

EDUCATION COMMITTEE

Tuesday 24 October 2006

Session 2

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EDUCATION COMMITTEE

21st Meeting 2006, Session 2

CONVENER

*Iain Smith (North East Fife) (LD)

DEPUTY CONVENER

*Lord James Douglas-Hamilton (Lothians) (Con)

COMMITTEE MEMBERS

*Ms Wendy Alexander (Paisley North) (Lab)

*Ms Rosemary Byrne (South of Scotland) (Sol)

*Fiona Hyslop (Lothians) (SNP)

*Mr Adam Ingram (South of Scotland) (SNP)

*Mr Kenneth Macintosh (Eastwood) (Lab)

Mr Frank McAveety (Glasgow Shettleston) (Lab)

*Dr Elaine Murray (Dumfries) (Lab)

COMMITTEE SUBSTITUTES

Richard Baker (North East Scotland) (Lab)

Mr Jamie McGrigor (Highlands and Islands) (Con)

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD)

Mr Andrew Welsh (Angus) (SNP)

*attended

THE FOLLOWING GAVE EVIDENCE:

Joe Brown (Scottish Executive Education Department)

Robert Brown (Deputy Minister for Education and Young People)

Peter Peacock (Minister for Education and Young People)

CLERK TO THE COMMITTEE

Eugene Windsor

SENIOR ASSISTANT CLERK

Mark Roberts

ASSISTANT CLERK

Ian Cowan

LOCATION

Committee Room 5

Scottish Parliament

Education Committee

Tuesday 24 October 2006

[THE CONVENER *opened the meeting at 14:07*]

Budget Process 2007-08

The Convener (Iain Smith): Good afternoon, colleagues, and welcome to the 21st meeting in 2006 of the Education Committee. I hope that you had a useful and productive recess. We have received apologies from Frank McAveety.

The first agenda item is the budget process. The Convention of Scottish Local Authorities declined the committee's invitation to give oral evidence on the Scottish Executive's budget, but has provided a written submission. We have also received written submissions from the Association of Directors of Social Work and the Association of Directors of Education in Scotland. The committee's primary responsibility in scrutinising the Scottish Executive's budget is to respond to the questions that were posed by the Finance Committee, which are included in the committee papers.

I welcome back to the committee Peter Peacock, the Minister for Education and Young People, and Robert Brown, the Deputy Minister for Education and Young People. They are accompanied by the Scottish Executive Education Department officials Liz Lewis, who is head of the schools group; Colin MacLean, who is head of the children, young people and social care group; and Joe Brown, who is head of the policy support unit. I thank the minister for his letter to the committee, which gives some background information on the budget document. The minister may make an opening statement, if he wishes to do so.

The Minister for Education and Young People (Peter Peacock): Thank you for the opportunity to be here again. My principal reason for being here is to answer the committee's questions, so I will be brief.

The very few budget changes that have been made from last year to this year are set out in the budget document; I do not intend to dwell on them unless members have questions. As members have seen, most of the changes involve transfers from the Education Department's budget to the national priorities action fund. More detail on that fund is provided in a letter that I sent to the convener recently following the committee's request for that information during last year's budget process. The letter also tried to address other issues that the committee raised last year,

when questions were asked about the national priorities action fund, spending on support for learning and efficient government. I hope that my letter was helpful in giving the committee some background, although it has probably generated more questions for me as well.

Having said all that, convener, we should go straight to the committee's questions. I am happy to answer anything I can, with the assistance of my colleagues. We will write to you with any information that we cannot provide today.

Fiona Hyslop (Lothians) (SNP): I would like to tackle concerns about core children's services, particularly in local authorities. We welcome a variety of your policy developments, for example in relation to improving standards and integrated children's services. However, they are creating a situation in which more children who need care are being identified and there is serious concern that core funding levels for children's services are not being maintained. Developments such as sure start and the changing children's services fund are welcome, but they are not meant to replicate core children's services.

The Adoption and Children (Scotland) Bill will lead to increased demands being placed on core children's services, and Jack McConnell has talked about perhaps putting more children into care. Are you satisfied that the available funding will meet the demands of Scottish children who are in need?

Peter Peacock: There is a lot behind that question. First, I acknowledge that, in a variety of ways, we are seeing a shift in the approach to children's services. We are far better than we were at thinking about children's services in the round; we are much more sophisticated. There is better interaction between social work, health, police services and schools in trying to package more effective support for children than there has been in the past. There is much greater public debate, alertness and awareness about child protection issues. Parliament is reflecting that in the introduction of child protection legislation—both now and in the past—and the statistics that are coming through show an increase in the referrals of kids to the at-risk register and for other purposes. Many things are on the move.

Over the same period of time, spending has increased significantly on children's services, partly on education and partly on early years, the changing children's services fund and a range of other funds such as sure start. Spending has grown at the same time as demand on the services has grown.

There will always be a debate about Government spending, and part of the reason for spending reviews being conducted every two or

three years is to reassess changing priorities and needs and to reflect those changes by budgeting for the future. As part of the spending review that will be done in the next year, those issues, and a range of others, will be considered as we try to ensure that our expenditure reflects the changing nature of the services. Local authorities have a statutory duty to judge need in their area and to spend what they think they need to spend; I am not conscious of a major shortfall between spending and demand. I am acutely conscious that another debate is taking place about local authorities' income and what they spend, but that is an entirely different argument. Perhaps Ms Hyslop will come to that.

Fiona Hyslop: Local authorities are concerned about the great demand and pressure on social work budgets. The ADSW gave us a presentation on its report by Professor Midwinter, which says that there is a 60 per cent shortfall in funding for core children's services.

Interestingly, in responding to inquiries into other child protection issues, local authorities have repeatedly told the committee that they are spending what they need to spend on children's services. Are they therefore raiding other services—for example, social work care of the elderly—to pay for that? That is not necessarily the direct responsibility of the minister, but it would be a serious issue for both the minister and the committee if future political decisions to prioritise care of the elderly meant that the resources that are currently being shifted from care of the elderly into children's services were to be moved back into care of the elderly, with children missing out. We have serious concerns about that.

The Executive's target 1, which it has subsequently replaced, concerned child protection. It is difficult to monitor that work and to ensure that it has delivered the health care and support that is needed. When the minister talked about increases in children's services, he mentioned sure start programmes and the changing children's services fund, neither of which are meant to replicate or displace core funding. We are back to the issue of core funding and whether the minister is satisfied that children's services will not be a political loser if social work budgets are realigned.

14:15

Peter Peacock: As I have said in Parliament before, nothing comes ahead of child protection in political priorities. One fundamental thing that we do as a society is to put in place measures to protect our young people. As we are about to see in forthcoming legislation, we go to extraordinary lengths to try to do that. I am not in any doubt that protecting and providing services for young people

will remain a high political priority. There will always be debates about the precise sums that are spent; that is the nature of political decision making. I hope that the fact that we want to do better in children's services is not in doubt.

I am glad that Fiona Hyslop acknowledged that the local authorities' own assessments show that they are not spending less than they need to spend to meet the demands of young people and children's services. I applaud what local authorities have done in prioritising children's services at the local level and providing the protection and support services that they believe are necessary.

Fiona Hyslop touched on Professor Midwinter's report for the ADSW. As an Executive dealing with local government finance, we deal with COSLA rather than any individual professional group within the sphere of local government. We have made it clear to COSLA in the past—and I make it clear again today—that if COSLA believes that there is a case for readjusting existing divisions of grant-aided expenditure in the complex calculations, it should make the case to us. However—I am afraid that this gets technical—we should be clear that adjusting GAE does not produce a single extra penny in the system. If the argument is for more pennies, it is different from the one that Professor Midwinter has promoted in his report for ADSW.

I want to make it clear, as local authorities have done, that the question posed by Professor Midwinter's report is not one of a shortfall in spending on young people, but one of where income to support the spending comes from. Local government spending as a whole has increased by £3 billion over the spending review period. Social work GAE in that context is almost £900 million, which is about 80 per cent up from the situation prior to the spending review period.

Ultimately, what is important in local government spending is the total amount of resources that a local authority has at its disposal from which to decide what to prioritise. There has been significant growth in that money and, as has been said, it is getting through to children's services. We can have technical arguments with COSLA about the formulas that give rise to the total sum of money, but they are only technical arguments and they will not, of themselves, produce extra cash. Thinking about the cash that we spend is a function of what we do in the spending review process, and we will consider whether the total sums reaching children are right as part of that process.

Fiona Hyslop: Finally, may I have a commitment that the minister will consider making child protection funding a separate line of funding from the point of view of Executive priorities? We have raised with the Executive the tracking of

additional support for learning funding, and establishing a separate line of funding would be a useful contribution bearing in mind that it is difficult to track child protection funding per se in the financial provisions that we have, as most of it goes to local authorities. As we are moving into a time when child protection is one of the Government's highest priorities, we should be able to track the central spend to ensure that it reaches front-line services.

Peter Peacock: I would be hesitant to say that we would create an entirely new child protection spending line, but I will think about it. I have not thought about it in that way. The important point is that the cash gets through to the front line by whatever spending line it comes from and that local authorities have the discretion to reflect local need and priorities. We will consider child protection funding as part of the spending review, which is an on-going part of our work. I am clear that there are further initiatives that we need to take in child protection and we want those to be taken properly. When we have been trying to drive change in the system, we have funded it to try to stimulate change when that has been necessary. We will maintain that approach.

I will correct one thing that I said—my officials keep me right, thankfully. I think that I said that local authority spending had increased by almost £3 billion in the spending review period. To be technically correct, I think that that is the increase since 2000-01.

Ms Rosemary Byrne (South of Scotland) (Sol): I will ask about what I hear on the ground from the various services, which coincides with the reports that we have had from the ADSW and other bodies. I hear that some local authorities still find it difficult to have enough social workers in children and family services. Families are being put on to supervision orders and, three months later, getting letters that say that they are being taken off the supervision order because there is no social worker. Children's hearings are being tightened up and time allocations cut because of a shortage of people—mainly social workers—to attend. There continue to be inconsistencies in whether the named social worker turns up all the time.

That reflects what is in the reports; I am not just plucking out anecdotal evidence. The reality is that there are still shortages in the services for the vulnerable children whom we have been talking about, and whom Fiona Hyslop has mentioned, and in child protection services. For some reason, some local authorities still find it difficult to get the staff, fund the staff or both and the priorities are not being met in many areas. Likewise, with the children's hearings system, hands are being tied

when it comes to accessing the services that children require to move them on.

The shortfalls that I talked about three years ago still exist. Although more money has been put in—I accept that—I see no improvement on the ground. I wonder about the monitoring of the spend on those areas. Fiona Hyslop asked for a breakdown of spending on child protection. That might be helpful to us, because either the money is not reaching the services that it needs to reach or there is something that is still fundamentally wrong and which we need to examine.

Peter Peacock: Robert Brown will respond on the children's hearings system because he has been dealing with that recently, but I will pick up your wider points first.

I am happy to examine how much spending is getting through to child protection. I am sure that there are ways in which we can get a handle on that. I will consider it, but I cannot commit to what precisely we can tell you until we have considered it. However, I do not have a problem with that because it is also our objective to ensure that the child protection services are up to standard. There are probably a variety of ways in which we could examine that, so we will undertake to do that.

You made a comment about there not being enough social workers. I make the point again that we are committing substantial extra cash to local government. If local authorities decide that they require a higher priority to be given to social work staff and the staffing of social work departments as part of what they need to do to serve their populations, they are entirely free to do that. Many are doing so. In fact, as Professor Midwinter argues, the argument is about not the fact that expenditure is taking place but where the income is coming from. That indicates that local authorities are prioritising children's services, and I applaud them for doing that.

There are 25 per cent more social workers in our local authorities than there were in 2001. That is a huge increase—and I am advised that Scotland now has more social workers than at any time in its history. We have fast-track training systems to try to get people into the profession faster and at a higher level and, because we acknowledge the pressures on recruitment and retention, we have strategies in place to address them.

We have made huge efforts to make progress. Of course, people will argue over whether our measures have been right, whether we could do more, and whether our priorities could have been different. That is the nature of debate. However, no one should underestimate the colossal progress that we have made in recruiting, training and retaining more social workers.

We are at the beginning of refashioning the way in which social work operates. We have debated that issue in Parliament, and I know that committee members will be aware of the support for what we are doing. The “Changing Lives” report—[*Interruption.*]

The Convener: That was a fire alarm announcement, but we will keep going for the moment. I advise members of the public that we will be told if we have to evacuate the building, as well as where to go. Please do not panic—[*Interruption.*]

Peter Peacock: The “Changing Lives” report—

The Convener: Minister, for the benefit of the *Official Report*, it would be better not to speak during the announcement.

Peter Peacock: I will try again in a moment.

Okay, the “Changing Lives” report was very significant. It set challenges for everyone in social work—for local authorities and for Government—to make changes in the way in which we deploy and empower social workers—[*Interruption.*]

We are investing cash that will help to bring about the changes that we seek. A lot is happening.

Ms Byrne: May I just—

The Convener: I am sorry, Rosemary, but it is difficult to carry on while the fire alarm announcements continue.

Peter Peacock: I wanted to ask Robert Brown to deal with the questions on children’s hearings.

Ms Byrne: May I just come back to one point, minister? Is there any means of tracking local authorities, the social work situation—[*Interruption.*]

The Convener: I am sorry, colleagues, but I will have to suspend the meeting. We cannot carry on while the announcement is being repeated.

14:27

Meeting suspended.

14:37

On resuming—

The Convener: I think that we will take the risk of starting again, given that the fire announcements have stopped, which means that we can hear ourselves and, more important, the *Official Report* staff can hear us, which is all that really matters.

Rosemary, I believe that you were about to ask a question of the minister.

Ms Byrne: Is there some way of tracking the situation with regard to child protection in terms of supervision orders? How long have supervision orders lasted once they have been implemented? Have they been withdrawn outwith the timescale? Is there a way of seeing how the situation is developing in each local authority?

The Deputy Minister for Education and Young People (Robert Brown): The “Getting it right for every child” agenda is designed to improve performance in the area that you ask about and is focused on child protection issues.

This might be an appropriate point to tell you about the task force that I set up a while ago in connection with the children’s hearings provisions and the work of the reporters. As you know, the number of referrals to reporters has been going up substantially recently. Of the cases that go to reporters, around 80 per cent do not result in referrals to children’s hearings. My initial view of the process was that the potential existed to get more directly to the services that are required for the child, rather than having to go through this rather elaborate and bureaucratic process. Clearly, there are a number of cases—particularly at the high end—in which compulsory measures of care are required. However, we discovered that there were situations in which there was joint reporting by social work and the reporter. Those situations involved reports being made for information rather than for a referral. We have a task force working on that issue as part of the GIRFEC agenda in order to target the work more effectively. We do not want to put resource into process as opposed to action that will make a difference to the child’s life.

People are asking whether it is possible to track child protection money. However, if you think about it, child protection money that relates to particular procedures is part of a wider dimension in which everyone has responsibility for looking after our children. That means that child protection work is mainstreamed in social work, education, health and the other agencies that are involved. Given the financial constraints relating to certain sorts of money, an element of artificiality would be involved in trying to separate out particular bits of that overall pot. We are more interested in the efficiency of the money that is made available and in the effectiveness of the policy drivers in achieving the ends that we have set out, such as the children’s charter, all the child protection work of the past three or four years and the focus on the need for partnership and all that sort of thing.

On the question of children’s hearings and timescales, I have not come across the particular situation that Rosemary Byrne mentioned. We know that there are pressures on children’s hearings—I do not dispute that for a minute—and I

guess that things will be patchy across the country. In some areas, there may be localised shortages where particular specialised staff cannot be got.

However, if I may elaborate on Peter Peacock's more general comment about social workers, I will point out that we have had substantial reductions in vacancy rates in social work. That is one measure of what we are doing. Vacancy rates in children's services have come down by 16 per cent over the past three years. We have also had substantial increases in the numbers of children's social workers in post, with an increase of 18 per cent over the past three years. The number of such whole-time equivalent staff has increased from 1,832 to 2,164. A reasonably substantial increase has taken place in the national figures, although I appreciate that those can hide local hiccups and local shortages.

The issue is to ensure that we get value for money out of those increases by focusing the activities of social workers on areas in which they will make the most difference, rather than just on processing things through the system. Again, that is what GIRFEC and the "21st Century Social Work Review" are all about. We need policy drivers that make things more effective. We are aware that work still needs to be done, but much of that work on improving what we are doing is now in process. I am sure that members will agree that the focus must be on better outcomes for young people at the end rather than on some sort of intermediate measure of the way in which the process operates.

Ms Byrne: I appreciate that the increased recruitment of social workers has been successful to some extent, but that still begs the question why services in some local authority areas are not reaching those who need them. We need to monitor services so that we are aware of the shortfalls in different local authorities. We need a plan to ensure that we get that right.

I know that a lot is happening, but I wonder whether we are really getting to the nub of the problem, given that we seem to come back to the same situation time and again despite the extra money and training and recruitment programmes that are provided. I just wonder whether every local authority has the right priorities and whether spending is being focused on the proper areas. At the end of the day, who is accountable for ensuring that the services are in place? We need good monitoring and evaluation, so I suppose the Social Work Inspection Agency must take a responsibility. For example, does the inspection agency focus on things such as supervision orders and the children's hearings system to see whether what is proposed happens?

Peter Peacock: That latter point is the key to the monitoring that it has been suggested is required. We are in the midst of a very big change in social work inspection, with the new agency taking an entirely different approach to social work inspection from that which was taken in the past. The agency is carrying out comprehensive and hard-hitting work, as will be evident from some recent reports. The agency is not frightened to point out practice that is deficient; it has done so in a recent report and I am sure that it will do so again. That is the means for proper independent scrutiny of what is happening in social work at the local level. Invariably, local authorities will respond to criticism that is warranted in those reports. Indeed, where inadequacies are reported, we would expect local authorities to take action. Over the coming period, I think that we will see many more reports that will require change at the local level.

14:45

Dr Elaine Murray (Dumfries) (Lab): I have a question about the efficiency targets, with reference to the efficiency technical notes that were published in March in relation to the savings that were required of the Education Department. I note that you were asked to make £10.3 million of savings last year, of which £10 million were time-releasing savings. Do you feel that that target was achieved last year?

Peter Peacock: My understanding is that the £10 million target that we were set was not just achieved but exceeded by a couple of million pounds.

Dr Murray: One thing that has exercised the minds of the Finance Committee, on which I also sit, is how you can be sure that you have achieved the targets, particularly the time-releasing targets. Time releasing basically means putting in the same input but getting more of an output. In particular, your time-releasing targets, which predominantly concern the school building programme and the use of classroom assistants, were £10 million last year, with a target of £17 million for this year and £35 million for the year after. Could you say a bit more about how the school building programme contributes towards time-releasing efficiency targets? I can see how the use of classroom assistants frees up teachers and allows them to teach, as opposed to duplicating other work. How do you convert that addition of teacher time into a financial quantity that is claimed as a target?

Peter Peacock: You ask some very good questions, and your thoughts about these matters benefit from your membership of the Finance Committee. Finance officials, as well as Tom McCabe himself, made it clear to the Finance

Committee that the measurements can sometimes be difficult. We are learning as we go.

We have been considering how we calculated some of the initial figures, which were based on some initial assumptions. We are now making different assumptions based on what we learned from the first calculations on, for example, the time-releasing savings that are generated by having more classroom assistants. We can share some of that information with you. I look to Joe Brown to keep me right on this, but we are constantly revising our technical annexes, which support the work that we are doing and reveal how our thinking is changing and how we have learned from what we have done in the past. There will be further changes to the technical annexes, which will reveal some of the detail of that. I am pretty sure that those become public documents anyway, so we will be able to share them with the committee.

At one level, the figures are estimates based on logic and plausibility of the extent to which certain inputs will result in more efficiencies or, in the case of classroom assistants, the more effective deployment of professional time. It is then a matter of doing the supporting technical calculations, which will be contained in the technical annexes. We have tried to devise mechanisms that can be regarded as plausible by observers. They might examine them and conclude that they form a reasonable hypothesis, although the data are largely based on hypotheses of what the changes will bring about.

Some of the stuff to do with buildings is about more efficient management, with less of the traditional janitor time or other support time going into managing buildings because of the new approaches to that through public-private partnership and other mechanisms.

I readily acknowledge that this is not an exact science—perhaps that is an issue for you to wrestle with as a scientist, Dr Murray—and that there are outstanding issues. We need to keep refining the system to achieve more sophistication. Joe Brown might be able to add something on what we have been doing on the technical side.

Joe Brown (Scottish Executive Education Department): An outturn report was recently published, covering all the efficiency savings that have been delivered under all the portfolios. If it would be helpful, I would be happy to pass on relevant information about the education and young people savings. That would provide more information about the basis for the calculations to which the minister referred.

Dr Murray: I agree that I sometimes have problems with the science of economics.

Fiona Hyslop: It is an art.

Dr Murray: You said that last year you exceeded your target by about £2 million. Were those cash-releasing savings?

Peter Peacock: No, they were time-releasing savings.

Dr Murray: It is difficult to reallocate those savings as they tend to arise from doing things better and do not necessarily free up cash.

Peter Peacock: Absolutely.

Dr Murray: With regard to cash-releasing efficiency savings, Are you able to say how the cash-releasing efficiency savings that you hope to make—£4.9 million in this financial year and £10.8 in the next financial year—will be redistributed?

Peter Peacock: I cannot make any specific comments at this point, but I can say that my office is carrying out a pretty major review of where our current spending goes and whether there is any scope for reprioritising some of it to meet new pressures in the system. The extent to which projected cash-releasing savings form part of the baseline budget is caught up in our thinking about how the cash might be reallocated. I will not go into the variety of pressures that we face, but I assure the committee that we will include any available cash in our wider examination of how our budget can be realigned to accommodate those pressures.

Dr Murray: I have to say that I am not quite clear how the use of classroom assistants provides cash-releasing efficiency savings for your department. Surely those are savings for the local authorities who employ them.

Peter Peacock: I look to my technical assistant for support in answering that question.

Joe Brown: It is indeed a saving for authorities. It comes down to a calculation of the difference between the salary of the relevant number of teachers and the salary of the relevant number of teaching assistants, which is explained in detail in the technical notes.

I am sorry; I have lost the track.

Peter Peacock: I will pick it up. The more I think about your question, the more I think that you are obviously right. Although the savings with regard to classroom assistants are time-releasing savings, they represent savings in the whole public expenditure block. However, they are principally attributable to the local authority, which has to bear the employment costs. I am not sure whether there is a technical means of scoring that against our bit of the block; we would have to look into that.

Joe Brown: The savings are reported in that way simply because the funding is delivered through the education and young people portfolio.

However, because they are time-releasing not cash-releasing savings, they do not need to be connected to a particular budget.

Peter Peacock: We will drop the committee a note on the matter. However, as Joe Brown has said, under the Executive's accounting system, such efficiency savings are related to the education portfolio even through the department itself has not saved any cash or time.

Dr Murray: The point is that, in its submission, ADES has said that all local authorities are making efficiency savings within the education budget line.

The Convener: I think that it all has more to do with the mystic arts of public finance and accountancy than with the excellent and more tangible science of economics.

Mr Adam Ingram (South of Scotland) (SNP): The minister might recall that we discussed the issue of efficiency targets and savings last year, and we were left with the impression that he had assured us that there was no intention to pass efficiency targets on to individual schools. However, in his letter to the committee, he has rationalised that comment by saying that he specifically exempted education authorities from efficiency savings because he wanted to grow teacher numbers. This year, there is quite a squeeze on education authorities. For example, East Ayrshire has had to make a 30 per cent cut in funding for books and classroom supplies. Individual departments in schools are struggling. How do you square that with what was said to us last year?

Peter Peacock: I have no difficulty in squaring it. We exempted education staff costs from efficiency gains in the spending review and we are growing education spending, and I have the same strong desire that I had last year for that to be passed on to the school system. However, the issue takes us back to the discussion with Rosemary Byrne and Fiona Hyslop on social work spending. I am acutely conscious of the points that have been made but, in the final analysis, the local authorities decide how to deploy the block of cash that we make available to them. In its submission, ADES made the point that efficiency gains have been sought in every local authority, but it did not say that those gains span not only staffing costs but other costs that might have been described. Head teachers, for example, have told me about the pressures that they have found on devolved budgets to their schools, and I am conscious that some local authorities have continued with staffing assumptions and formulae that relate their staffing levels to the school population. Teacher numbers therefore fall as the school population falls—on average, the school population is falling throughout Scotland. However, I have explicitly said to local authorities that they should not make

assumptions about falling teacher numbers following falling pupil numbers because we specifically want to grow the number of teachers.

I want to be clear. The ground has moved since our discussions last year, partly because of what you have just said and what I have picked up from the system. Others may want to pursue that matter. When we talked about local authorities releasing the extra £18 million that we have put into the system for teacher staffing this year, I wanted to be certain that that money achieved its purpose and that we would meet our class-size targets. We allocated a carve-up in discussions and correspondence with COSLA; there was a breakdown of how many of the 53,000 teachers the local authorities would need to employ to meet the target. We made it clear that we would release the cash from the national priorities action fund only if local authorities signed up to what was requested. We have entered new territory and people are in a tougher position than they have been in the past.

I followed things up later this year in a further discussion with COSLA about additional cash that I could make available to accelerate progress towards our class-size reductions—I am talking about an extra £14 million or thereabouts to local authorities. Given that I allocated that money in the summer after the point at which local authorities had set their budgets, its purpose, as outlined in the letter that I issued, could not have been clearer. There was discussion and agreement with COSLA about the principles that were involved. I made it clear that the money would go to local authorities only if it was genuinely additional to the budgets that they had set at the beginning of this financial year. Not only was the money to go towards extra staff and to result in a net increase in staffing, it was not to displace any other form of education spending. From experience, I was aware that if I tried to ensure that spending on education staff was maintained and increased, I might begin to see knock-on effects on other education spending, and I wanted to ensure that that did not happen. There would be no point in my making extra cash available to accelerate the progress that we are making on teacher numbers if that cash simply resulted in reductions in other parts of education spending and no advancement. That is why I made things explicitly clear.

Since then, we have written to every local authority and explicitly asked them what they are doing to ensure that the targets within the 53,000 teacher total relating to primary 1 class sizes and secondary 1 and 2 maths and English class sizes are being planned for and met. Data are still coming back from the local authorities, but almost all the returns have been received. As a result of the exercise, I will be able to monitor closely

whether all our spending is having the desired policy effects at the school level.

All that is difficult territory for us and the local authorities. We have had some good and constructive discussions with them, although they have not agreed with every point that I have made. Local authorities share our overall objective of achieving the desired staffing improvements and class-size reductions, which are the reasons why we have moved down this route. However, I keep a very close eye on the situation and I do not rule out the need to go still further to make progress.

15:00

Mr Ingram: Thank you for that comprehensive answer.

Annex B to your letter shows that the 53,000 teachers commitment certainly appears to be the number 1 priority at the moment. The increases in spending through the national priorities action fund amount to more than £30 million this year and £44 million next year. Are you saying that those increases are expressly for the purpose of reaching the 53,000 teachers target by the target date without affecting other parts of the education budget, or are you saying simply that you hope that those increases will be sufficient to meet the teacher number target without cutting into other parts of the education budget? In particular, I am concerned that individual schools are being forced to cut back in the interim. Surely the onus should fall on central funding at education authority level rather than at individual school level.

Peter Peacock: That touches on the tension that exists in all public spending—the issue is not unique to the education budget—about the ability of the Government to deliver its programme through the hands of other partners, especially when those partners are elected locally and are democratically accountable. The purpose of such accountability is that local authorities can reflect local circumstances. There is tension because, as we have debated on previous occasions, our ability to be precise and rigid about particular funding needs to be balanced with the legitimate right that local authorities have to make local decisions.

I am saying that we are departing from where we have been in the past. We are becoming much firmer and clearer about the purpose of this extra cash, which comes on top of all the other cash that goes in as part of the main grant settlement. The extra cash is specifically for extra teachers. As I stated in my most recent letter to local authorities, we do not want to put in extra cash only for someone at local authority level—I am not accusing anyone of doing this but am speaking theoretically—to say, “Now that you have that

cash, we will take away other funds because they are no longer required.” That is not what the extra cash is for. It is to provide extra teachers. I do not wish the extra cash to displace other forms of education spending. However, ultimately, the local authority must make those decisions.

Mr Ingram: Do you monitor the NPAF funding?

Peter Peacock: We have the power to do so and we are monitoring that funding specifically. The latter letter to which I referred is designed to extract from local authorities the data that will allow us to make the judgment and assessment on how we are meeting the target. Local authorities are willingly co-operating with us by saying what their plans are. That gives me a degree of certainty that we will meet the targets. However, I am reserving my position to ensure that if we find that things are not working in the direction that we wanted for what is clearly a major Government commitment, we will have further discussions with COSLA about what we need to do about that.

Mr Ingram: When will you publish that information?

Peter Peacock: I did not say that I would publish it, but I will be quite happy to make it known once I have assessed where we are with the plans that local authorities have. However, the data are still coming in. It will take us quite a period of time to clarify and process those.

Mr Ingram: Finally, as well as the commitment to additional teaching staff, the report “A Teaching Profession for the 21st Century” set a figure of 3,500 additional support staff. That milestone was due to be met in April 2004. In evidence to the Audit Committee in May, Audit Scotland could not confirm whether that milestone had been achieved. Can you confirm whether that is the case?

Peter Peacock: I will ask my officials to confirm what I am about to say to you. My recollection is that there was only one thing that Audit Scotland said had not been achieved out of all the things that we had set out to achieve in the McCrone settlement. At the time, Audit Scotland reported that there was a shortfall in the number of additional support staff, to which you have alluded. However, I understand that, by the time that the report was published, the target number of additional support staff had been largely delivered overall.

The Scottish negotiating committee for teachers—the negotiating mechanism between the Executive, the teacher unions and COSLA—recognised that fewer than a handful of local authorities had not fully made the impacts that were intended to come out of the McCrone settlement. However, the SNCT had agreed a mechanism through which the senior politicians

within COSLA, as part of the SNCT, were to speak to those local authorities. I do not know whether that has happened yet, but there is a process for having that matter pursued through the SNCT.

Fiona Hyslop: I welcome the minister's comments. He will be aware that the committee has for some time wrestled with how we can ensure that national outcomes are delivered locally. Annex C to his letter, which deals with outcome agreements, is interesting. The £44 million of funding in 2007-08 is for teachers who will be employed from September 2007, which is some time off. I take it that the audit that is currently being undertaken acknowledges that that £44 million will be released only when specific teacher numbers are allocated. Concerns have been raised with us about that funding being used for retirement issues arising from McCrone and about the potential mismatch, given that in some local authority areas the population is falling fast whereas in others, such as West Lothian, the population is growing. How are you going to ensure that the funding is used for the specific purpose? Is this a sign of things to come, not just in relation to teacher numbers but in other areas, where you drive forward national priorities by using a national priority fund for child protection, social work or whatever?

Peter Peacock: We are on a journey, and it is new territory for the Executive to go into the level of detail that we have gone into with local authorities on this matter. Our intention is to continue with that, as we have a high-level commitment to meeting the targets that we have set. It remains to be seen how successful the exercises that we are currently involved in are at revealing the information in sufficient detail to allow us to judge precisely whether, to the last teacher or whatever, local authorities are doing what they are signed up to and what we want them to do. We will wait and see. Nevertheless, the direction of travel is clear. We intend to deliver on our commitment and we will use the necessary mechanisms and means to ensure that we do so. In fairness to local authorities, they are working with us. There will be differences and disagreements from time to time—that is the nature of our relationship on the issue—but we intend to make progress.

Whether the approach could be used more widely with other services takes us back into a difficult debate about where accountability ultimately lies. Does it lie with the Executive and our commitments or with the local authorities, their local democratic accountability and their freedom to make certain decisions? That is a real tension at the heart of government, and it is not unique to Scotland. Such arguments go on in every civilised, modern western democracy in which there is distribution of cash from the centre to local

authorities. I do not want to imply that what I am doing in relation to teacher numbers—which is very specific—will necessarily apply anywhere else or across the board, but time will tell.

Fiona Hyslop: In annex C you refer to the provision of 400 physical education specialists as part of the 53,000 teachers. However, we heard from Patricia Ferguson in Parliament that they will not be 400 PE specialists: many of them will be normal primary school teachers who have had some special PE training. Can you make clear what you are saying? The national priorities action fund spend on PE training for primary school teachers is £0.4 million in 2006-07, but no amount is specified for 2007-08. Are we talking about having in place for 2007-08 400 PE specialists or 400 primary teachers who have had PE training?

Peter Peacock: I undertake to come back to you with a specific answer, but at the moment I cannot bring to mind the figures for the precise balance.

PE teachers are normally trained through the BEd route, which takes four years: it cannot be done overnight. However, we are still trying to meet our commitments in the short term—and what we are doing may extend to the medium term because it proves so successful. We should not characterise PE training for primary teachers as second rate. We are talking about qualified primary teachers who are gaining specific additional qualifications so that they can teach physical education in schools. That has been remarkably popular and successful. We are increasing the numbers and improving the quality of PE. However, our long-term objective is to have 400 specialist PE people in our schools. I will come back to Ms Hyslop with the specifics.

Fiona Hyslop: When you do, perhaps you could also give specific information about the 600 visiting specialists in expressive arts and learning support. Is there double counting within the figure of 53,000?

Peter Peacock: I am sure that I have never double counted anything—that is an outrageous suggestion. I will come back to you with specifics, but there will be 1,000 visiting specialists within the 53,000, of whom 400 will be PE specialists and 600 will be other types of specialist—in science, arts, music or whatever.

Lord James Douglas-Hamilton (Lothians) (Con): Will ministers release the independent budget review group's apparently secret report? After all, how can this committee be expected to consider the budget process properly if we are denied access to an extremely important central document? Could ministers at least give us some guidance as to whether the report's findings are favourable or unfavourable?

Peter Peacock: There is a short answer and a long answer. The short answer is no. We do not intend to publish the document until it is published in line with what Tom McCabe said to Parliament, that is, when spending review papers are published more broadly.

I will pick up on some of the nuances within Lord James's question. It is not a question of the report being favourable or unfavourable. Reports of this kind help us to open up our ideas and to think about issues differently. Depending on your disposition, you could view a report as helpful or unhelpful, but they are all intended to be helpful and to allow us to think about our priorities.

People should be aware that the document that Lord James refers to is not the only document—or, rather, the only advice—that ministers will receive on budget priorities. We will take a whole variety of factors into account in our thinking on the spending review. The external report is but one of those factors. There will also be advice from civil servants and discussions between colleagues on priorities and new ideas.

A whole range of factors will be considered at the time of the spending review, and it would be wrong to publish anything in advance of that wide consideration. I am sure that when, just a few years ago, Lord James was a minister and was doing this kind of job, he took exactly the same view.

Lord James Douglas-Hamilton: Will ministers very kindly give us some guidance as to whether the report will be published? If so, what might the timescale be?

Peter Peacock: I do not think that I have anything to add to what Tom McCabe has already said on this issue. My recollection, although I will confirm the details, is that when the spending review is published, the supporting documentation—of which the report is part—will also be published. However, you will have to read Tom McCabe's specific advice to the Finance Committee and others. That advice is the word.

Lord James Douglas-Hamilton: I have one more question, about devolved school management. Do ministers agree that variations exist in patterns of achievement and in the extent to which devolved school management has worked in different areas, school by school? Could a failure to have a substantial measure of devolved school management result in a school losing out in efficiency savings?

15:15

Peter Peacock: I am not at all sure about Lord James's last point and whether there would be a direct relationship. I may not have understood it

fully, but I am not sure that his last point is correct. However, he is correct to say that the pattern of devolved school management varies throughout Scotland. I take a keen interest in the issue and I am keeping a close eye on it.

About this time last year—perhaps it was slightly later in the year—we issued a further circular on devolved school management, which made clear what we want to happen. It was issued after consultation with head teachers and others and dealt with clear three-year budgets for schools, to give clarity and certainty to school heads when they are making plans. Increasing devolved authority was discussed, as was a changing relationship between local authorities and schools, so that local authorities increasingly facilitate head teachers' decisions rather than impose decisions on them, if I may characterise matters in that way. At the time, I talked about some local authorities moving from a command-and-control mode of operation to a much more facilitating and supporting approach.

I am closely monitoring the situation and asking all sorts of questions about how well things are being implemented. I make it clear again, as I have done in the past, that if we do not think that enough progress has been made, we will go further and take the necessary powers to make happen what we want to happen in the future. We are talking about an important part of developing our system's fabric.

Lord James Douglas-Hamilton: Irrespective of whether management in specific schools has been devolved to the extent that you recommend, do you think that such management is likely to affect efficiency savings?

Peter Peacock: To be honest, I do not think that I am getting the point that you are trying to make. One way of looking at things is that the more devolved management there is, the less people will be subject to pressures from the centre to claw back cash part of the way through the year. That said, I am clear that some local authorities do not touch budgets once they have been devolved, but the pattern varies, so there is no single answer to your question.

I acknowledge that it could be argued in some circumstances that a three-year budget in particular could assist the process. Such a commitment would provide clarity about the resources that would be available over a reasonable time, so there could be proper planning for changes in schools. That would partly address your point.

Lord James Douglas-Hamilton: Will you keep the matter under review?

Peter Peacock: I am actively keeping it under review.

Mr Kenneth Macintosh (Eastwood) (Lab): I want to turn to additional support for learning. The ministers and the committee have spent a lot of time on and put a lot of effort into improving outcomes for children with additional support needs. In that context, I am grateful to the minister for the extra information that he provided following our request last year. In general, how do ministers monitor the implementation of additional support measures and the returns that are produced from the considerable investment in additional support for learning in schools?

Robert Brown: That question echoes the earlier question about child protection. As you know, we have put substantial additional sums of money into additional support for learning following the passing of the Education (Additional Support for Learning) (Scotland) Act 2004. That money has been made available across the local authorities, which also receive the full GAE allocation. If we are discussing inclusion processes in schools, it is reasonably clear that separating specific additional support needs moneys from more general moneys for schools involves an element of artificiality.

As I have reported previously, inspections are carried out into such matters. Her Majesty's Inspectorate of Education has been closely involved with that. Several aspects of the system and issues that have arisen in individual school reports have been inspected. I am not sure whether you seek to probe another matter.

Mr Macintosh: I would like to discuss a specific example, if I may, although I do not want to sound like a broken record. We spent a lot of time considering the Education (Additional Support for Learning) (Scotland) Bill. One acute concern for my local authority, East Renfrewshire Council, is its on-going dispute with Glasgow City Council about how the home local authority should support the education of children who are taught in a host authority as a result of a placing request. Before the Education (Additional Support for Learning) (Scotland) Act 2004 was passed, there was a mechanism under the record of needs system to resolve such disputes. In one case between East Renfrewshire and Glasgow, the Executive made a determination. Does the minister think that it is acceptable for a local authority to ignore such a determination? Before the 2004 act was passed, Glasgow City Council made a substantial contribution to the education of its residents on placing request at East Renfrewshire schools, but from the date of implementation of the act, Glasgow ceased to fund any support. Does the minister think that that is acceptable, given that it was not the intention behind the act?

Robert Brown: As Ken Macintosh is aware, we have a statutory role in such matters, so I do not want to comment on specific cases. As he rightly

says, we arbitrated in one case between Glasgow and East Renfrewshire and made a decision on it. Other cases are pending because information is still being sought or because of other reasons.

Bearing in mind the percentage of the moneys that come from central Government, I emphasise that the central issue must be the welfare and education of the children concerned. I deprecate actions by any local authority that put at risk what young people in our society are entitled to and what the Education Committee and the Executive want them to have under the legislation and from the available funding.

As members are aware, the dispute between the two councils continues. We are doing our best to use our offices to resolve the situation. Apart from our general decision-making role, contact continues at official level with the different local authorities. I do not want to say anything further on the specifics of the case, for the reason that I explained. I hope that Ken Macintosh accepts that we take such matters seriously and that existing mechanisms are not substantially changed by the 2004 act, which provides for a resolution of such matters.

Mr Macintosh: I welcome the minister's comments, particularly his last statement. It has been claimed in the dispute between Glasgow and East Renfrewshire that there is a lack of clarity from the Executive about how the 2004 act affects the contribution by home and host authorities to the education of children with additional support needs. There is no lack of clarity in my mind, having followed the bill through the Parliament and heard the then minister's comments.

On a constructive note, can the minister confirm whether home authorities are expected to contribute to the education of children with additional support needs in host authority areas? Although I am sure that the dispute can be resolved amicably, will the minister commit to using his powers to work with local authorities, and perhaps meet with me and others who have an interest in the matter, to find a way to resolve the dispute so that families are not caught up in further funding disputes that the 2004 act is designed to resolve?

Robert Brown: I am more than happy to meet Ken Macintosh and other committee members to discuss matters of that sort and to assist members if I can. The on-going decision-making process in the disputed cases should help to clarify and give guidance on the way to approach the wide range of situations that can emerge.

To put it in context, I think that I am right in saying that before the current disputes arose, only one other disputed case had gone to Scottish ministers for determination, around 10 or 12 years

ago. That happened under the same provisions that continue to apply today. We do not believe that there is a lack of clarity about how to approach such matters. The legislation emphasises that local authorities should agree where possible the basis on which contributions should be made between them in the circumstances that Ken Macintosh described. It is only in the event that they cannot reach such agreement—we very much encourage them to reach agreement—that Scottish ministers come into play and arbitrate in individual cases. Considerable guidance will be given as a result of the continuing decision-making process. I hope and expect that local authorities will follow the spirit of that guidance once we have a couple of decisions behind us.

Mr Macintosh: I will take the minister up on his offer.

I have a further question on a slightly broader topic. It is understandable that the committee and the Parliament often focus on areas of weakness in the education system, and particularly on how the budget can improve outcomes for all our children. Can the minister reassure me that where there are examples of excellence in education they will be rewarded? To give you one example off the top of my head, I refer to the HMIE report on Our Lady of the Missions primary school in East Renfrewshire, which I think the BBC website says is the best primary school in Scotland. Will there be further incentives for such achievements in our schools?

Peter Peacock: We like to celebrate excellence wherever it occurs in the system. Perhaps the rewards lie elsewhere, however.

Mr Ingram: Still on the subject of additional support for learning, I hark back to last year, when you assured us that the overall budget for additional support needs was increasing. However, that does not seem to be reflected in the figures in annex A to your letter. In its written submission, the Association of Directors of Education in Scotland suggests that

“actual expenditure will continue to exceed funding levels reflecting real demand”.

It goes on to say that actual costs are rising faster than any increases in budget provision. The association makes a specific example of

“support packages for children requiring coordinated support plans etc.”

Would you care to comment on those points? First, you do not seem to have shown evidence that funding is rising for additional support for learning. Secondly, there is the problem of the costs rising faster.

Peter Peacock: On the point about spend rising, I do not know—I will need to go back and check the *Official Report*—but I presume that I was commenting last year on what was happening between 2005-06 and 2006-07. The figures that you have now are for 2006-07 and 2007-08, and show a steady baseline. The national priorities action fund figures show what is pretty much steady-state spending, but a huge part of the national priorities action fund spending goes on additional support needs. In fact, at least eight out of nine items on our list are for expenditure on additional support needs of one sort or another in schools, using the broad definition that encompasses integration, inclusion, ASL itself, in-service training, alternatives to exclusion, discipline issues, staged intervention and support staff. The spending is designed around those. The figures under some of those headings are increasing under the national priorities action fund. For example, there is growth in support staff, and the pattern is one of growth generally.

On the wider point, I remember vividly that as a councillor—which I was before becoming an MSP—I had responsibility for the council's budgets for a long period, and one of our annual dilemmas was about the amount to put towards support for kids with special educational needs, as they were referred to then: they are additional support needs now. Every year without exception, there seemed to be overspending on that budget. That was partly because more cases were being identified, as better psychological services processed more kids through the system. There was much more sophistication around what could be done with particular individuals. In some cases, we thought that people were moving to our area to get better services than they might have got in other areas.

Local authorities consistently say the same things to me that you have just described. It comes back to our discussion about the total amount of resources. Councils must make the right priority decisions. I have little doubt in my mind that they regularly prioritise ASL spending because of the obvious and particular need that must be met. Sometimes, the spending can be extremely high in individual cases. Notwithstanding the difficulty in meeting that need, it is met.

15:30

Mr Ingram: That underlines the point that you made about monitoring the funding from your department to local authorities. I am sure that all MSPs find the issue to be particularly sensitive for parents and others. The feeling is still abroad that it is difficult to have resources allocated locally. Everyone concerned would be helped if the

funding that is allocated and how it is spent were more transparent. Will you consider taking initiatives to bring that about?

Peter Peacock: I am happy to consider that. However, as Robert Brown said, we must be careful not to chase individual budget lines and lose sight of the total that is available. He made the point that, in the final analysis, local authorities must decide what to spend case by case. We trust that they will make the right decisions. I have no doubt that they do so, for the most part, and that they meet the requirements.

I should point to one issue that we have considered in relation to the national priorities action fund, which uses many different headings, although money can be vired between parts of it. We have talked about the desirability of collapsing several budget heads together and having fewer hard divisions and fewer accountability measures for them, to give local authorities more flexibility in using cash. That is under consideration in the NPAF.

Robert Brown: We ought not to lose sight of the bigger picture. I have had dealings with such policies since before I became an MSP. Without question, the resource that is being invested and parents' and families' satisfaction with the system are immeasurably greater than they were 10 or 15 years ago. The timescales are also shorter.

I have talked to quite a lot of people throughout Scotland in different scenarios. I have asked people who have children with additional support needs how they find the system. I am not saying that no complaints are ever made—from time to time they are—but my impression, which is borne out by what I hear from officials and MSPs, is that the position is much better than it used to be. We are identifying people earlier and better. We are better focused and better able to do things. Schools take a more holistic view of how to tackle matters.

That does not take away from the point that patchiness, shortfalls and issues will exist in the system but, across the board, the system has immeasurably improved. The money that has been put into it, in association with the 2004 act, has made a substantial difference by creating flexibility in the system to deal with situations that are sometimes challenging.

Mr Ingram: I appreciate your answer but, if we are to make proper funding decisions, we need to have a proper feedback loop using experience of how the system is operating. We need that loop to be closed.

Robert Brown: Some of that will come from HMIE inspections at the local authority and functional level. We have developed that as part of implementing the 2004 act.

Peter Peacock: Once the process is fully under way, we will begin to receive feedback as part of that loop. We will inform ourselves through the additional support needs tribunals for Scotland, the findings that they make and whether their judgments about the level of provision and so on are distinctly different from those of local authorities. There will be more opportunities to do that.

I do not diminish Adam Ingram's point, but I suspect from my experience of budgets that an exact answer will never be obtained—demand will always be greater than the obvious, immediate and apparent supply. It is remarkable that, year on year, local authorities nonetheless make the priority decision to provide the service. Ultimately, that is what is important.

Mr Ingram: A table in annex A details all the expenditure by your department on additional support needs. Do other departmental budgets contain expenditure on additional support needs? Does a global figure exist?

Peter Peacock: There is clearly expenditure on health on occupational therapy and other support, and I imagine that there might be elements in social work expenditure, but there is no pulling together of ASL spending across the Executive, if that is your question. We prepared annex A specifically at the committee's request to further clarify current spending. Without making a commitment, I agree that we can consider drawing up a global figure and finding out what is readily available.

Mr Ingram: That would be helpful. We have certainly had lots of feedback about the need for therapeutic interventions and the lack of staff for that purpose.

The Convener: The operation of the Education (Additional Support for Learning) (Scotland) Act 2004 will be subject to post-legislative scrutiny by our successor committee in the next parliamentary session. The gathering of information from all sources will be important for that exercise.

Ms Byrne: I have a couple of short questions relating to annex B to the minister's letter. Is the budget for ASL in-service training still part of the implementation of the act or does it now represent resources for local authorities to run specialist training for staff? Are any national priorities—such as how to identify difficulties that young people have or how to teach children with an autistic spectrum disorder or dyslexia—pointed out in continuing professional development training? Those are major issues.

Peter Peacock: I think that I am correct in saying that it is a pre-existing baseline in the budget, not a short-term budget for the act's implementation—although it would have

implications for the implementation—and should continue. However, we will confirm that for you.

You made a wider point about preparing teachers for the task of teaching in an inclusive environment. Major changes are under way in some of the teacher training institutions. We are funding new posts in the University of Aberdeen, where new professors are developing new ways of training teachers and supporting them in the process of being trained in inclusion and additional support needs in general. Some priorities that relate to dyslexia are addressed early on in teacher training, but the intention is to widen the way in which teachers are trained. There are some interesting innovations that might be worth considering as part of the review of the 2004 act.

Fiona Hyslop: Annex A to your letter is extremely useful, because it enables us to go into the budget in a bit more detail. You say near the end of it that additional developments mean that

“additional support needs are currently under consideration in the NEET (Not in Education, Employment or Training) Strategy to be published shortly.”

It has now been published and it splits support for those who are not in education, employment or training into pre-16 support and post-16 support. How do you plan to resource that? Is there any pooled budgeting with the Enterprise, Transport and Lifelong Learning Department? For future budget scrutiny, will such funding allocations sit under the national action plan for education or go elsewhere?

Peter Peacock: We will have to come back to you on that, because I do not have a ready answer. We are focusing on those who are within the schools system, but the NEET strategy, by definition, extends beyond that.

Robert Brown: I do not think that there is a pooled budget as such under the current arrangements. There is a link through planning for what happens after somebody leaves school, which is addressed in the 2004 act. Another issue is the fact that some 14 to 16-year-olds go to college under the umbrella of their school, so matters are possibly getting a little bit blurred around the edges.

Fiona Hyslop: I suggest that the situation is similar with additional support for learning, in which there are cross-cutting issues between health and education provision. From reading your strategy for those who are not in education, employment or training, I suspect that similar issues will arise between the Enterprise, Transport and Lifelong Learning Department and the Education Department.

Robert Brown: I am sure that that is right.

The Convener: I will conclude the questioning.

Robert Brown will be aware from his time as convener that the Education Committee has previously expressed concern about the fact that the presentation of the budget documents makes it difficult to track the budget. I know that that is not entirely in the hands of the Education Department, because some issues are dealt with elsewhere, but the concern still exists. Perhaps the ministers could reflect on the fact that the committee's concern has not been addressed and raise the matter in discussions with the people who have the necessary powers to tackle the problem.

Part of the issue is that expenditure that appears under one budget head sometimes crops up elsewhere. Even in the annexes to the minister's letter, some of the items under additional support for learning in annex A appear under the national priorities action fund in annex B, which makes it difficult to work out the total sums involved. I invite the ministers to reflect on that.

I have a specific query. In the ASL annex to the minister's letter, in-service training receives an allocation of £8.4 million in each of 2006-07 and 2007-08, but in the annex on the national priorities action fund, the figure of £7.186 million appears next to the heading “ASL INSET”. Is one of those figures correct and the other one wrong, or is one sum additional to the other, which would be even better news?

Peter Peacock: We will get back to the committee to clarify that. I return to your penultimate point about the documentation. We conform to what has been agreed between the Finance Committee and the Executive. That said, following the Education Committee's request last year, we chose to provide additional information this year. We hope to continue that practice if the budget documents do not accommodate all that is desired. The more conversation there is between officials such as Joe Brown, who deals with much of the detail in the budget, and the clerks about the areas of interest, the better. We are happy to provide what information we can in that regard.

The Convener: The committee welcomes the additional information that has been provided, but a difficulty still exists in that it is not necessarily possible to follow the budget documentation. An issue that we have not yet addressed may arise in future years and we may need to look up the figures.

That concludes the evidence on the budget. I thank the ministers for coming along this morning—I should have said “this afternoon”; I still have our traditional meeting time in my head. The committee will consider its draft report at its meeting on 8 November.

15:42

Meeting continued in private until 16:14.

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