mr Swinney will point to the joint review of local government finance between COSLA and the Scottish Government—I will say more about that in a moment—but I underline the point that Jeremy Purvis made: the discretion of councils has been fettered, leaving many of them to make not more efficiency savings but new cuts. The Scottish Government's insistence on permanent council tax freezes was originally intended to roll out the wicket for the introduction of the local income tax. That policy has now been ditched but the freeze remains—presumably because the SNP thinks that it is more popular than cuts in some local services. We will see.

Now, about that review. It is a zero-sum game, except for the non-domestic rates income. I ask members to reflect on whether the abolition of the cities growth fund and the introduction of Margo MacDonald's £3.5 million for Edinburgh were simply ad hoc steps. Given the significance of non-domestic rating income to the Scottish budget—it has grown by more than 5 per cent in the current year and is predicted to grow by around 2.8 per cent next year—why does Mr Swinney not provide an incentive for Scotland's cities to grow their economies through a larger non-domestic rating rebate with a floor and ceiling mechanism? That could lead to better budgeting and would be an even better response to the current recession.

15:54

Alex Johnstone (North East Scotland) (Con): Another day, another debate, and another Tory

initiative adopted by the Government. What an excellent day for the Conservatives. We must remember that it was a Conservative motion, back in December, that secured the necessary majority support to oppose the Government's proposals. I am delighted that action is being taken on the issue today, although it is an amazing move by the cabinet secretary to announce it at this point. These debates are usually boring, but, as he sat down, I could hear the sound of speeches being torn up all around the chamber as members put away their speeches from last year and started to think about what they were going to say about this year's budget and the speech that they had just heard.

It was interesting to hear from the cabinet secretary what his plans were. He announced that he was to end the policy of pursuing local income tax, which I believe is a sensible decision that should be commended. Of course, it is a pity that the policy has been dropped only for this session, but we live to fight another day. However, there are one or two things that I would like to know about what he has suggested.

The cabinet secretary has said that he will extend the freeze in council tax up to 2011-12. The Conservatives have been saying recently that the resources that had been allocated—around £280 million, I believe—to lubricate the transition to local income tax could have been used simply to cut the level of income tax, which would reduce the burden on people across Scotland. It is interesting that John Swinney announced the extension of the freeze at the same time as announcing the dropping—however temporary—of his local income tax policy. Is that £280 million, which he had allocated for the introduction of local income tax, still available, or is that the money that he has used to extend the council tax freeze until 2011-12? If the latter is the case, we can draw the conclusion that the real reason why ministers have dropped their local income tax policy is that, privately, the Government is aware of how expensive it would be to introduce the tax and agrees with the Conservatives that it simply cannot afford to do so.

The reform of local government taxation is a priority for the Conservatives and although our view on how that might be achieved might differ from that of the Government, we remain open-minded on how it can be achieved.

We also remain open-minded about how we can achieve a fairer distribution of tax across Scotland. I look forward to hearing more from the minister on that matter. The north-east of Scotland—in particular, Aberdeen City Council and Aberdeenshire Council—receives a distinctly smaller share of revenue support per capita than other parts of Scotland. I suspect that that is

because a redistributive mechanism is being used to take resource out of the area—with its higher average council tax payments and higher average banding—and place it in other parts of Scotland.

I want to discuss another issue that the Conservatives have spoken about for some time and on which we want there to be a little more Government action: the effect that some of the reduction in revenue has had on the north-east, particularly in relation to schools in Aberdeenshire.

Ten days ago, an article in a Sunday paper described at length the problems that are being faced by many schools in Scotland. Apparently, 134 schools have been classified as grade D, which means that they are economically extinct. A breakdown of the figures showed that 37 of those schools had been or were about to be replaced and that 12 of them were due to be replaced in 2010 to 2016. The breakdown also showed that there were no plans to do anything with 85 of them. It is worrying that 45 of those 85 schools are in Aberdeenshire, including Glenbervie primary school in Drumlithie, where I received my primary education, where my children received their primary education and where the first of my grandchildren is now a pupil.

Mike Rumbles: Does Alex Johnstone agree that it is good news that Aberdeenshire Council is, out of its own funds, replacing 15 of the primary schools and one of the academies that need to be replaced? It needs £200 million to replace five academies, and that money needs to come from the funding stream for the Scottish Futures Trust.

Alex Johnstone: I am aware that Aberdeenshire Council is making a great deal of effort to deal with the problem. However, this long-standing problem—which developed on the watch of the Liberal Democrats on the council and in the Government in Edinburgh—must be addressed by dealing with a much broader problem. That is why I call on the Government to address the issue of how it will provide finance for local authorities in the north-east, first, to allow them to develop schools as required, and, subsequently, to put in place a funding mechanism that will allow them to get their hands on the capital that is needed. The Scottish Futures Trust does not appear to be delivering, and we need a more broad-minded approach to how that finance can be delivered.

16:00

Nicol Stephen (Aberdeen South) (LD): I will put the case for a fair funding deal for the city of Aberdeen. The facts make a powerful case, and we should consider the figures. If Aberdeen received the Scottish average funding support, it would get more than £60 million extra per year; if it received the same as the city of Dundee, it would

get more than £100 million extra; and if it received as much as Glasgow, it would get more than £160 million extra each and every year. Aberdeen's total revenue grant funding comes to about £360 million, which would rise to more than £520 million per year—more than 45 per cent extra every year—if it got the same as Glasgow.

I know that there is significant deprivation in Glasgow, but there are pockets of significant deprivation in Aberdeen, too. If deprivation was the only issue, we would end up giving all the money to deprived areas and little or nothing to the others. The truth is that essential services such as education and child protection simply cannot be run on fresh air. When the gap between the poorest council and the richest council becomes too wide, something has to give.

Shirley-Anne Somerville: Will the member take an intervention?

Nicol Stephen: In one second.

Aberdeen City Council—the poorest-funded council of all—has reached that point. Members should be in no doubt that, in the past two years, the situation has become worse. According to information from the Parliament's information centre, Aberdeen now gets just over 83 per cent of the average local government funding in Scotland. That is the lowest funding that the city has received in the past decade; under the previous Government, its funding was never less than 86 per cent of the average.

Shirley-Anne Somerville: What did the member do about that anomaly when he was a minister—indeed, he was Deputy First Minister—in the previous Administration?

Nicol Stephen: I have consistently fought for a fairer funding deal for Aberdeen. As I have emphasised today, the situation is at its worst point in 10 years. Not only is the council the poorest funded in Scotland, it is being forced to make widespread cuts, amounting to £50 million last year and more than £25 million this year. The services that are affected include child care, social work and education.

I will quote from two e-mails that I have received in the past 24 hours. One says:

"I have just attended an emergency school meeting for Cults primary, at which we parents were informed that the number of pupil support assistants at the school was to drop from 26 to 16."

The other e-mail says:

"My son has a pupil support assistant. He has Asperger's and ADHD. He is doing well in school because he has a pupil support assistant, and is an example of the fantastic work that they do with kids. I'd like you to raise this issue with the education secretary, as I believe the actions of the council may be illegal under the Additional Support for Learning Act 2004."

Members will note the real anger and tension that the cuts have created. The interim chief executive of Aberdeen City Council, Robert Coomber, prepared a document that contained more than 300 pages of cuts. The new chief executive, Sue Bruce, has been very well received, and she is already making a positive impact. However, the simple message is that she and the councillors who are battling with a lack of funding need support from the Government.

So far, there have been meetings with John Swinney and a welcome agreement to shift some one-off capital funding to revenue funding, but there has not been a penny of extra cash. The minister says that he cannot change the funding formula, but he has found extra cash for Edinburgh. Edinburgh, which is the second most poorly-funded council in Scotland, gets millions extra, but Aberdeen, which is the most poorly funded, gets nothing.

Instead, we are promised a review, which is to report in 2011. On the face of it, that is encouraging, but reviews are like share prices—money can go down as well as up, and there are losers as well as winners. So far, we have had no comfort from the minister or from COSLA that the review will lead to a single extra pound or penny for Aberdeen. I ask the minister to correct me if I am wrong about that.

The omens are not good. COSLA has set up a review group, but not one councillor on the group comes from the north-east. Worse, I am told that there is little support for the review. It is little surprise that the Labour group does not support it. The Labour Party has consistently blocked any review of local government funding both in COSLA—which, as we know, Labour dominated until proportional representation was introduced for local government—and in government.

Andy Kerr: Would the member care to share with us how much money changed hands as a result of the 32 reviews that took place of local government finance? It was very little.

Nicol Stephen: I emphasise my point. The Labour group does not support a review, and I am told that the SNP group does not support one. Currently, only the Liberal Democrats support a review. If that information is in any way inaccurate, perhaps the parties will clarify their positions in this afternoon's debate. The Liberal Democrats support a review and more funding for Aberdeen and Aberdeenshire.

I was pleased to see a chink of light in last night's Aberdeen *Evening Express*, in which Brian Adam suggested that he supports a fair deal for Aberdeen and said that he will press the case with John Swinney. I welcome that, and I believe that all the constituency MSPs who represent

Aberdeen share that view. I hope that we all feel sufficiently strongly about the matter to show our support for a fair deal for Aberdeen by voting against the unfair and unacceptable local government finance settlement this afternoon.

16:07

Joe FitzPatrick (Dundee West) (SNP): I welcome the debate and the decisive action that the Scottish Government has taken to bring forward the order swiftly. That is the action that local authorities and the public expect from the Government, and it contrasts with the actions of elements in the Parliament who held up the order by delaying their support for the budget. However, last week, we witnessed full support for the budget from the vast majority of MSPs, which will allow the Scottish Government to provide record levels of funding for local authorities and resources for a real-terms cut in council tax bills for households throughout Scotland.

Between 2002 and 2007, Scottish Executive expenditure on local government as a proportion of the total budget fell by almost 4 per cent. In stark contrast with the actions of the previous Administration, which resulted in crippling council tax rises for families in every member's constituency—

Andy Kerr: Does the member agree with the figures that were provided to me by the Parliament? They show that, in the spending review under Labour, the proportion of the Scottish budget that went to local councils was 34.5 per cent, but that under the SNP Administration's spending review, the proportion is 33.5 per cent.

Joe FitzPatrick: I can confirm to the member that, over the years of the previous Administration, the allocation that went to local authorities went down year on year, whereas under the current Administration the allocation has gone up. In stark contrast with what happened previously, it has risen as a share of the total budget.

The Government will increase the local government financial settlement by 5.1 per cent next year, which will mean a £600 million increase, to ensure that councils can provide the services that our communities need. No wonder we have Labour councillors thanking God for the Administration. They do not need to thank God; they just need to thank John Swinney.

This year's local government finance order includes a 4.24 per cent increase in the revenue that is allocated to Dundee City Council, which is a real-terms increase of 2.67 per cent. That increase in funding will ensure that we can provide more services, such as free school meals for primary 1 to primary 3 pupils, fully funded free personal care, and five new schools, at the same time as

ensuring that council tax rates stay frozen for a third year. That is welcome news for my constituents and those of my colleague in Dundee East, Shona Robison.

Jeremy Purvis: During the budget debate, the member repeatedly said that it was impossible to reduce tax under a fixed budget. The cumulative effect of a £70 million annual council tax freeze over four years is £700 million. What is the SNP cutting from the budget to pay for that?

Joe FitzPatrick: The cost in this budget is £70 million, which is in stark contrast to the £800 million that would have been required to deliver a 2p income tax cut. That would have been difficult to deliver without swingeing cuts in public services at a time when we need to support those services.

The view that the freeze is good news is held not only by SNP members. The Labour-Tory coalition that currently runs Dundee City Council has announced a council tax freeze for the people of Dundee. The Labour leader of the council, Kevin Keenan, has stated:

"I want the people of Dundee to be confident that they will not have to find any more money to pay for their council services in the coming year."

On a day when we have heard the worrying news that the UK economy is forecast to shrink by 4 to 6 per cent in 2009, my constituents can be reassured that they will again be spared the annual increase in council tax.

I bet that many council tax payers elsewhere in the UK wish that they had a Government with John Swinney at the helm of its finances—one that could deliver a council tax freeze. The average Dundee household will save £120 next year thanks to the council tax freeze. I welcome the cabinet secretary's announcement that not a single penny will be added to council tax bills in the following year and his further commitment to work with local authorities to ensure that that continues until the end of this session of Parliament and into 2012. That positive news will be welcomed throughout Scotland.

The council tax freeze was possible only because of the co-operation of local authorities. Councils of all colours put the "historic" in the historic concordat when they put aside party politics for the good of the people of Scotland. Every single council signed up enthusiastically. It is a pity that Scottish Parliament colleagues cannot be as pragmatic and deliver what the people of Scotland consistently demonstrate they are in favour of at the polls: a fairer local income tax that is based on the ability to pay, rather than the hated council tax, to which the Opposition parties have no realistic alternative.

In 2007, I campaigned for the abolition of the council tax and the introduction of a fairer local

income tax that is based on the ability to pay. I will be pleased to campaign for that again in 2011. The process of moving to a local income tax that is based on the ability to pay and set at 3p in the pound would represent the biggest tax cut in a generation. The decision of the Westminster Government to cut our budget by £500 million per year for the next two years makes it impossible for any finance minister, even one as talented as John Swinney, to deliver such a sweeping tax cut. That, coupled with the closed-mindedness of the Labour and Tory parties, prevents the introduction of a fairer system for Scots. I look forward to a more pragmatic Parliament after the people of Scotland have passed their judgment on us in 2011.

16:13

Helen Eadie (Dunfermline East) (Lab): I can see the headlines tonight: "SNP drop the poll tax". That is about hiding the incompetence behind the local government proposals. It is about the humiliation, the failure and the staggering incompetence of the Government. It is about the direction of policy in Scotland, which is now in chaos. It is about amateurs playing at running Scotland. Scotland deserves and needs better. Just when Scotland needs action most, in the teeth of a global economic crisis, the SNP procrastinates again and again, on public building, on schools, on teachers, on the skills strategy and now on local income tax. It is not good enough for the SNP to say that it has listened. It has dug in its heels for two years. It is incompetent and simply not up to the job. This is the second huge failure in two weeks by the SNP in general and by John Swinney in particular. Contrary to what other members have said, the SNP's flagship policy, like all its other promises, is now in ruins.

On the leadership contest for the SNP, Alex Salmond said:

"If nominated I'll decline. If drafted I'll defer. And if elected I'll resign."

He stood for the leadership.

In *The Scotsman* in 2007, Alex Salmond said:

"I'm not in the business of picking fights with Westminster."

He has constantly picked fights with Westminster.

On being an MP, Alex Salmond says in his entry in the register of members' interests:

"I consistently rank in the top ten hardest working Scottish MPs".

According to the theyworkforyou.com website, he has spoken in just one debate in the past year.

On quangos, Alex Salmond said:

"It is our intention, in the course of this Parliament, to

reduce the number of quangos and government agencies in Scotland by a quarter."

By November 2007, the Government had created 24 new quangos.

Those are broken promises—I could go on, but I will not.

I was in local government for 13 years, so I speak with knowledge on this issue. I was depute leader of Fife Council and was also its roads and transportation spokesperson.

I am making a little bet with myself this afternoon. So far, the Tories have got through their speeches without talking about Gordon Brown's recession, but when David McLetchie gets up to speak, I bet that he will mention Gordon Brown's recession. I hope that he will put on the record the fact that it is also Angela Merkel's recession, or Nicolas Sarkozy's recession. As we all know, we are in the face of a global recession and global credit crisis.

Derek Brownlee: Ed Balls said that the recession will be the worst for 100 years and that it might last for 15 years. Is that not a pretty bad example of a recession?

Helen Eadie: I would not want to be living under Margaret Thatcher or even David Cameron when it comes to dealing with a recession. I know who I want as our leader: Gordon Brown. He is the man who can help us to move forward.

I return to the issue of the standstill budget and the 5 per cent increase. In a debate last year, when John Swinney announced an indicative capital budget of £993 million, Jeremy Purvis said that that was a budget cut. We now know that capital investment in schools, roads, housing and flood prevention measures will be only £944 million. Even that figure has a question mark over it, given that the Government is grappling with how to finance the new Forth crossing. The new bridge was to have been an iconic project, but it has been demoted to a Tesco value bridge. Perhaps the SNP will splash out and paint the bridge in the blue and white colours of the Tesco value design.

On 14 January, *The Herald* said that the three biggest city authorities—Aberdeen, Glasgow and Edinburgh—faced a £150 million black hole. Fife Council, too, has a massive black hole in its budget. It is having to look again at its energy costs. At our last briefing with Fife councillors, in the office of the council's chief executive, we were told that the money that the council had stored away in balances will disappear like snow off a dyke to pay for increases in its energy costs.

Fife is where I come from. I am privileged and honoured to represent it. We need to look at the cuts that are hitting home in Fife.

Joe FitzPatrick: Will the member give way?

Helen Eadie: No. I have only a couple of minutes and it is important that I get this on the record.

I want to give examples of the cuts that the people in my constituency face. Over the past week, I have been at two public meetings. On Monday night, nearly 100 people turned out in the snow and ice in Cardenden, but SNP and Liberal Democrat councillors did not even have the grace to turn up and hear the views of the people they represent. The meeting was about cuts to cemeteries budgets in Fife. In every single budget year, the soft targets are areas such as planning fees and cemetery charges, both of which always go up. The Lib Dem and SNP administration in Fife is putting families in a situation in which they are seriously talking about having to exhume the bodies of their dead and bury them in their back gardens. Councillors are not listening to the harsh reality of life for people—a reality that has been caused by their policies and cuts. John Swinney and Alex Salmond need to talk to the accountant who they have in leadership in Fife Council. He is not a caring politician, but someone who is ruled only by what a balance sheet says.

When Labour was in control in Fife, we always valued social work policies. If there was an overspend, we ensured that social work got its money. When we were in control, we put money on balance every year. The SNP cannot tell the Labour Party that we do not have the right values. We have the right values. The people who we represent need social work, education and other services, all of which are being cut by the SNP and Liberal Democrats in Fife.

16:19

Dave Thompson (Highlands and Islands) (SNP): Obviously, it is essential that the order goes through this afternoon. The councils need it to set their budgets; they cannot do that without the order. It is just one week late, despite certain people playing politics with the lives and jobs of others. I hope that they have learned their lesson—mind you, I think they shocked themselves when they blocked the budget. What a performance from Labour, the Lib Dems and the Greens. It was reminiscent of the American vaudeville and comedy act of the mid-20th century whose hallmark was slapstick comedy—no, not Tavish, Iain and Patrick, but Larry, Moe and Curly-Joe, the Three Stooges.

Accusations of councils being short changed are way off the mark. Between 2002 and 2008, local government expenditure fell almost 4 per cent as a proportion of the total budget, from 32.69 per cent to 28.92 per cent.

Andy Kerr: I do not dispute the fact that that budget line fell, but it did not fall as far as the line in the SNP's budget for the next three years, which is less, in percentage terms, than in the previous spending review. Less money is going to local government. Those are the statistics.

Dave Thompson: The fact is that local government's budget share fell from 32.69 per cent to 28.92 per cent of the overall budget. Next year, it will be sitting at 33.5 per cent of the overall budget. That is a huge improvement in anybody's terms.

I will set out just some of the increases. There is £40 million extra for free personal care; £42 million extra for police and fire; and £18 million extra for teachers' pensions. Highland Council's revenue support grant is up by more than £20 million. To be exact, it is up by £20.248 million, or 4.3 per cent. That increase in revenue support grant to Highland Council is well over inflation.

The planned budget for Highland Council is going up from around £575 million to £598 million. That is an increase in its budget of £23 million, or 3.96 per cent.

Despite the real increase in Highland Council's budget, the Lib-Lab led council conspires to blame the SNP Government for all its problems. Andy Kerr mentioned a certain David Alston, a Highland councillor, but he did not tell us that Mr Alston is the Liberal Democrat budget leader of the council and so is politically biased.

Andy Kerr: Unlike yourself.

Dave Thompson: Unlike myself, absolutely. Mr Alston has created headlines such as

"Where the axe will fall",

"Teachers face axe as council cuts its costs"

"Union raises concerns over council cuts"

and

"Gum bust machine lying idle".

That last headline is the story of a specialised high-pressure, chewing-gum-removing machine that was lying idle even before the cuts, because of a lack of staff to operate it. According to Mr Alston, all those things are the fault of the SNP Government.

Highland Council has chosen to highlight reductions in teacher numbers—many posts were already vacant but, nevertheless, there are serious reductions in teacher numbers—and in community and adult education. What Mr Alston and Mr Kerr do not tell us is that of the £13 million of cuts that Highland Council claims it has to make, a lot are to do with the downturn in the economy. For instance, there is a £592,000 reduction in income from planning fees; a £345,000 increase in

electricity costs; and an increase in the landfill tax that Highland Council will have to pay to the Labour Government in London of £733,000. Those are all things that have been caused by Mr Kerr and his Labour Party, be it here or down in London.

Mr Alston and Mr Kerr do not tell us about the growth in Highland Council's budget. It is actually spending £785,000 on a new Highland archive—extra revenue costs. It is spending an extra £1 million on home care; an extra £250,000 on extra foster and kinship care and an extra £750,000 on extra community care. Those are all extra spends. With the Highland archive alone, 17 new jobs will be created. Rather than having cuts all the way, new jobs are being created in Highland Council. Mr Alston and Mr Kerr do not tell us that.

Highland Council's education budget, which is supposed to face all the cuts, has risen from about £217 million to £233 million. That is an increase of £16 million, which is 7.2 per cent. If that budget has risen by 7.2 per cent, why does the council have to get rid of teaching posts? The answer is simple—the reason is PPP. For next year alone, the council must set aside about £4.5 million to cover the extra costs of the PPP/PFI schemes that it has entered into with the private sector. Such costs will be a continuing problem for all councils that have made those contracts.

Andy Kerr rose—

Dave Thompson: I do not have time to take an intervention.

There we have it—new PPP/PFI schools cost teachers' jobs. If we add the extra cost of PPP, which represents 37 per cent of the so-called cuts, and the growth, which represents more than 20 per cent of the so-called cuts, that shows that 57 per cent of the so-called cuts are growth or problems that Mr Kerr's party caused. The balance results from the downturn in the economy.

So, guys—waken up, listen to the facts and get used to reality.

16:26

Alison McInnes (North East Scotland) (LD): The debate has been interesting and we have heard an interesting announcement that we did not expect. Lots of statistics have been thrown around; the figures that Dave Thompson cited were particularly selective.

Dave Thompson: Will the member give way?

Alison McInnes: No; I have only just started.

Whether we have too many councils has been debated recently, but that question is less important than asking whether our local government is truly free to govern locally. Local

government should have sufficient autonomy and resources to be free to respond to local needs while recognising that it has a key role in helping to address urgent national agendas. A tension between those aspects always exists, but achieving the right balance is important for our communities.

Have the changes that the SNP introduced, such as the concordat, the removal of ring fencing, shifts in budgets, the council tax freeze and single outcome agreements, lived up to the hype? Are we in a new era of respect for local councils? Can councils get on and do what is needed for their communities? I do not think so. On the one hand, councils must provide adequately for needs-led local services such as home care and special educational needs support and, on the other hand, councils are still being pushed to deliver uncoded and unrealistic SNP election pledges. That all takes place in the face of what has become a council tax freeze of indefinite duration. The SNP's retreat today on local income tax is another muddle.

More than 40 specific grants disappeared last year. The removal of ring fencing was intended to make council budgeting more flexible, but we know that it made budgeting harder for some voluntary bodies. As Jeremy Purvis said, it also created problems in waste management and flood prevention.

There has been a deal of confusion about what is and is not in the concordat. Councils have waited for almost two years with growing frustration for clarity about the Scottish Futures Trust. Meanwhile, school buildings and swimming pools continue to deteriorate; year groups progress through schools; and communities wonder when the Government will help councils to tackle some of the big capital headaches. Prudential borrowing and small increments in capital allocations are insufficient. Councils were insulted by the constant reiteration by the former Minister for Schools and Skills that they had extra capital and that they should just get on and build schools. I am therefore delighted that, as Jeremy Purvis said, the Liberal Democrats challenged that and secured continuing annual revenue support for school building.

As Helen Eadie said, like businesses and households, councils have faced particular pressures in the past year because of rising fuel costs. Those pressures were compounded by reducing revenues from planning fees and land sales.

Several north-east members have pointed out the problems that the grant allocation system presents for Aberdeen and Aberdeenshire, and Nicol Stephen made an impassioned plea on Aberdeen's behalf. I have supported the fair share

campaign since its outset. The previous Administration started—albeit painfully slowly—to turn around the situation and the two north-east councils were edging towards receiving a fairer share of the Scottish budget. Sadly, that position was reversed last year, when Aberdeen City Council and Aberdeenshire Council received the worst settlements that they have ever had, which represented 85 per cent and 88 per cent of the Scottish average. That is grossly unfair. The fair share campaign asks for three things: opening of the grant distribution debate at COSLA and Scottish Government level; introduction of a floor for aggregate external finance per head of population; and simplification of grant distribution and allocation under grant-aided expenditure. The debate has started. As Mr Swinney said, a COSLA working group has been set up, but I am concerned about the pace of its work. I would like to see a concerted effort to tackle the unfairness in the current system. It cannot be right that last year Aberdeenshire received 13.4 per cent less than the Scottish average—such variation is too great.

The drop in share is a consequence—perhaps unintended—of the removal of ring fencing. If we look at previously ring-fenced funding, last year Aberdeenshire received 41.5 per cent less than the Scottish average. I accept that this year's figures show a little movement, but it is minimal.

Dave Thompson: Will the member take an intervention?

Alison McInnes: It would be helpful for members to have the opportunity to understand the large amount of information that we have from the north-east, as there has not been a great deal of understanding so far.

The GAE process must be simplified. Currently more than 100 indicators are used, several of which are seriously flawed. About 66 per cent of expenditure is determined by only 12 indicators. The existing grant system, which has been in place, with a few modifications, since the 1970s, was designed to meet the needs of larger regional councils. At that time, ups and downs in individual criteria could be ironed out over the piece and the gearing effect was not so extreme. The indicators are no longer fit for purpose and must be comprehensively reviewed. New criteria should target the main areas of spending need in councils; we should use indicators that are intuitively as well as statistically and logically valid. I have heard it suggested in COSLA that that is too difficult and that there would be winners and losers, but there are losers at the moment, without any justification.

Joe FitzPatrick: Will the member take an intervention?

Alison McInnes: I am in the last minute of my speech.

We know that public spending will be squeezed more in the next few years, so it is vital that everyone gets a fair share. In the meantime, those few councils that receive less than 90 per cent of the Scottish average—there are only five of them—should not be allowed to slip further back. I call on the cabinet secretary to give them some assurance. If a floor of 90 per cent of the Scottish average were agreed, it could be funded from underspends. The cabinet secretary does not need to wait until the review has been carried out—he can help Aberdeen and Aberdeenshire now.

We will not block the Local Government Finance Act 1992 (Scotland) Order 2009 today, as councils need certainty of funding. However, there are legitimate concerns that need to be taken on board.

16:32

David McLetchie (Edinburgh Pentlands) (Con): This debate is consequential on Parliament's approval of the budget last week. The Labour Party voted for the budget, but one would not think so based on Labour members' speeches today. If we look at the details of the funding allocations that we are debating, we find that little has changed compared with the provisional allocations that were announced in December.

One change is the allocation of £3.5 million to the City of Edinburgh Council by way of a capital city supplement, to which Shirley-Anne Somerville referred in her speech. I trust that now that Edinburgh has received additional money from the SNP Government, the SNP-run council will stop closing schools in my constituency.

Another change is the increase in revenues that are forecast to be raised from business rates, notwithstanding the generous reliefs and exemptions from rates for small businesses that have been entrenched thanks to the efforts of the Conservatives and the SNP. However, it is fair to say that 2009-10 may be a zenith for receipts from that source. So as not to disappoint Helen Eadie, I point out that, as the impact of Labour's recession—the worst for 100 years—bites on the Scottish economy, it seems inevitable that more businesses will fail, more shops, offices and factories will empty and, consequently, receipts from business rates will fall.

However such volatility in receipts is nothing by comparison with the volatility that would result from substituting a local income tax for the council tax. That fundamental flaw has led to the U-turn that Mr Swinney announced today—Mr McNulty and Mr Kerr were quite right about that. The

demise of local income tax has nothing to do with parliamentary arithmetic or Treasury cuts; it has died because the SNP plan was legally incompetent, economically illiterate and a financial disaster for council services. During the consultation process, it was condemned by every business organisation in Scotland. Is it not interesting that Mr Mather is making one of his rare appearances on the front bench on the day when local income tax dies, so that he can at last hold his head up high among the business organisations that have condemned his ideas as nonsense?

Jeremy Purvis: Will the member give way?

David McLetchie: I am sorry, I have to move on.

Local income tax might have died, but the £281 million of efficiency savings that we were promised would fund it are still there. Perhaps we can use that money, which Mr Swinney assured us time and again was on the table to fund his plan, to help finance the reform of the council tax. For example, why not give every household a council tax rebate? Why not introduce a council tax discount for pensioners? That has been ably advocated by not just the Conservatives, but the new minister for housing, Alex Neil. Now that he has kissed hands with the First Minister—having kissed everything else over the past two years—now is the opportunity for that brilliant idea to be brought forth and for us to use the money to create an effective reform of council tax, around which the Parliament can unite to produce a better system for the people of Scotland.

One of the other things that I have been pushing in the Local Government and Communities Committee is the need to address the financial problems relating to single status agreements and the resolution of equal pay claims against councils. That is a serious problem, which has not so far been adequately addressed. I was interested to note from our researches that Councillor Watters, the president of COSLA, told the Parliament's Finance Committee last year:

"the cost of implementing the Single Status Agreement and introducing equality proof pay and grading systems is of an order previously unheard in Scottish local government ... As you will be aware Scottish local government has received no specific funding to deal with this specific pressure and unlike England and Wales has not been granted the flexibility to use capitalisation".

To give members an idea of the sort of financial pressures that councils can be under, I mention that the City of Edinburgh Council advised MSPs at a briefing the other week that, if certain claims lodged on behalf of administrative grades of staff proved successful at tribunal, it would cost the council about £30 million. That is against a backcloth of the council's reserves only now being

built back up to £10 million. It does not take a genius to work out that, if such claims go against Edinburgh and other councils, there will be a huge funding gap to be bridged, for which there are no reserves in place in the treasuries of councils the length and breadth of Scotland.

How is it that the leaders of our councils could negotiate a historic concordat that made no provision for such budgetary pressures because they were regarded as historical? It is a disgraceful situation that has been confirmed in evidence to the Local Government and Communities Committee and, unless we resolve the problem, I fear that there will be serious service cuts. I make no apologies for repeating a view that I have expressed in the chamber before: councils have placed themselves in a financial and policy straitjacket as a result of the concordat, an agreement that they will come to rue. Their leaders have sold the pass for what will turn out to be illusory budgetary freedoms, given the commitments that they have made and the plethora of outcomes to which they are now committed—Mr Purvis helpfully told us that those number 3,599—in respect of which councils have wholly failed to negotiate the requisite financial flexibility. Equal pay is but one example of that; free school meals and class size policies are others. In approving today the grant settlement for next year, the Parliament should not be blind to the serious difficulties that lie ahead.

16:39

David Whitton (Strathkelvin and Bearsden) (Lab): Where do we start? This morning's papers carried the full story of the comings and goings of the First Minister's reshuffle—who's in, who's out. When I heard that there was a reshuffle going on, I feared for one moment that the Cabinet Secretary for Finance and Sustainable Growth's jacket might be on a shaky peg. After all, he managed to lose a budget debate—a first for the Parliament; a unique achievement. But then, he could hardly be asked to take the full blame, as his chairman, the First Minister, was just as culpable in the fax wars with the Greens. After all, the First Minister is not going to sack himself, despite empty threats in the papers, and he could hardly fire the man whom he relies on for financial management, whom he leaves to do his dirty work, who takes the flak on the much-derided Scottish Futures Trust and who today sneaked out the astonishing announcement that the local income tax policy has been abandoned.

My colleague Des McNulty reminded us of what the First Minister and Mr Swinney have said about local income tax. The SNP said in its manifesto:

"We will scrap the unfair Council Tax and introduce a Local Income Tax set at 3p."

I presume that the SNP will lift that line and copy it into the manifesto for 2011, so that Joe FitzPatrick can wander round the streets of Dundee West and explain to the people who elected him on that promise why it is still there. His problem will be that the good people of Dundee West—my parents are among them—will not be fooled for a second time.

How can we trust a First Minister who said that he is not in the business of picking fights with Westminster but who uses Westminster as an excuse for dropping his flagship policy? It is worth repeating what he said at First Minister's question time on 21 June 2007. We have heard it already, but it is worth hearing again:

"We support a local income tax ... To paraphrase somebody from a few years ago: you turn if you want to; this Administration is not for turning."—[*Official Report*, 21 June 2007; c 1007.]

I see that Mr Mather and Mr Swinney see the funny side of that—I am glad.

We know now, and the people of Scotland know now, that the policy direction of the SNP Government is in utter chaos, as Helen Eadie said. Labour members have argued for a long time that local income tax would not work. The Scottish Trades Union Congress, the Confederation of British Industry Scotland, the Federation of Small Businesses in Scotland and a host of other organisations, including a small one called the Scottish Conservative and Unionist Party, agreed with us.

Perhaps we could ask Mr Swinney to publish the minutes of Cabinet meetings in the period up to the historic decision to abandon the policy. If he did so, we might find out whether the intervention of the SNP's three major donors—Brian Souter, Sir Tom Farmer and Donald Macdonald—caused such a dramatic change of policy.

David McLetchie mentioned the reshuffle. I take the opportunity to congratulate Alex Neil and Keith Brown on their promotions. Members of the Finance Committee will miss Alex, although our convener Andrew Welsh might not miss him, because he might now be able to get a word in edgeways. We will miss Alex Neil's unique and never boring contributions to debates on financial matters. It will be interesting to watch the jostling among his colleagues to fill his regular slots on "Newsnight Scotland", STV and BBC radio—I apologise if I have missed media outlets on which he is a regular. It is interesting to note that Messrs Neil and Brown, who are arch supporters of local income tax, will now be bound by collective responsibility. I presume that they support the astonishing move to abandon the policy—unless, of course, they have done the decent thing and resigned already.

I have no doubt that the SNP press team will have ready a press release that praises the Cabinet Secretary for Finance and Sustainable Growth for securing a second year of zero per cent council tax increase and for dropping local income tax. However, hidden beneath the headlines will be the true story of the effect that the zero policy is having on council services throughout Scotland. The concordat that was signed with COSLA was historic, but not for the reasons that Mr Swinney put forward.

Dave Thompson: Will the member give way?

David Whitton: No doubt Mr Thompson will tell us why the concordat was historic.

Dave Thompson: Does Mr Whitton regret the 62 per cent increase in council tax during his party's period in government? Does he welcome the freeze in council tax for the next two years?

David Whitton: Mr Thompson keeps his ear close to the ground, so I am sure that he knows that the council tax freeze is causing all the cutbacks in the Highlands.

The concordat that was signed with COSLA is historic, but not for the reasons put forward by Mr Swinney. It is historic because, as a result of his refusal to listen to what council leaders tell him about the difficulties that he is causing for them, schools are being closed, new schools are not being built, teachers are losing their jobs and not being recruited to fill vacancies, front-line social services are being hit and roads are not being repaired.

The concordat was the creation of Mr Swinney and his colleagues. To get his zero increase through, Mr Swinney has held a £70 million gun to the heads of local authority leaders. Anyone who does not comply does not get a share of the £70 million. That is the equivalent of a 3.2 per cent council tax increase.

SNP ministers want to pretend that it is a battle between those who want the freeze and those who do not, but it is not. I am sure that everyone would like to pay less in council tax, but people also want their bins to be emptied, want their children to get a good education in a modern, well-equipped school, want the elderly and infirm to get proper care, want to enjoy good local leisure facilities and want to have well-maintained roads and pavements. Mr Swinney insists on a council tax freeze that he says he will keep going for at least the next two years, so it is up to him to ensure that councils are given enough money to implement the freeze and maintain those vital services.

At our previous debate on the local government settlement in December, I mentioned my local authority, East Dunbartonshire Council. I am sure

that Mr Swinney has heard from the SNP opposition there that the Labour-Conservative minority administration will recommend a zero increase at its budget meeting tomorrow. Before he gets carried away with that decision, I must tell him that it comes with a health warning: council leader Rhondda Geekie and her Conservative deputy Councillor Billy Hendry have already warned that, as a result of a zero increase in council tax, difficult decisions will have to be made. They include making savings in education and social work spending, reducing extra services that the council currently provides and reducing some jobs, although efforts will be made to redeploy staff rather than make them redundant.

During the debate, we have heard that the decisions that East Dunbartonshire Council is taking are not unique. There will be a budget squeeze for local authorities. It is a Swinney squeeze—a direct result of making rash, unfunded promises and of the gap that exists between fiscal reality and the unreal world of SNP finances.

What of the speeches by SNP members? Brian Adam was the chief apologist for the SNP, but he is its chief whip. Amazingly, Shirley-Anne Somerville accused other parties of playing politics with Scottish funding. Goodness me—how is dropping a local income tax policy not politics? How does she describe it? Joe FitzPatrick made a brave but unsuccessful bid for Alex Neil's "Newsnight" slot.

Mr Swinney and the SNP will get their zero council tax increase through the Parliament, but that is no cause for celebration. They gave local government £70 million to support the decision last year, but there were still cuts to front-line services. They are giving the same sum to support the decision this year, with no allowance for inflation, no allowance for increases in energy bills and pay, and no proper funding of their policies on class sizes and free school meals. However, they still expect councils to make more efficiency savings. That will translate into poorer services for the public and job losses among local authority workers, which is the real price of the SNP's council tax freeze. Defeat in 2011 will be the price that the SNP pays for broken promises, because the people of Scotland will know, if they do not know already, that the SNP Government is just not working.

16:48

John Swinney: Perhaps the most illuminating remark in the entire debate was Mr Kerr's comment that the public were least impressed by Labour spin. That captured the mood of frantic communication by the Labour Party throughout the afternoon.

I will reflect on some of the contradictions in the Labour position, but first I will deal with some of the specific points that have been raised. David McLetchie said that councils have not been given consent to capitalise to deal with equal pay pressures. He should be aware that I have already provided Aberdeen City Council with the necessary support to attract Treasury consent for the capitalisation of certain aspects of the single status and equal pay claims, and that we are discussing a wider scheme for all councils with the Convention of Scottish Local Authorities. I hope that that puts his mind at rest on the issues that councils face.

Charlie Gordon made the point that we should allow cities to retain some of their business rates income and lamented the abolition of the cities growth fund. I point out to him that that fund has been incorporated into the local government settlement and is part of the baseline budget for the cities that historically attracted the funding.

On the retention of business rates income, one of the issues that will be examined in the Government's review of the distribution of local government funding is how we can incentivise business rates growth in local authority areas, perhaps through initiatives to retain income. As I said to Margo MacDonald in a previous debate, the tax increment finance model is predicated partly on that approach and will be considered by the Government as part of the distribution review.

Nicol Stephen made—both today and in the previous debate—a strong case for increased financing for Aberdeen City Council's services. He made clear his concern about the council's funding. I point out to him that, if we include Aberdeen City Council's appropriate share of the £70 million that has been allocated to freeze the council tax, this year's local government finance order will increase the council's revenue resources by 6.1 per cent. That compares with a Scottish average of 5.4 per cent. In this year's local government settlement, Aberdeen City Council is ahead of the Scottish average. Obviously, the situation in Aberdeen City Council is not just a one-year financial problem but has built up over a number of years. In my estimation, the city council is now tackling the problem diligently, in which it is ably assisted by its new chief executive.

Mike Rumbles: As a matter of principle, does the cabinet secretary accept Alison McInnes's point that no council—however much it does or does not get from the funding formula—should fall below a collar of, say, 90 per cent of the average? That would surely be fair right across the board.

John Swinney: That is not a characteristic of the current distribution formula. For the distribution of resources during the current spending review period, the Government opted to utilise the

distribution formula that we inherited from the previous Administration. Undoubtedly, Mike Rumbles has put forward a fair proposition. I encourage the Liberal Democrats to submit that proposition so that the Government can make it available to those who review the funding formula and ensure that the proposition is properly considered.

Duncan McNeil (Greenock and Inverclyde) (Lab): Will the cabinet secretary assure us that need will be paramount in any review? Need should certainly be placed above geography.

John Swinney: As Mr McNeil knows, need lies at the heart of the distribution formula. Realistically, no party in the Parliament would advance the proposition that need should not be an absolutely fundamental characteristic of the funding formula. However, such issues will need to be considered by those who review the funding formula, and by Parliament into the bargain. Mr McNeil's point will be considered in that context.

Alison McInnes: Given that only five councils in Scotland fall below the 90 per cent floor to which Mr Rumbles referred, does Mr Swinney agree that the issue could be dealt with on an ad hoc basis by using underspends? I understand that that would cost £100 million. In advance of the review, is the cabinet secretary willing to consider using year-end underspends to pull up those councils to 90 per cent of the average?

John Swinney: Alison McInnes will appreciate that the current distribution formula—whatever we might think of it—is broadly accepted by all elements of local government as the formula that the Government should utilise to distribute resources. Alison McInnes's suggested model of utilising in-year underspends, where they exist, would take us outwith that formula and significantly disrupt our predictable approach to local authority expenditure, which people expect to see.

Mr McNulty said that West Dunbartonshire Council will receive a poor settlement this financial year. I say to him that West Dunbartonshire Council has received a revenue increase of 6.7 per cent in this financial year compared with a Scottish average of 5.4 per cent. The local authority in his locality is therefore being well supported.

It would not be a debate on local government finance without discussion of the great share of public expenditure that is going to local authorities, which was falling when this Government came into office. Under this Administration, the share of the Scottish budget that is going to local government is increasing, when under the previous Administration it decreased.

Mr Adam made the point that the Labour Party has, during this and other debates, advanced the concept of increasing the amount of money that goes to local government, but it has never marshalled an argument about where the money should come from to provide that additional resource. The Labour Party could have advanced that material issue as part of the budget process if it was so concerned about this Government's proposals, but it chose not to do so. The Government has made choices to ensure that local government is properly funded and supported as a consequence of the decisions that we have made.

Andy Kerr: The cabinet secretary always makes much of the share, and during the debate I acknowledged that it fell under Labour. However, the point is that the average share under Labour was significantly higher, so more money went to local authorities than is the case under the SNP. The share is 33.6 per cent under the SNP, and it was 34.4 per cent under the Labour-led Administration, so local government is receiving fewer resources.

John Swinney: Mr Kerr's analysis ignores the inconvenient fact that the funding trend for local government as a share of the total Scottish block was quite deliberately reduced under the previous Administration. This Government has quite deliberately decided to reverse that trend and increase the proportion of resources that go to local government.

Much has been made about the local income tax issue in the debate. Mr Whitton made the frankly absurd point that the announcement was "sneaked out". This is a debate in Parliament. It is open for any member of the public to observe and for journalists to see. It is a public forum for us to make announcements to Parliament. If we had not announced it to Parliament, Mr Kerr would have been at the front of the queue, moaning about the fact that we had not announced our decision in the parliamentary chamber.

David Whitton: Will the cabinet secretary take an intervention?

John Swinney: I cannot resist the temptation.

David Whitton: Mr Swinney thinks that he did not sneak out the announcement—that will be why members of the media were sitting reading copies of his speech when he did not have the courtesy to place copies at the back of the chamber. That is what I call sneaking out.

John Swinney: Has Mr Whitton lost the capacity to listen to what ministers say from the front bench? That is an essential prerequisite for a member of Parliament.

Jeremy Purvis: Will the cabinet secretary give way?

John Swinney: I am afraid that I will have to close on this point.

The Government has openly set out to Parliament its approach to local government finance and taxation. We will set out how we will marshal the arguments to support local government and to ensure that we have fair local taxation, which will start with Parliament supporting the Government's motion and the council tax freeze that we promised.

Business Motions

17:00

The Presiding Officer (Alex Fergusson): The next item of business is consideration of business motion S3M-3420, 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 12 February 2009—

(a) delete

9.15 am Parliamentary Bureau Motions

and insert

9.10 am Parliamentary Bureau Motions

followed by Member's Oath/Affirmation - Anne McLaughlin

and (b) after

followed by Financial Resolution: Sexual Offences (Scotland) Bill

insert

followed by Appointment of Ministers—[Bruce Crawford.]

Motion agreed to.

The Presiding Officer: The next item of business is consideration of business motion S3M-3421, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Wednesday 25 February 2009

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Equal Opportunities Committee Debate: Unpaid Carers

followed by Justice Committee Debate: Community Policing Report

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 26 February 2009

9.00 am Parliamentary Bureau Motions

followed by Ministerial Statement: Financial Services Advisory Board (FiSAB)

followed by Stage 3 Proceedings: Disabled Persons' Parking Places (Scotland) Bill

11.40 am

General Question Time

12 noon

First Minister's Question Time

2.15 pm

Themed Question Time
Justice and Law Officers;
Rural Affairs and the Environment

followed by

Ministerial Statement: Skills Strategy

followed by

Scottish Government Debate:
Marine Bill Consultation

followed by

Parliamentary Bureau Motions

5.00 pm

Decision Time

followed by

Members' Business

Wednesday 4 March 2009

2.30 pm

Time for Reflection

followed by

Parliamentary Bureau Motions

followed by

Stage 1 Debate: Education
(Additional Support for Learning)
(Scotland) Bill

followed by

Business Motion

followed by

Parliamentary Bureau Motions

5.00 pm

Decision Time

followed by

Members' Business

Thursday 5 March 2009

9.15 am

Parliamentary Bureau Motions

followed by

Scottish Government Business

11.40 am

General Question Time

12 noon

First Minister's Question Time

2.15 pm

Themed Question Time
Finance and Sustainable Growth

followed by

Scottish Government Business

followed by

Parliamentary Bureau Motions

5.00 pm

Decision Time

followed by

Members' Business—[Bruce Crawford.]

Motion agreed to.

The Presiding Officer: The next item of business is consideration of business motion S3M-3422, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, to allow the Parliament to meet at 9.10 tomorrow and at 9 o'clock on Thursday 26 February.

Motion moved,

That the Parliament agrees—

(a) that "9:10" be substituted for "9:15" in Rule 2.2.3 to allow the meeting of the Parliament on Thursday 12 February 2009 to begin at 9.10 am; and

(b) that "9:00" be substituted for "9:15" in Rule 2.2.3 to allow the meeting of the Parliament on Thursday 26 February 2009 to begin at 9.00 am.—[Bruce Crawford.]

Motion agreed to.

The Presiding Officer: The next item of business is consideration of business motion S3M-3423, in the name of Bruce Crawford, setting out a timetable for stage 1 of the Scottish Local Government (Elections) Bill.

Motion moved,

That the Parliament agrees that consideration of the Scottish Local Government (Elections) Bill at Stage 1 be completed by 8 May 2009.—[*Bruce Crawford.*]

Motion agreed to.

Parliamentary Bureau Motion

17:01

The Presiding Officer (Alex Fergusson): The next item of business is consideration of a Parliamentary Bureau motion. I ask Bruce Crawford to move motion S3M-3424, on the approval of a Scottish statutory instrument.

Motion moved,

That the Parliament agrees that the draft Non-Domestic Rating (Petrol Filling Stations, Public Houses and Hotels) (Scotland) Order 2009 be approved.—[*Bruce Crawford.*]

The Presiding Officer: The question on the motion will be put at decision time.

Decision Time

17:01

The Presiding Officer (Alex Fergusson):

There are three questions to be put as a result of today's business. The first question is, that motion S3M-3419, the motion of condolence in the name of Alex Salmond, be agreed to.

Motion agreed to,

That the Parliament expresses its deep regret and sadness at the death of Bashir Ahmad MSP; offers its sympathy and condolences to Bashir's family and friends, and believes that as the first Scots-Asian Member of the Scottish Parliament, and a man of faith and dignity, his contribution to Scotland's democratic process and community relations over many years leaves a hugely positive legacy for all of Scotland.

The Presiding Officer: The second question is, that motion S3M-3386, in the name of John Swinney, on the Local Government Finance Act 1992 (Scotland) Order 2009, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (Aberdeen North) (SNP)
 Aitken, Bill (Glasgow) (Con)
 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)
 Brocklebank, Ted (Mid Scotland and Fife) (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)
 Gordon, Charlie (Glasgow Cathcart) (Lab)
 Grahame, Christine (South of Scotland) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Harvie, Christopher (Mid Scotland and Fife) (SNP)
 Harvie, Patrick (Glasgow) (Green)

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)
 Lochhead, Richard (Moray) (SNP)
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 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)
 McConnell, Jack (Motherwell and Wishaw) (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)
 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, 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

Stephen, Nicol (Aberdeen South) (LD)

ABSTENTIONS

Brown, Robert (Glasgow) (LD)
 Finnie, Ross (West of Scotland) (LD)
 Hume, Jim (South of Scotland) (LD)
 McArthur, Liam (Orkney) (LD)
 McInnes, Alison (North East Scotland) (LD)

Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 O'Donnell, Hugh (Central Scotland) (LD)
 Pringle, Mike (Edinburgh South) (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)
 Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Tolson, Jim (Dunfermline West) (LD)

The Presiding Officer: The result of the division is: For 99, Against 1, Abstentions 15.

Motion agreed to,

That the Parliament agrees that the Local Government Finance Act 1992 (Scotland) Order 2009 be approved.

The Presiding Officer: The final question is, that motion S3M-3424, in the name of Bruce Crawford, on the approval of a Scottish statutory instrument, be agreed to.

Motion agreed to,

That the Parliament agrees that the draft Non-Domestic Rating (Petrol Filling Stations, Public Houses and Hotels) (Scotland) Order 2009 be approved.

Accident and Emergency Services (Dementia)

The Deputy Presiding Officer (Alasdair Morgan): The final item of business is a members' business debate on motion S3M-3215, in the name of Irene Oldfather, on recognising the needs of people with dementia in accident and emergency. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes the launch of the report, *People with Dementia in NHS Accident and Emergency - Recognising Their Needs*, by the Cross Party Group on Alzheimer's; is concerned that evidence suggests that, while an estimated 70% of elderly people attending accident and emergency will show some sign of having mental health problems including dementia, less than 10% of problems are identified by admitting doctors; notes evidence that suggests that the average length of stay for an older person with dementia in accident and emergency is between three and seven hours and that readmission for this vulnerable group is likely to result in high levels of functional decline; further notes that mortality rates for patients with dementia admitted to hospital are higher than for other elderly people with some studies suggesting that as many as 30% of such patients die within six months and more than 10% are readmitted and may be placed in institutional care as a consequence; recognises the report's recommendation that where clinically possible there should be a presumption against admission for patients with dementia and that specialist community-based care, including consultant support and diagnostic testing, is desirable; welcomes as a starting point the decision by NHS Ayrshire and Arran to appoint a mental health liaison nurse to lead the development of protocols, policies and guidelines relevant to patients with dementia, and believes that it is important that people with dementia are given appropriate and timely treatment that respects their dignity and independence.

17:04

Irene Oldfather (Cunninghame South) (Lab): I am grateful to all those across the political parties who signed the motion. I am particularly grateful to the members of the cross-party group on Alzheimer's who worked diligently to prepare the report "People with Dementia in NHS Accident and Emergency—Recognising Their Needs", especially Professor June Andrews, who is in the public gallery; Dr Gillian McLean, from the Royal College of Psychiatrists; and Jan Killeen, from Alzheimer Scotland. As well as those three stars, we have a great group of people on the cross-party group, including people from the Mental Welfare Commission for Scotland and the Scottish Commission for the Regulation of Care, who worked and commented on various drafts, as did my fellow MSPs Mary Scanlon, Richard Simpson, Marilyn Livingstone and James Kelly. I am grateful to the Minister for Public Health and Sport, Shona Robison, for the letter that I have received from her fully endorsing the report and announcing the

issuing of draft guidance to health boards. I am sure that she will give more detail on that in her summing up. I will ask for clarification on a few points in a moment.

Part of the cross-party group's remit is to raise awareness of the issue of Alzheimer's, so I want to use the opportunity that the debate provides to demonstrate the challenges that face people with dementia in a hospital environment. I therefore ask members in the chamber to imagine for a moment what it must be like to have Alzheimer's or dementia. If members saw the television programme about Terry Pratchett last week, they will know that dementia can create such a fog of confusion that it can be difficult some days to perform even simple tasks such as tying a tie or making a cup of tea. Dementia is often associated with memory loss, but it can also affect someone's judgment, co-ordination, balance, speech, understanding and moods and their ability to communicate even with those closest to them. Not only can someone present with that complex range of symptoms, their capacity to undertake and understand simple actions can change from day to day.

Can members therefore imagine what it must be like for someone with this multifaceted illness to present at accident and emergency? Even for those who fully understand what is happening, A and E can be a difficult place to be at the best of times. As our report demonstrated, people with dementia can wait for up to seven hours for assessment in A and E. Anyone who has waited for half that time will know how challenging that can be for people with mental incapacity.

The cross-party group's recommendations include using an electronic tag that could flag up to any general practitioner or out-of-hours medical professional that home assessment followed by an appointment, if necessary, would be preferable to a patient being dispatched to sit in A and E, where clinically appropriate. It might be that an X-ray would be required to eliminate the possibility that there has been, say, a wrist fracture. Urgent access to that kind of diagnostic testing by community teams would prevent attendance at A and E, unless treatment was required. However, achieving that will require much better joined-up working in the community. For example, we spoke at the cross-party group about linking to local memory clinics and old age psychiatrists. The minister has addressed that at point 4 of her guidance. I note the associated comment that

"multiple programmes should already be in place to support this."

I would welcome her assurance that she will look closely at implementation to ensure that there is joined-up working across the system, from GPs and NHS 24 to social services and community

health teams, where appropriate. Better training, including expanding the range of available options, will result in better outcomes. I welcome the minister's recognition of the importance of that.

With some simple measures, we can save beds and staff time spent trying to handle what can be difficult and challenging situations. Those measures can also save lives because we know that increased mortality rates, higher readmission rates and functional decline are all associated with this vulnerable patient group, who are particularly subject to adverse incidents in hospitals.

For some people, hospital admission will be necessary. The report asks that national health service boards support the Alzheimer Scotland initiative to have a dementia nurse attached to every hospital. At present, Alzheimer Scotland funds three nurses in three board areas. Rather than wait for that initiative to be rolled out, we said in our recommendations that we believe that it is a priority for the initiative to be undertaken across the NHS in Scotland. The minister's guidance notes that dementia-trained nurses are already in the system. I would welcome clarification of whether she supports the principle that each health board should attach a dementia specialist nurse to a hospital to take forward protocols and to support families and carers.

On television a week ago, Terry Pratchett described his feelings on being diagnosed at an early stage with Alzheimer's disease. He said that he felt as though he was standing on a beach—the tide had gone out and there was no one else there. Let us send out a message to people with dementia and their families that no mum or dad, gran or grandpa, neighbour or friend will stand on that beach alone. We in the Scottish Parliament will walk with them on that journey and we will do what we can to make it an easier one. We will change things. Today, in the Scottish Parliament—their Parliament—the tide is turning for them.

17:11

Ian McKee (Lothians) (SNP): I congratulate Irene Oldfather on obtaining this most important debate. I also commend the cross-party group for the sensible suggestions in its Alzheimer's report, which is a classic example of how a cross-party group can advance policy.

I know from my experience as a general practitioner of many years, from helping patients and from members of my own family how easy it is for old people to become destabilised when they are removed from familiar surroundings. Often, one does not realise that an old person has a problem at all while they are in the familiar surroundings of their house, where they know the geography and know where everything is kept.

However, the moment that they move to a different situation—to someone else's home or to the strange world of hospital—they can become a different person altogether. That can be not just frightening but even life threatening.

Therefore, although the recommendations in the report concerning the recognition and care of people with dementia in accident and emergency departments are most welcome, the recommendations that are most important to me are those that would help to keep people at home in the first place. Falls should be prevented. It is easy to trip over the edge of a carpet or something that has been left lying around the house. Therefore, every person who is at risk of dementia or Alzheimer's should have their home inspected to make certain that it is easy for them to move from one area to another without tripping over something.

Care in the community is also important. In my early years in general practice, we had a first-rate geriatrician at university, Professor Williamson, who laid down two rules for looking after people, which I felt were extremely important. First, he told carers that, if they rang him with a problem, he would deal with it straight away. That enabled the carers to carry on caring for someone a lot longer than they could have done if they had felt that they would have to join some sort of waiting list. That helped people to stay in their own homes for longer. Secondly, Professor Williamson gave a great deal of respect to the home helps who looked after old people and who he said preceded health services by telling him when people were beginning to change and when things were going wrong. We could give a great deal more respect to the position of home helps in our community and recognise how they can help health in general.

Old people need rapid access to diagnostic testing and the ability to have domiciliary consultations so that, when they become ill, they can be looked after at home. All too often, consultants these days will not go out to someone's house. However, if they go to someone's house, make the correct diagnosis, get the tests done and employ the right treatment, the person can stay at home and not suffer from the problems that we are talking about when they arrive at the accident and emergency or other hospital department.

Finally—and very important, too—there is the issue of the medication that old folk receive in their homes. Too often, one goes to some cabinet, pulls open the door and loads of medicines fall out. The person does not know how the medicines are to be taken, why they are there or what to do with them. Every old person needs a regular medication review at frequent intervals and we need to ensure that they are certain about how to take their medication.

If we put into practice the recommendations in this excellent report, fewer old people will have to go to hospital and fewer people suffering from the effects of dementia will end up in accident and emergency departments.

The Deputy Presiding Officer: I call Mary Scanlon, to be followed by Dr Richard Simpson.

17:15

Mary Scanlon (Highlands and Islands) (Con): It is never easy to be wedged between two doctors in a medical debate.

I thank Irene Oldfather for bringing this debate to Parliament. As one of the conveners of the cross-party group in the Scottish Parliament on Alzheimer's, I would also like to take this opportunity to thank Irene for all the work that she has done on the issue, and for the commitment that she has shown. Given the amount of work that MSPs have, it is often difficult for us to attend meetings of cross-party groups, but they are a crucial part of our work and provide us with a great opportunity to work with service users and people who are experienced in understanding and providing services. Cross-party groups are a major part of our work that goes largely unnoticed outside Parliament, but the report is a success story for the cross-party group on Alzheimer's.

I would also like to thank Professor June Andrews, the Royal College of Psychiatrists and the many others who contributed to the report. As people live longer, the problem that we are debating today is likely to become greater. Any increase in investment for training and services in order to reduce hospital admissions—emergency or otherwise—and to provide people with the appropriate care and treatment for their condition is welcome.

I met Irene Oldfather in the black and white corridor about an hour ago, and I have never seen her so happy. She was jumping for joy because all the recommendations in the report have been accepted by the Government. I know that the Government has also agreed to write to all NHS boards, attaching guidance on implementation of the six recommendations. Although I am ecstatically happy about that, it means that the rest of my speech is irrelevant, because it was all about campaigning on those issues.

I felt uncomfortable about campaigning for A and E departments to diagnose dementia, but I appreciate that that is not quite what we are asking for. From what I have read, I think that it is possible for tools to be used in order to highlight problems, and I accept that that will happen.

As Ian McKee said, the best approach has to be the preventive approach, given that 40,000 people

with dementia live in the community and use general hospital services, and that a further 70 per cent of those with dementia who present at A and E departments have not received a formal diagnosis. I should also say that I endorse the point that Ian McKee made about home carers.

Delighted as I am with the Government's response, there are two points in it that we need to monitor because they concern issues that are not entirely in the Government's control. Since the Scottish Parliament was set up in 1999, we have been calling for health and social services to work together. In many communities, that partnership is excellent. However, in its response, the Government says:

"Multiple programmes should already be in place in the community".

I would say not only that they "should ... be in place" but that the Government needs to check to ensure that they are in place and working.

Another concern involves cultural change, which is dealt with in point 5 in the Government's response. I appreciate that such change takes time, but there is no doubt that it can take place.

Recommendation 4 in the cross-party group's report states that better partnership working between health and social services is crucial, and that there must be better integration of information technology systems and more specialist assessments in the community. I do not think that the NHS and local authorities make best use of the IT systems that are available to them. We should not allow anything to stand in our way in that regard, because effective use of IT leads to more integrated, better informed and better quality services.

I commend the excellent—often unnoticed—work that is done by all cross-party groups in the Parliament. I acknowledge the success of the report of the cross-party group on Alzheimer's. I think that the Government's announcement of its intention to implement the report's recommendations will encourage many other groups to produce similar reports.

17:20

Dr Richard Simpson (Mid Scotland and Fife) (Lab): I add my congratulations to Irene Oldfather for today's result. It is a testament to the hard work that she has put in, and to the hard work of others such as Dr Gillian McLean, Professor June Andrews and Jan Killeen of Alzheimer Scotland. I declare an interest as a psychiatrist who has connections as an honorary chair at the University of Stirling, having previously carried out some research on dementia at that university.

Other members have referred to the fact that there are some 60,000 sufferers of dementia, of whom two thirds are in the community. In 1980, I was part of a mental health planning group that produced the Timbury report, which was largely ignored. We estimated at that time that there were only about 20,000 people with the condition, which demonstrates how much it has increased. As the "Mirage of Health", as it has been described, changes—as heart disease begins to decline, as it has done for 15 years, and as we begin to tackle cancer more effectively—the next element of ill health that will be prominent is dementia, so it is right that we are debating the issue.

It is a challenging task, as Mary Scanlon said, to diagnose dementia in A and E, but if poorer levels of cognition and poor memory at least are not recognised in that setting, the people who work in that setting are doomed to achieve a great deal less than they otherwise might. Mary Scanlon said that 70 per cent of patients with dementia who present at A and E are not already diagnosed, which is true, but it is also estimated that about 25 per cent of A and E patients suffer from dementia. It is, therefore, important that the proper tools are put in place.

To begin with, we need formal guidelines, but I note that no such guidelines are mentioned in the report. We need to ensure that the triage tools that are used are more sensitive to dementia, and that cognitive function is assessed, rather than simply using the Glasgow coma scale for people with depressed consciousness. There is a need for the use of appropriate tools to achieve much fuller psychological assessments, such as the mini mental state examination, a memory impairment scale or other validated brief intervention tools that would allow diagnosis.

It is important that people in A and E are properly trained—the specialist nurses to which the report refers can play a part in that, along with places such as the Dementia Services Development Trust in Stirling. If people are aware and adequately trained, they will be much more able to deal with those issues.

Staff need to consider issues other than those that are usually straightforward. They need to consider things such as hydration and nutrition, because dementia patients are often not aware that they have not had a drink or a meal. Issues such as drug toxicity, to which Dr McKee referred, are also important, because they can occur more in people who are confused and are not taking their medication appropriately.

We have talked repeatedly in the chamber about violence towards staff, which is very unwelcome in any setting, but staff need to recognise and remember that aggression, for example, in some patients may be a presentation of pain. Other

members have referred to the emergency care record, which needs to be flagged up as part of the quality and outcomes framework contract in general practice so that NHS 24 can try to ensure that patients are managed at home and not brought to hospital. If patients do go to hospital, NHS 24 can warn A and E that the person suffers from dementia. Also, hospital pharmacists—not only in A and E, but in the general hospital—need to have access to the emergency care record. I have asked parliamentary questions on that matter.

We can make progress, but it is important that this group of people, who are often neglected, achieve and receive the support that they need. Such people must never be boarded out—that is, they must not be transferred to another ward for the purpose of releasing a bed. Even moving a patient with dementia from one bed to another within a ward is not appropriate. Protocols and measures must be put in place.

I welcome the Government's response to the cross-party group's report, and I again congratulate those who were involved in its early production. I was glad to be present towards the end of its production; I hope that my comments were helpful.

17:25

Margaret Smith (Edinburgh West) (LD): I begin by thanking Irene Oldfather not only for securing this evening's debate but, more important, for her tireless and tenacious work in trying to help many thousands of our fellow citizens. I declare an interest: my father-in-law suffers from dementia. Such people are not alone when Irene Oldfather is in this chamber. I want to put my thanks to her on record.

I also thank others, even though—like me—they may not be so involved and may not attend so many meetings of the cross-party group on Alzheimer's. I am proud to be a member of that group. The work of Parliament is enhanced by the work of cross-party groups, which place experts from outside Parliament alongside MSPs of all parties to work together on issues that we consider to be important and urgent.

Few Scottish health issues can be more important than dementia. It is a growing problem, and demographics show clearly that the situation will get worse. The Government acknowledges that, which I welcome.

The cross-party group's report contains six recommendations, all of which have real merit, and behind the recommendations stands a good body of work. After the services that are provided by health boards in Scotland were considered, it

became clear that no health board is doing enough for people with dementia.

This evening we have focused on accident and emergency services, but wider issues arise when we consider how the health service as a whole deals with people with dementia when they meet personnel whom they do not normally meet. Before he entered a care home, it was suggested to my father-in-law that he should have an operation on his eyes. The operation would have meant that he had to sit with his head held still in a particular position for three or four months. When it was pointed out to another member of staff that he was in his eighties, had dementia, and could not stay still for more than two minutes, it became clear that, in the health service, the left hand did not know what the right hand was doing. Later, the issue was addressed and resolved.

It is not only in accident and emergency units that issues arise. The system that allows such issues to be flagged up should be much more effective than it is at present.

When dealing with a patient with dementia, professionals must listen to families and carers, who will know much more about how their loved one is affected by this dreadful condition—for example, by mood swings. Richard Simpson is right to say that the effects can come out as aggression towards families and staff.

Accident and emergency services have to be improved. It is quite unacceptable that a person with dementia should have to sit in a waiting room for hours; it may even be impossible for them to do so. Staff training is required—because people with dementia have a greater chance of falling, it is likely that they will make up 25 per cent of the patients in an accident and emergency unit. Every member of staff should therefore have some form of dementia training.

We should not underestimate the importance of preventing as many falls as possible and we should do what we can to prevent hospital admissions in the first place. However, we all know that, no matter how much we care for a relative, and no matter how good a care package is put in place by social workers and local health professionals, such falls and such disorientation will always be highly likely, because of the nature of dementia.

It is important that the Government takes on board what we have said about dementia-trained nurses, but it is almost more important that training is embedded more generally for all staff in the health service, given the nature of the problem. We must also try to minimise the number of interactions that older people, particularly those with dementia, must go through. Our watchword at all times should be "dignity"—the dignity of the

human condition. Dementia strips that from people, so we must build into the health service measures that give people their dignity at all times.

17:30

The Minister for Public Health (Shona Robison): I thank Irene Oldfather for bringing this important debate to the Parliament. We have led the way in making dementia a national priority. I welcome the support and attention that the Scottish Parliament and, in particular, the cross-party group on Alzheimer's have given to dementia, and I look forward to continuing to work with the Parliament in future. Last year, when I met the Scottish Dementia Working Group—the only patient-led dementia group that we know of in the world—it showed its support for our commitment and focus, but it was clear that there is more work to do before we can be satisfied with dementia services in Scotland. I agree.

In the past year, we have taken several steps to establish dementia as a national priority in practice. We now have a national NHS target that requires all health boards to deliver by 2011 agreed improvements in the early diagnosis and management of patients with dementia. From the review visits at the end of last year, it is clear that boards are already getting to grips with that important agenda. The mental health collaborative, which supports local delivery of national NHS targets, published a toolkit at the end of last year that is designed to enable boards to analyse their dementia services from the perspective of those who use the service. The information from the analysis will be used to make progress with local service redesign to improve interventions, outcomes and the patient experience of the service.

Health boards are working with general practitioners to improve their knowledge and understanding of dementia with the aim of increasing the rate of early detection and referral to specialist services. Diagnosis means more than going on a register; it triggers regular physical health checks for those with dementia, as well as formal assessment of the needs of those who care for them. To build on the work to improve diagnosis, we have commissioned Alzheimer Scotland and the dementia services development centre at the University of Stirling to carry out work in Lothian, East Renfrewshire and Renfrewshire, and Shetland to develop better structured intervention, support and information services following first diagnosis. The work is intended to develop our understanding of how we can best offer those services so that they meet patients' and carers' needs in an understanding and sensitive manner.

The project has developed from what we have already learned from the work of the dementia services development centre in Forth Valley NHS Board. That work provided a focus for service development, together with information, education, and tools and techniques to implement change, with the aim of improving the overall experience and outcomes of care for people with dementia. We published the outcomes of that work last year, and boards are now using that information in the redesign and development of services.

NHS Health Scotland is offering post-diagnostic support through the publication "Coping with Dementia—A practical handbook for carers", which is widely available in Scotland, and through the publications "Worried about your memory?" and "Facing Dementia: how to live well with your diagnosis", which were recently updated by NHS Health Scotland working with Alzheimer Scotland and the Scottish Dementia Working Group.

In 2008 we undertook research into public attitudes to and understanding of dementia, and we will shortly launch a pilot public awareness campaign in Tayside to increase the number of people with dementia coming forward for diagnosis. We will evaluate the outcome of the campaign and use the learning from that to inform possible future national campaign work.

Irene Oldfather mentioned memory clinics. They are one way in which dementia can be identified and responded to, and recent research has identified that they are a common component of old-age psychiatry services in Scotland.

We are taking forward work on awareness raising, early diagnosis and information for people with dementia and their carers. The development work on the integrated care pathways, which will be accredited from later this year, also brings a focus to end-of-life care, social support and quality of care. I am glad that those developing the English strategy have been able to learn from the Scottish experience.

We, too, are happy to learn, and I welcome the report from the cross-party group on Alzheimer's. It has highlighted the needs of people in A and E who have dementia and identified areas in which clear improvement is possible, and I am pleased to be here to respond to the debate on it, particularly given that my response can be positive.

It is important that we can identify properly those who come into A and E who may have dementia and that we can track them through their time in the unit. In that way, we can ensure that they receive the sensitive care that they need. Staff in A and E need to know how to care for people with dementia, and it is important that cultures and behaviours are appropriate for this patient group. I

agree that the more that we can do to prevent those with dementia ending up in A and E the better, but if people end up in A and E the way in which they are treated is crucial. It is for that reason that I have written to all NHS board chairs and chief executives to indicate my support for the report and provide guidance on how boards can implement its recommendations. The guidance that was provided was drawn up with the support of the dementia services development centre.

I turn to the two points that Irene Oldfather raised. On the first point, I assure her that we will look at how to ensure joined-up working across health and social care as implementation takes place. Although the report's recommendations focus on A and E, they are relevant to other care settings, so it is important for us to do that.

Mary Scanlon: In my reading and preparing for the debate, an issue that MSPs have raised over the years was once again brought to my attention. I refer to the problems of malnutrition, lack of regular and nutritional meals, and dehydration. Is the minister looking at that issue?

Shona Robison: Quite a lot of work has been done on the issue, particularly considering the new role of the senior charge nurse. We want to ensure that those in that leadership role on the ward pay much more attention to the nutritional needs of people in their care. A lot of work is also going on in care homes. I can write to the member with more details on that: patients' medical needs are important but so too are their personal care needs, including nutrition.

Irene Oldfather's second point was on specialist nurses. The role of dementia specialist nurses is part of the solution in caring for people with dementia who are in hospital, but we must not forget that the main thrust of the report's recommendations was that all staff should receive training in dementia. We must be cautious as we do not want to end up giving the impression that all the responsibility comes down to one person. All the recommendations were important, but the key recommendation was to ensure that all staff have a basic awareness of and training in dementia. We will look in more detail at how to take that forward.

I have written to the convener of the cross-party group on Alzheimer's to set out the steps that I have taken, and I am happy to join the Parliament in giving my support to the motion. We are clear about the challenges that we face in offering high-quality and sensitive care to people with dementia, and we will not shirk the need to take action. I assure members that I have heard the issues that they have raised and I will reflect on them in the development of our further plans. I am happy to continue to work with the cross-party group on Alzheimer's as we take forward that work.

Meeting closed at 17:39.

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