EDUCATION, CULTURE AND SPORT COMMITTEE

Wednesday 1 March 2000 (*Morning*)

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EDUCATION, CULTURE AND SPORT COMMITTEE 8th Meeting 2000, Session 1

CONVENER

*Mrs Mary Mulligan (Linlithgow) (Lab)

DEPUTY CONVENER

*Karen Gillon (Clydesdale) (Lab)

COMMITTEE MEMBERS

*Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD) *Lewis Macdonald (Aberdeen Central) (Lab) *Mr Kenneth Macintosh (Eastwood) (Lab) *Fiona McLeod (West of Scotland) (SNP) *Mr Brian Monteith (Mid Scotland and Fife) (Con) Cathy Peattie (Falkirk East) (Lab) *Michael Russell (South of Scotland) (SNP) *Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD) *Nicola Sturgeon (Glasgow) (SNP)

*attended

THE FOLLOWING MEMBERS ALSO ATTENDED:

Malcolm Chisholm (Edinburgh North and Leith) (Lab) Dr Sylvia Jackson (Stirling) (Lab) Johann Lamont (Glasgow Pollok) (Lab) Richard Lochhead (North-East Scotland) (SNP) Mr Lloyd Quinan (West of Scotland) (SNP) Shona Robison (North-East Scotland) (SNP)

WITNESSES

Ms Ann Caldwell (Broadcasting Council for Scotland) Mr Don Cruickshank (Scottish Media Group) Mr Donald Emslie (Scottish Media Group) Mr Andrew Flanagan (Scottish Media Group) Mr Mark Leishman (BBC Scotland) Mr John McCormick (BBC Scotland) Sir Robert Smith (BBC/Broadcasting Council for Scotland) Mr Derrick Thomson (Grampian Television)

CLERK TEAM LEADER

Gillian Baxendine

SENIOR ASSISTANT CLERK David McLaren

ASSISTANT CLERK Alistair Fleming

LOCATION Committee Room 2

Scottish Parliament

Education, Culture and Sport Committee

Wednesday 1 March 2000

(Morning)

[THE CONVENER opened the meeting at 09:34]

BBC in Scotland

The Convener (Mrs Mary Mulligan): Good morning. I call the meeting to order. Mr Stone, will you stop playing to the camera?

Michael Russell (South of Scotland) (SNP): Or playing with the camera.

The Convener: I start by welcoming the witnesses from the BBC to this meeting of the Education, Culture and Sport Committee. I am sorry for the slight delay. We are now all assembled and would like to proceed.

Michael Russell: On a point of order. Can we ensure that everyone who wanted to get in has managed to? There was some doubt about that; apparently this is a sell-out performance. I do not know whether that is because of the BBC or because of other guests, but some people were having difficulty obtaining tickets. Can we establish whether everyone is here or whether extra seats need to be put in?

The Convener: We will do our best to ensure that everybody who wants to see the proceedings can do so.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): Does that mean that we could bring more seats in?

The Convener: There are regulations about how many people we can allow in, but we will do our best to permit as many people as possible to attend the proceedings. As you are aware, there are cameras here, so people will see what happens even if they are not present.

Mr Kenneth Macintosh (Eastwood) (Lab): I want to say for the record that I used to work for the BBC and that my wife still does. She used to work for Scottish Television.

Michael Russell: I declare my interest as registered in the "Register of Members' Interests".

Mr Stone: I am an occasional broadcaster. That is registered in the "Register of Members' Interests".

Sir Robert Smith (BBC/Broadcasting Council for Scotland): I hope that Mr McCormick will not have to say at the end of the meeting that he, too, used to work for the BBC. [Laughter.]

The Convener: That is very unsettling.

lan Jenkins (Tweeddale, Ettrick and Lauderdale) (LD): You are supposed to have total confidence in him.

Karen Gillon (Clydesdale) (Lab): Like Celtic football club.

The Convener: Now, now. We write no statements of confidence.

I want to explain how we will proceed this morning. I will shortly hand over to Sir Robert Smith, but before I do so I remind members that for some time we have had an interest in the BBC's role in education, culture and sport, which are covered by the committee's remit. I am sure that other issues will be raised this morning, but I ask members to remain within our area of competence and to remember that, because broadcasting is a reserved matter, some issues can be dealt with more effectively at Westminster. I now ask Sir Robert Smith to introduce his team and say a few words.

Sir Robert Smith: My name is Robert Smith and I am the national governor of the BBC for Scotland and chairman of the Broadcasting Council for Scotland. Ann Caldwell is vice chair of the Broadcasting Council for Scotland. John McCormick is controller of BBC Scotland and Mark Leishman is secretary to the Broadcasting Council for Scotland.

I attended my first governor's meeting in October last year, but despite the fact that I have been in post for only a short time I can report that BBC Scotland is in good heart. By the end of the current financial year, we will have spent more than £100 million on programming in Scotland, which is a record—it is the first time that spending has exceeded £100 million. I am pleased to say that an increasing proportion of that money roughly one third—is in network, by which I mean programmes that we are producing in Scotland and exporting to other parts of the United Kingdom.

We have had a strong programming year. Programmes that we have produced include "Chewin' the Fat", "Castaway 2000"—which we will no doubt hear about later—a number of drama programmes on Radio 4, "Feeling Good", which is a health and lifestyle programme for the Scots, and "Monarch of the Glen", which started on Sunday night. Throughout the year, we have been heavily involved in responding to devolution and in broadcasting the proceedings of this Parliament. Our response to devolution is also evident in our news and current affairs and Gaelic coverage.

We sent the committee a memorandum outlining what we do. We describe ourselves as

"the most diverse BBC production base outside London".

The BBC has 10 production bases around the UK. We are committed to putting more investment in creativity and learning into Scotland. With digital and BBC Online, we believe that the future is exciting.

Chris Smith, the Secretary of State for Culture, Media and Sport, described the BBC as

"the UK's most important cultural institution"—[Official Report, House of Commons, 21 February 2000; Vol 344, c 1239.]

We believe that BBC Scotland has an important role to play in the culture of Scotland. That not only goes for covering proceedings of Parliament, news and current affairs, but includes the cultural contribution that we make to learning, education and so on.

I have been involved in financial services, which I thought was complex. However, this is a more complex business. The people whom I have come across have impressed me, but not everything is perfect. As chairman of the Broadcasting Council for Scotland, I must tell the committee that we are still not happy with some of our transmission problems. BBC2 transmission in south-west Scotland is still not good enough. I do not want to prejudice the report, which we have not yet properly discussed, but I can say that one of the comments that we will make is about how annoyed we are that we have not made sufficient progress on that.

The same applies to Gaelic broadcasting. We feel that we need to extend the network there, so that we can say that we are providing a really national service. We want greater network output, but to do that we must produce quality. We are not looking for a quota; programming must be good quality. We outperform in terms of network output in the UK, especially in children's television, where we take a much greater proportion than members might expect.

We are hoping to improve on that. I see network output as export earnings, which go back into the cultural community and allow us to be involved in Scotland in building the craft skills such as writing, producing, directing and even performing arts the more money that goes into that area, including in the independent sector, the more we can generate creativity in Scotland.

We also want to improve what we do in local radio and television. We must look at the implementation of a response to devolution. In May, we will produce our findings on what we have done over the past year in response to devolution and how we will take that forward.

We have just had the licence fee settlement. We are working our way through how that will affect BBC Scotland and the BBC in general. Members may have heard that we have a new director general. He has his way of doing things, so I think that one can expect some radical change. He is committed to programmes. He is excited about what he has seen in Scotland and, this week, is about to make a second trip here, which is interesting in itself. He will propose changes to the way in which the BBC is run, which, with the licence fee settlement, means that there are uncertainties at the moment. However, matters should become clear shortly.

I echo what has been said—BBC Scotland's accountability is officially to Westminster. We have already appeared before a select committee there this year.

We have been in informal contact with a number of members of this committee; we are now appearing before the committee formally and look forward—in a way—to the questions that the committee is about to ask us. We are happy to be here and will be happy to continue the contact in the months and years ahead.

The Convener: Thank you for that comprehensive statement. I remind members to keep their questions succinct as we have only until 10.30 am on this matter.

Mr Macintosh: As Sir Robert Smith said, the settlement for the licence fee is very recent, so he will probably not have had a chance to adjust fully to it. One concern of the viewers is what is happening to digital services. It is probably too early to say how those services will be affected, but what is happening in relation to BBC Choice and what plans do you have for the future?

09:45

Sir Robert Smith: I shall pass that question over to John McCormick, although he will also say that he cannot give you a detailed answer. The additional licence fee that we received is not ringfenced for digital television and includes additional money. We have also been asked to provide additional revenue savings, which can be done in several different ways. We are looking to save an additional £490 million over the next six years. We are juggling with additional cash and money that must be saved. John will say more specifically on BBC Choice and digital television.

Mr John McCormick (BBC Scotland): We play a full part in the BBC's UK digital proposition. Our three special services—BBC News 24, BBC Knowledge and BBC Parliament—as well as BBC Choice fulfil the Reith dictum of "inform, educate and entertain". We are playing a key part in the provision of all those services. It is important to stress that, from the existing services, we will produce educational programmes in Scotland for BBC Knowledge—we are already planning them. We make a major contribution to BBC News 24; the work of this Parliament makes a major contribution to BBC Parliament, as do some of our existing programmes.

BBC Choice is a developing entertainment channel. As members will know, we provide 10 hours of new programming every week for that channel and are playing a part in the assessment that it is currently undergoing. We can decide whether to change the emphasis of BBC Scotland and whether to look for a different market. We have been particularly successful in the context of new digital channels, as we have focused on a younger audience. From 10.00 to 12.00 every night, we focus on attracting an audience that is perhaps under-served by BBC1 and BBC2. That has been successful and we would like to build on that success.

Another key area in which we are working with our colleagues in London is in developing plans for a BBC children's channel. As Sir Robert said, within analogue we are the second provider of children's programmes within the BBC. We fully expect to make a major contribution to the children's channel through programmes that are made here in Scotland.

Mr Macintosh: The broader concern is how long that will take. Many people do not receive the digital service. What sort of long-term commitment is there to it? At the moment, the audience is quite small. Over what period would you expect to build that audience up? How are we all to benefit from digital services?

Mr McCormick: It is important to stress that a large part of the increase in the licence fee will go to strengthen the analogue services. The Secretary of State for Culture, Media and Sport talked about enhancing BBC1 particularly, and we have plans to help the controller of BBC1 to strengthen his channel with programmes that are made here in Scotland. The licence fee enhancement will benefit not only those who have access to digital television. One of our plans is to strengthen our presence on BBC1 and BBC2, then to migrate that to the digital audience.

One of the great challenges of this period is to pioneer new technology and to invest money from the public licence fee in a service that is available only to a minority while making that service attractive, so that Britain will lead the digital revolution. We faced similar challenges in the transition from radio to television and, in the 1960s, in the transition from monochrome to colour television. We must invest to make the services attractive. The governors have set a cap of 10 per cent on the licence fee revenue as the total that can be invested in all our digital services, including BBC Online. That will be reviewed in the light of the licence fee settlement, which is only a week old; work is being undertaken to set new targets.

Our challenge is to ensure that we continue to serve our core audience, who have access only to analogue. We expect that position to be the same for at least five years. However, in five or six years about half, or more than half, the population will have access to digital television. Planning the change from analogue to digital is one of our greatest challenges and we plan to undertake much more public consultation on it in Scotland. We intend to keep the analogue services strong, and at the core, while investing some of the new funding in digital technology to encourage people to transfer and to provide new services for them.

Sir Robert Smith: Much of our submission regarding funds was about the digital opportunity. When Chris Smith announced the money that he was giving us, he said that he expected that uptake on digital television would flatten out at 50 or 60 per cent without the BBC's involvement. Government and the BBC are clearly interested in pushing digital developments as fast as possible.

Michael Russell: I will mention digital television but I also want to widen the questioning. Sir Robert mentioned a figure of 50 to 60 per cent without the BBC's involvement. Within a relatively short time, television will have to be 100 per cent digital. How will the BBC and BBC Scotland get the resources to invest in such services? There is speculation that not only will BBC Worldwide Ltd be sold, but www.bbc.co.uk will be sold. Resources are being transferred, but that is not necessarily a bad thing. What involvement will Scotland have in getting a share of those resources in the digital future of BBC Scotland?

Sir Robert Smith: It is my job to fight for that. I am pleased that we have not been circumscribed by being told that we must sell a particular asset, or that we must do any particular thing. We have been given a sum of money to save over a period of time. We have a director general who is a strong believer in programming and we have capabilities for programme making within the BBC. Members should be reasonably assured that we will safeguard those capabilities.

Michael Russell: In your opening statement you said something with which many of us would heartily agree—the more that goes into broadcasting and its craft skills, the better we will be able to build a creative Scotland. The more that is invested in broadcasting, the more that can be got out of it—that is key to your job in Scotland.

Getting resources for investment and choosing which resources to disinvest the BBC of has resulted in worries that the BBC might be disinvested of resources that it needs. That would be bad for the BBC throughout the UK, but it would be particularly bad news for BBC Scotland in terms of the craft base. Has that option been thrown out of the window?

Sir Robert Smith: No options have been ruled out, but it is clear from what Greg Dyke and the governors of the BBC have said that they want to keep programme-making capability within the BBC. We are not merely commissioners of programmes—we have total capability to make programmes.

Michael Russell: That is important. I recently had a debate on the radio with Mr Kenneth Macintosh, who described the issue of the Scottish Six as a nationalist plot. I apologise for playing Guy Fawkes in this matter, but could you update us on the progress of the review—which is promised for May—of the suggested Scottish Six? Given the success of "Newsnight Scotland" and the increase in the number of viewers that it has achieved over "Newsnight" UK at 11 o'clock, what expectations do you have of the review? What evidence is being taken and what is the new director general's involvement in such matters?

Sir Robert Smith: You will not expect me to comment on the outcome of an issue that we have been investigating for a year. The committee will not hear the results until May. We have carried out a lot of consultation and we have conducted surveys and so on. We have also discussed the issue among ourselves. I imagine that the subject will raise its head when Greg Dyke visits us this week.

The discussion that we are having is much bigger than just the Scottish Six; the Scottish Six is part of a whole. What we are actually discussing is our response to devolution. At the end of 1998, the BBC examined how it should respond to the advent of the Scottish Parliament. Ten million pounds were earmarked for that assessment and other initiatives were undertaken, such as educating people in London about the differences between Scottish, English and British and about our separate education and legal systems. We have, in many ways, a different culture and different ways of going about things. We expect that the results of our investigation will show that there have been changes in the way that the national news and national programmes treat such matters.

The Scottish Parliament exists and money has been earmarked; we have used that money to broadcast a lot about the Scottish Parliament. There has been the "Newsnight" opt-out, and there have been differences in the ways in which the **Michael Russell:** The Birtian BBC was very slow in responding to devolution. It seemed hardly to notice that it had happened.

Sir Robert Smith: I dispute that strongly.

Michael Russell: We will have to differ on that, Sir Robert, but that is the impression that many of us have.

Sir Robert Smith: At our Westminster hearing, some people were concerned that we had forgotten that England existed.

Michael Russell: I have always thought that the way in which Westminster looked at Scottish broadcasting was odd.

The reality is that, in the context of developing broadcasting and moving towards digital, you are replacing the whole Scottish Six argument. We are on the cusp of enormous change, in terms of technology and how we receive broadcasting. None of us is worried about that because, as John McCormick has just indicated, digital will give us access to a far wider range of services, which can service a variety of minority audiences. However, when you are considering that, in the context of the Scottish Six, I ask you also to consider the other audiences in Scotland that are ill served. John has mentioned Gaelic and the BBC has done far more to report the Parliament than any other channel in Scotland. The diversity of digital is important; you can perhaps start by focusing on Scotland and the Scottish Six.

Sir Robert Smith: Digital offers us all sorts of possibilities. However, we are rather proud of the Gaelic service we provide—that is another area we could get high marks for.

The Convener: Do you want to add something, John?

Mr McCormick: I wish to remind the committee that we have been giving evidence to the task force, chaired by Alasdair Milne, that is considering the possibilities of developing Gaelic television in the digital age. If it looks as though we have not been having a public debate about Gaelic, it is because the task force is addressing that issue. We look forward to positive developments coming out of that and to the expansion of the Gaelic base in Scotland.

Michael Russell: I remind the committee and others of the outstanding invitation to the new director general to appear before the committee. I am sure that, after the pleasant time that you have had, you will recommend that he take up that invitation.

The Convener: I am sure that we will remember that. Before we move on, can you outline the timetable for the task force?

Mr McCormick: I understand that the task force is hoping to publish its report by the end of April.

Mr Stone: What you say about the Scottish Six and so on is all very well, and I welcome what you say on the Gaelic front. However, I represent Caithness and Sutherland and, as you are aware, we have a problem on the north coast. From the perspective of the north Highlands, the trouble with Scottish coverage is that there is a danger of us tending to get lost in "Loch Ness monster seen again" type stories. I would like to probe our witnesses about what expansion in regional coverage they would envisage.

Scotland is such a rich tapestry and people in Caithness do not like being submerged in "we're all Clydebank boys" type stories. The national cultural strategy refers to investment in citizenship through the creation of BBC open centres in local communities. I make no apology for coming at this from a regional angle; that is what underpins the culture of communities and the differences within Scotland. I would like to hear your thoughts on that.

Mr McCormick: We work within the context of broadcasting in Scotland as a whole-we see national broadcasting as our priority. We are very much aware that a choice exists. Our colleagues at ITV provide a regional service-three companies cover the population of Scotland. Our colleagues in independent local radio provide a local radio service. We put the vast bulk-not the totality-of our resources into providing a national service for Scotland as a whole. Our priority is to ensure that within that national service-principally in journalism, but also in drama and comedy-we reflect the different parts of Scotland. We review that coverage intensively every month and publish what we find as part of our annual performance review.

Our coverage of the different regions of Scotland is better than some people believe. However, it is not as good as we want it to be. One aspect of the £10 million settlement that Sir Robert referred to was an increase in our news-gathering capability in areas of Scotland that are under-served in terms of news coverage. In addition to that, we are considering with the Broadcasting Council the opportunity offered by fibre-optic technology to increase the television capability in some of the areas that have been dead spots to us.

We are not complacent about our coverage of the different regions of Scotland, although we think that it has got better year by year. We have put more money into news gathering and, in the nonjournalistic areas, we have been sensitive to the criticism that was put to us a few years ago that if someone did not live in Greenock, Paisley or Glasgow, they would not get any comedy on to BBC Scotland. That has been changing—we are looking for a broader range of drama and comedy than we have had before. That is one of the benefits of the increased investment in Scotland that we have enjoyed over the past couple of years; we will see more of that in the next couple of years.

Mr Stone: I welcome what you say, but I suggest that, in terms of regional variety in Scotland, television coverage is not quite as sophisticated as the radio. That is a subjective opinion. There are Dounreay and Barmac stories from the Highlands, but the problems in agriculture and crofting in the past year, which are relevant to a huge chunk of Scotland, did not get the coverage that they deserved.

Mr McCormick: I do not disagree with the general thrust of what you say; we could reflect some areas better, including the one that you refer to. However, the totality of our coverage—we reviewed this recently—on radio and television and in our journalism is comprehensive and the "Landward" series is dedicated to rural affairs.

10:00

Ms Ann Caldwell (Broadcasting Council for Scotland): You should be aware that that issue never goes away at the Broadcasting Council. The council is geographically diverse, and we have people whose thinking is largely in terms of the Borders or the Highlands and Islands, and so on. The question whether areas are properly represented comes up time and again. There is no sense in which a metropolitan or central belt sensibility sweeps all before it. People are highly sensitised to the issue. As the controller said, the situation is not perfect, so nobody is complacent about the problem.

Mr Stone: I accept that. Lastly, I make a plea that you consult—formally or informally, as you see fit—groups in the remoter areas of Scotland now and again. For example, you could talk to local politicians or businesses. Such feedback could only help the BBC.

Karen Gillon: I wish to return to the issue of transmission, which Sir Robert Smith and John McCormick mentioned. How do you aim to improve analogue transmission, in particular to south-west Scotland? A number of constituents have told me of the problems that they encounter in receiving Gaelic radio. If we are serious about expanding such provision, the role of the BBC is very important. I would be interested to hear how you will tackle transmission problems.

Sir Robert Smith: So would I.

Mr McCormick: Forgive me if this is a long answer. The problem with television in south-west Scotland mainly concerns BBC2 Scotland, as some 70,000 people there do not get a BBC2 Scotland signal. We believe that 50,000 of them would receive that signal if they directed their aerial toward the Sandale transmitter, which is operating on lower power than we would like it to. We should receive a positive response to our application to increase the power there, although we need approval from the Irish authorities to ensure that transmission on increased power from Sandale does not interfere with their broadcasting. We expect to reach constructive agreement on that problem within months.

We will solve the first problem, which relates to radiation, power and aerial switching, so that we can serve the majority of those who are currently under-served—we will run a public information campaign in the south-west about that problem. That will isolate those who cannot be served by BBC2 Scotland, whose number, we think, is closer to 10,000 than 20,000. We will then consider what we can do to help those people, who tend to be scattered across the south-west. It might be difficult to solve that problem without recourse to digital technology.

I stress that 90 per cent of Gaelic speakers can receive Radio nan Gàidheal on FM. We want to make it a truly national service and have drawn up a transmission plan to extend the transmitter chain, to ensure that the gaps in the service are filled in the next year. That requires a fair amount of spectrum planning and investment, but I am confident that we will have completed most of that programme within the year.

Michael Russell: Would not large-scale investment in analogue technology be a waste of money? It is fine to increase the power of a transmitter. Surely better reception is one of the carrots that you can use to encourage a faster switch to digital, and in particular to digital satellite. There is a problem in that BBC2 Scotland is not available on digital satellite, although I understand that that will change.

Mr McCormick: One of the difficulties of the transfer from analogue to digital is that, even by the most optimistic projections, it will take five years for the majority of people to transfer. We do not want to deny the people of the south-west of Scotland access to coverage of this Parliament, for example, for five years. We think that the investment, although significant, is worth while over that period.

Michael Russell: There is a technological benefit in being what is called an early adapter. Perhaps you could add some benefit to that—I am

not suggesting anything as radical as a remission of the licence fee, but I suggest something that will encourage those who have substantial difficulties in switching. The problem affects not only the south-west of Scotland. There are rural glens throughout Scotland that have their own transmission systems and licences, most of which are coming to the end of their natural life. It might not be a job for the BBC, but it is certainly a job for the Government to encourage early adaptation, given the amount of money that will come from the sale of analogue frequencies. The key group is those with transmission difficulties.

Sir Robert Smith: I think that it is a job for the Government, as we do not set the licence fee. That is really outside our ken. Being an early adapter is fine if one can afford it. Some people cannot.

Michael Russell: That is the point. Should we find a way of helping those people? Should not the BBC be encouraging the Government—I am sure that you do that all the time, privately—to help early adapters, particularly among those who have been failed by analogue technology?

Mr McCormick: People who live in rural and island communities and on the peripheries of Scotland are among the early adapters. They have become sophisticated users of technology, so that they can live where they want in Scotland and have a sophisticated information technology base. Every time that someone contacts us about a reception difficulty, one of the first things that our engineering information officer discusses with them is the advantages of digital over analogue. We find quite a take-up of digital. People are reassured by objective information from the BBC that it is worth the investment, because they will get their transmission problems solved.

However, we must be very careful about the information rich and information poor.

Michael Russell: Absolutely.

Mr McCormick: We are committed to trying to ensure that over the next five to six years we get as close as we can to 100 per cent coverage on analogue. The people who have most difficulty in investing in digital will be the last to switch. How they are helped when analogue is switched off will be a key question for the Government of the day.

Michael Russell: As £10 billion—probably—will come from the sale of analogue frequencies, this is an issue for the Government. The Government should be spending money on the switch from analogue to digital. Can you tell us when BBC2 Scotland will be available on digital satellite?

Mr McCormick: I cannot tell you at the moment. Everything that we have done in the digital committees and structures of the BBC has been waiting on the licence fee settlement. Now that that funding has been announced, we are discussing the digital proposition in the context of it. That will take us a number of months to sort out.

Nicola Sturgeon (Glasgow) (SNP): Mike Russell spoke about the success of "Newsnight Scotland", which would be acknowledged by most people in Scotland. Could you say more about the experience of that to date—have any problems been encountered and what lessons have been learned since the opt-out began?

My second question relates to the much-talkedabout "Castaway 2000" programme, of which there has been a great deal of public criticism. How would you respond to the accusation that it was deeply insulting and patronising to people who live in the islands, and that it was a gross waste of public money?

Sir Robert Smith: I will take the question on "Castaway 2000" head on. For the record, "Castaway 2000" is costing just short of £2 million, rather than £2.5 million, or £3 million, or £3.5 million—the figure keeps escalating.

The Convener: A bit like the figure for the Parliament building.

Sir Robert Smith: I believe that "Castaway 2000" is compelling watching. I have watched all four episodes and am frustrated that the programme might not appear on our screens again for another 12 months. I am dying to find out what happened to the people on the island.

Western Isles Council does not agree that the programme is insulting to people who live in the islands, and has welcomed it. There are 20 firms engaged in building huts and doing various other things in Lewis, Harris and so on, which have benefited hugely from the programme. About £300,000 of the money that we are discussing has gone directly into the local economy. Tourism will also benefit from it. We have received a number of letters and phone calls from people who live up there and are very happy with the programme. The view that there is something wrong with it might be coming from outside the Western Isles, but the people up there are very positive about it.

What was the first question?

Mr McCormick: It was about "Newsnight".

Sir Robert Smith: "Castaway 2000" was the easy bit.

I was misreported in newspapers—which is unusual. What I was complaining about was a very ragged switchover. We went for the "Newsnight" opt-out because we thought that it was the right thing to do. That was our judgment, and part of the money that we received for our response to devolution was put into funding it. The feedback that we get is that we do "Newsnight Scotland" very well. There are people who switch on at 11 o'clock simply to watch it. However, there are also people who write in to complain bitterly. Last week we were on a radio programme in Aberdeen, and several people phoned in to ask what Jeremy Paxman was doing after 11 o'clock, and to say that they were frustrated because they thought that "Newsnight" was an excellent programme and did not want to switch to something else. They thought that "Newsnight Scotland" was also excellent, but that it should be shown at another time. That would get us into all sorts of programming and scheduling problems.

I think that we are doing "Newsnight Scotland" well, but that some people would like to see the whole of "Newsnight" and are concerned that they are missing something. On the other hand, some people switch on purely to see the Scottish version of "Newsnight".

I was complaining that we are sometimes made to look rather silly when we switch across around 11 o'clock. As similar problems do not occur during the news between 6 o'clock and 7 o'clock, I would be surprised if there is a technical problem, so I asked whether someone was making life difficult. I have been reassured that no one is being silly and it might, therefore, simply be a technical problem. John McCormick is there when the switchover happens.

Mr McCormick: Sir Robert has covered the issue comprehensively.

Sir Robert Smith: Why do you think that the switchover during "Newsnight" is ragged when that during the 6 o'clock to 7 o'clock news is not?

Mr McCormick: As the national governor says, the 6 o'clock to 7 o'clock news, which switches two or three times between Scotland and London during the first half hour, shows how cleanly the switchover can be done. The freer and less structured form of "Newsnight" has made it more difficult for people to perfect that. Sometimes there have been genuine mistakes at both ends, based on the judgments that people make during a live programme. Both sides are working hard to make the switchover as clean as possible, because it is frustrating for the viewers when it is not.

"Newsnight" is about the BBC providing a 50minute programme of top-class current affairs. It is a different programme depending on whether it is seen in Northern Ireland, Wales, England or Scotland. We are all dedicated to trying to solve the technical problem that is sometimes caused by various external circumstances. They are all within our control, and we are working to make the switchover cleaner and more acceptable.

We are very encouraged by the public response to "Newsnight Scotland". After only a few months, the programme has established itself as a latenight platform for discussion of issues relating to the Parliament. If it had not been there over the past four months, what would have been the platform for discussion of tuition fees, the controversy surrounding section 28, or the National Westminster Bank-Royal Bank of Scotland-Bank of Scotland takeover saga? The programme has given considerable in-depth coverage to business, politics, public affairs and education. "Newsnight Scotland" was created because we knew that there was a gap in our coverage. Previously, news in Scotland was summed up in three minutes at 9.28 pm, and there was no other service on television. That would be unthinkable in a Scotland with its own Parliament. "Newsnight Scotland", along with all our devolution coverage, will be considered by the governors in May, but so far it has been very successful.

Mr Stone: I have a comment on the first answer. Two million quid going to the Western Isles is the best news since the SS Politician ran aground on Eriskay. One could make a programme about clearing dung out of Sullivan's Steadings or drystane dyking in Caithness. For the record, I should say that I have received a few gentle representations—not nasty ones—saying that the programme is slightly ridiculous. I take my hat off to your artistic drive on this, but I do not think that it is all undiluted applause.

Sir Robert Smith: It would be very strange if we got 100 per cent audience approval for every programme that we put out. That would suggest that we were not being pioneering enough. I find the programme very interesting. We could have set it on a south sea island or on Anglesey, and no doubt we would have come in for criticism if we had done that. I think that this will be good for the economy of the Western Isles. However, it is not about a diversion of public funds to the Western Isles—we are not in that business. We are in the business of making pioneering, entertaining and educational programmes. This is part of that genre.

Mr Stone: However, it is super that the pubs and the joiners up there are having a tremendous time. I am looking for a wee island off the north coast of Sutherland for you.

The Convener: I am sure that you will take Jamie Stone's comments on board.

10:15

Lewis Macdonald (Aberdeen Central) (Lab): I echo Jamie Stone's comments. I have many family members who live in those islands, and I have yet to hear anyone say, "I wish the BBC would go and spend £2 million somewhere else." However, I am sure that we could do better for the next series of "Castaway 2000". There will shortly be one or two disused oil rigs close to the coast of Aberdeen, and there would be a welcome in the north-east for a "Castaway 2000" development.

Sir Robert Smith: We should row them up and put them on a disused oil rig?

Lewis Macdonald: Yes, but that would be next year.

I return to Ann Caldwell's comments on the Broadcasting Council and the way in which you make yourselves collectively accountable to the licence payer. Can you say something about the way in which you make yourselves accountable and collect the views of the licence payers?

Ms Caldwell: Thank you for asking about that, as it is an important issue. Accountability is a key issue, which arises out the licence fee review. The council is part of the accountability pattern, but it is not the whole of it. Other parts of it involve the controller and the governor going live on air and allowing people to respond directly.

Our role is captured in the BBC charter and we are primary advisers to the board of governors. We get involved in the development of yearly objectives and we talk to the governors about the extent to which those have been achieved and about what the next year's objectives should be. We have a major role in promoting the programme-making resources that are available in Scotland and ensuring that the governors understand what we are capable of. That is something that we take very seriously.

We take seriously our direct accountability to the licence payer. I have already mentioned the geographical diversity of the council—people come from all kinds of backgrounds, from different businesses and with different interests. We are informed by the audience research that the BBC is carrying out and by specific audience research that we commission. Comments are received by the audience response unit. That side of things the direct response over the phone to the audience—has improved and we are much better served now; we are better informed about what the audience is saying.

As members will know, we have held public meetings at various times, which is a slightly equivocal way of doing things; it is interesting, but it captures the views of only a small number of already interested people. It is our mechanism, but is certainly not sufficient. We are pinning our hopes on BBC Online as a means of getting more feedback. There is now a Broadcasting Council for Scotland website, which tells people more about what the council is doing and what its goals and objectives are. We would all like the website to be used more interactively, to provide another open channel of communication to the council. We cannot turn ourselves into a fully representative organisation—that is impossible. In any case, programmes cannot be made simply on the basis of what kind of programmes viewers are telling us that we should make. That is a way to hell, not a way of getting the high level of innovation and creativity that we want in Scotland. We are doing our best, and the BBC's heart is more in the concept of accountability than it was in the past. As Sir Robert Smith and John McCormick said, we are pleased to be here today, as this gives us another opportunity to discover what people are thinking and what they want.

Lewis Macdonald: That is interesting. I was struck by what you had to say about BBC Online, as that is critical to future development. I am also interested in the issue of accountability to the two Parliaments. Sir Robert Smith mentioned that the formal accountability is to Westminster. How do you think the relationship between the council and this Parliament will develop in future years?

Ms Caldwell: Much depends on what you decide. The council will always be happy to discuss with members of the committee or the Parliament the issues of audience needs and wants. We would be failing in our duty as council members if we did not do that. However, there is no way of knowing what formal arrangements will be made. Perhaps the governor has some thoughts on that.

Sir Robert Smith: I went out of my way to visit the spokesmen of all the political parties in Scotland, in the first two or three months of taking the reins. We did not detect too much tension in the Westminster select committee. It wanted to establish that the council was accountable to it, but I did not detect great tension arising from the fact that we were talking to MSPs. Neither do I believe that our appearing here regularly will be a problem.

Mr McCormick: We have discussed with MSPs the fact that, although we are aware that broadcasting is a reserved matter, many of our activities-as you mentioned in your opening comments, convener-contribute to areas that are the responsibility of this Parliament and the committee. You mentioned education, culture and sport, and we play a key role in those matters in Scotland. When Gaelic policy is developed, and the policy relating to the Gaelic broadcasting fund, we are keen to ensure that our role is not forgotten because broadcasting is a reserved matter. Also, when screen policy is being discussed, and the development of the film industry, our key strategy is to play a major role. Our strategists aim to build on the successes that we have had in recent years and to play a key role in the development of the screen industry in Scotland.

Finally, it should not be forgotten that one of the

three national orchestras in Scotland is funded not by the Scottish Arts Council, but directly by the licence fee. The Scottish Symphony Orchestra is at the height of its creative powers and is visiting parts of Scotland that other orchestras find it difficult to reach.

All those contributions should not be ignored because they fall within the reserved area of broadcasting. I hope that the Parliament and the committee will provide proper scrutiny of those issues, and give credit where it is due, in recognising the contribution that the BBC makes in areas that are their concern.

Ian Jenkins: The issues that I was going to ask about have already been covered. However, I have a couple of things on my mind. We are having bother with our headquarters, the Scottish Football Association is having bother with its headquarters, and the national theatre, if we have one, might have bother with its headquarters. I understand that the BBC has plans for new headquarters. Can you tell us about those plans?

I also want to talk about sport, and the way in which big deals for rugby and soccer internationals will change the role of BBC Scotland in covering sporting events. Do you have plans to cover other sports? Can you talk a wee bit about the way in which financial pressures impact on your budget and your coverage of sport?

Mr McCormick: As committee members will know, the market has changed, particularly in respect of the rights to football coverage. We are aware of the importance of football coverage to Scottish broadcasting, as our sports programmes are among our most popular, with sports coverage on Radio Scotland on a Saturday afternoon, during the week, and on "Sportscene". We are keen to compete in that market and to continue to bring coverage of Scottish football action to a wider audience. I am sure that other people in this room are also interested in that. In the past, ITV and BBC Scotland have been able to bring a range of football to audiences in Scotland, which is appreciated by audiences in every part of the country. We receive positive feedback about that.

We also provide extensive coverage of other sports, including shinty, curling and bowls. We provide coverage of a range of sports that other broadcasters, operating in the commercial market, would find it difficult to cover. We are proud of the broad range of sports that we cover on radio and on television. We will provide extensive coverage of the world curling championships, which people expect as it is one of Scotland's national sports.

We are sometimes unfairly criticised for being dominated by football, to the exclusion of other sports. However, over many years we have developed educational programmes on rugby, within our children's programming output, and have covered women's rugby and women's golf. We have covered a range of sports that go largely unsung, but which are important to our output, and we have received a positive reaction from the wider audience to such coverage. The audience in Scotland wants to watch football primarily but not exclusively, and we hope to continue to serve those people through providing a broader range of sports coverage.

Mr Brian Monteith (Mid Scotland and Fife) (Con): I would like to go back to the discussion about "Newsnight" and develop the more general point about the availability of studio space at which Ian Jenkins was hinting. On many occasions, one of the people being interviewed on "Newsnight Scotland" has had to go from Edinburgh to the Glasgow studio, while another person is in the self-op studio in Edinburgh. That is because the self-op studio can handle only one person. At other times, the discussion seems to be between people on screens, rather than between people in the studio. Is there a plan to develop more studio space, particularly for programmes such as "Newsnight", at the Tun? I know that "Newsnight" is not always about the Parliament, but much of the locus of its discussion will relate to the Parliament.

Given the decline in the industrial base—much of the industrial news was generated from the west coast—and the development of financial services and political news in Edinburgh following the devolution settlement, is there a question mark hanging over the location of new studios in the west? If there is a case for a new studio, should it not be located more centrally, or even on the west side of Edinburgh?

Mr Stone: Or indeed, in Inverness or Wick?

Mr McCormick: We have developed a clear property strategy for different parts of Scotland. We are pleased that our new broadcasting centre in Aberdeen is on target to open in the summer. That centre will have state-of-the-art digital facilities for both television and radio. It is our second television centre in Scotland. We are also on target to move our operation in Edinburgh to the Tun building next autumn. Originally, that was designed to be operating in time for the Parliament at Holyrood—I hope that we are not there for too long on our own. As members will know, we have developed a television studio in Queen Street as a temporary solution, while the Parliament is based at the Mound.

We cannot insist that people come to Glasgow at 11 o'clock at night to take part in "Newsnight Scotland"—we do not have that power. I am glad to say that many people have made the journey and continue to do so—and we appreciate that. However, at 11 o'clock at night, some people find that they prefer to broadcast from a studio nearer their home. As part of the property development strategy, we are trying to ensure that we have facilities in different parts of Scotland to allow people—members of Parliament and people in other walks of life—to play a part in programmes such as "Newsnight".

There are television facilities planned for the Tun building. As far as Pacific Quay is concerned, we are in the early stages of discussing the relocation of our headquarters in Glasgow. We are committed to keeping our headquarters in Glasgow and we have no plans to relocate outside the city.

Sir Robert Smith: Nothing is certain in life. When I was building the new Museum of Scotland, until it was up and finished, I did not believe that it would ever be finished, because things were always getting in the way. I believe that the new headquarters will be built at Pacific Quay—subject to bridges being built and so on. That work should start at the end of the year and the building should be open by 2002-03.

However, when one uses public money for a building, one must plan carefully. [*Laughter.*] I am talking only about the BBC. It is a complex building. There are a few bridges still to be crossed, including the one that is yet to be built.

Michael Russell: Have you got any spare time to help us now that you have finished the Museum of Scotland?

Sir Robert Smith: No.

Mr McCormick: One thing to emphasise is that by the end of four or five years, if all the plans are put into practice, our main centres will have stateof-the-art digital technology. We will be ahead of the pack and able to exploit new technology for the benefit of Scotland. That is very exciting.

The Convener: Thank you. We appreciate your comments.

Fiona McLeod (West of Scotland) (SNP): I want to pick up on what you said about being at the forefront of digital technology. When talking about your strategy, you mentioned increasing analogue coverage over the next five years. That does not seem to be part of the digital revolution. In Scotland, we are concerned that we are at the forefront of the digital revolution and we need a coherent and integrated strategy covering all the different media and information services. How much contact has the BBC had with the digital Scotland task force?

Mr McCormick: As we have been developing our digital transmission, we have been in touch with all the different interest groups in the enterprise network. There is good communication between us. We have particular contact in terms of education and the digital task force because we have shared objectives. We are investing about £6 million—that is about 10 per cent of the local investment in Scotland—in our digital television services for local consumption and online services. The reaction to that has been encouraging. The take-up of digital services, particularly BBC Online and the opportunities that that presents to enhance our services—not just for people in Scotland, but for those with an interest who live much further afield—is very exciting. We have some more detailed figures on that.

10:30

Mr Mark Leishman (BBC Scotland): It might be helpful to talk about new media, rather than digital television specifically. The biggest response to BBC Online has come through the standard grade bite-size material, which we have made available to schools. That is where much of the future development will come from. We get about 750,000 hits a month on the BBC Scotland site and since the bite-size material was added, the number of hits has risen to over 1 million. Some people would credit part of that rise to programmes such as "Off the Ball" and some of the Gaelic output. However, it is important to get the development of the new media services right and to extend those services to new audiences. Teachers and pupils can use that material systematically, through a curriculum, but there is also a great deal of interest in extending the boundaries to the home, the workplace and centres such as the ones to which Mr Stone referred.

Fiona McLeod: The final part of my question was about the amount of contact you had. You talked about contact between the BBC and other agencies to discuss strategies. However, I want to know how much direct contact you have had with the digital Scotland task force. We are trying to produce an integrated, national strategy.

Mr Leishman: We had a meeting with Peter Peacock and some officials to discuss such matters in Broadcasting House, Queen Margaret Drive, about three months ago. At that stage, most of the discussions were about infrastructure. The BBC transmission network was privatised about four years ago. We have given a lot of information and we are happy to continue to talk, but there has not been much concrete progress since that meeting.

Fiona McLeod: Would you like to have a more formal role within the task force?

Mr Leishman: We would be happy to talk about the possibilities.

The Convener: We are short of time, but I would like to ask a brief question. You have

spoken about the coverage of the Parliament and how effective it has been. Could you comment on the coverage of our temporary move to Glasgow in May and the coverage of the committees? How can we put across to people the way in which the committees operate? As the committees start to move out and about in Scotland, how do you envisage developing that coverage?

Mr McCormick: We are grateful for the early discussions with the Presiding Officer and his colleagues to ensure that we can provide television coverage of the Parliament when it moves to Glasgow in May. Although the coverage of the Parliament in Glasgow may not be as sophisticated as that from the Mound, it will certainly be of an acceptable level.

We give balanced coverage of the committees and Parliament meetings in our regular programme "Today in the Scottish Parliament" on Radio Scotland. We have reviewed that nightly digest and are broadly satisfied that we achieve the right balance. The area that we could consider more carefully is the coverage of committees that meet on a Wednesday.

Our coverage of Westminster and Holyrood combined on Wednesday afternoon means that we do not devote as much time on Wednesdays to the committee work that is generated on that day, but we are looking at that. Otherwise, we are broadly satisfied with the balance of our coverage between committee and Parliament, but it is part of the review and we would welcome members' comments on it.

The Convener: What will happen when the committees start moving outside Edinburgh?

Mr McCormick: We are committed to that coverage.

Mr Stone: Do you accept that the coverage at this stage of the evolving process of Holyrood is comparatively simple compared with Westminster? In other words, there is no equivalent to question time profiles and character pieces on the background. At the moment, the coverage tends to be committees, soundbites and shots of us looking very B & Q-ish in the chamber. I would have thought that there could be more probing.

The Convener: Mike, you wanted to make a point.

Michael Russell: I wish to follow up the point about coverage. Most people believe, particularly with the radio programme and the television programme "Holyrood", that you are doing a great deal, but the digital BBC Parliament channel is patchy. One tends to sit through debates between groups of old age pensioners in the House of Lords whereas there will have been something of interest in the Scottish Parliament that day. There is some introduction to what is happening in Scottish Parliament committees. I understand that there are plans to develop that channel. Can you tell us how it will introduce the Scottish Parliament more?

Mr McCormick: The Parliament channel gives a fair amount of coverage of Parliament and committee meetings. The problem is that the channel does not have much live coverage. It has covered debates live, but it does not cover much of the Scottish Parliament live because of the contractual commitment that was made when the Parliament channel passed to the BBC. There are contractual commitments because the contract was drawn up in a Westminster-only world. We are reviewing that, but it is not just a matter for the BBC, so we will extend our discussions.

The BBC is keen to develop coverage of the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly as part of the Parliament channel, but it is too early for me to give any commitments because the discussions are complex.

Michael Russell: The American channel C-SPAN is now taking Scottish Parliament question time fairly regularly. The Parliament channel needs to recognise that it has an obligation to provide live coverage.

Mr McCormick: Online and broad digital technology gives us great opportunities for streaming the output from here that we are covering live. We are discussing that, in conjunction with looking at the Parliament channel and its output.

On Mr Stone's point, the lion's share of the answer concerns the technology that was installed in the Parliament at the outset. A range of technologies could have covered the Mound. The decision was taken by the appropriate body to accept the tender for the kind of coverage that was offered at a particular cost. There are technological constraints on that coverage, which we do not expect be replicated when the Parliament moves to its permanent place. Because of the nature of the technology, there are things that we cannot do, but might like to do. I accept that, on the production side, there are things that we do not do that Westminster does. That forms part of our review.

Mr Stone: Scottish question time on the radio would be easy to do.

The Convener: We have to wind up now. Thank you for attending this morning and answering our questions. I am sure that we will have a continuing relationship—I look forward to that. I reiterate Mike's comment that there is an outstanding invitation for the director general when he has settled in to his new position—we look forward to meeting him.

Sir Robert Smith: I will deliver that message to him personally tomorrow night.

The Convener: Although we will change witnesses, I ask committee members to stay in their places rather than have a break—we are pushed for time. While we are doing that, I will do what I should have done at the start of the meeting, and welcome Richard Lochhead to the committee. I also welcome Lloyd Quinan, who seems to have left us again. I am sure that he will return.

Grampian Television

The Convener: Thank you for that quick changeover. As you can see, we are—as ever—pressed for time, so I ask committee members to keep their questions short. I welcome members of Scottish Media Group to the committee. Mr Cruickshank, will you introduce your team? Afterwards, I will open up the meeting for questions.

Mr Don Cruickshank (Scottish Media Group): I will introduce my team and, if I may, take a minute to put television in the context of SMG. I will then be happy to take questions. On my left is Andrew Flanagan, the chief executive of SMG. On his left is Donald Emslie, the managing director of television across Scotland and the UK.

On my right is Derrick Thomson, the controller of Grampian TV. It would be helpful to explain his role with regard to accountability. He has ultimate legal responsibility for the fulfilment of our licence conditions in Grampian. That means that he takes decisions on schedules, allocates the budget and, crucially, takes editorial decisions. In the event that there is a dispute on those matters, he has access to the board of Grampian Television, which is chaired by Dr Calum McLeod, and is resident in Aberdeen.

We welcome this opportunity to meet you. We want to support your efforts in future, although the scope of your investigations might be extended to communications, and not just broadcasting.

Scottish Television and Grampian Television comprise more than half of the group's business, so it is vital to us that they are healthy. Scottish serves about 3.7 million people and Grampian 1.1 million. The dividing line is approximately Perth-Dundee. We operate under a licence. The Independent Television Commission is our regulator and supervises our compliance with our licence conditions and our behaviour generally. The scrutiny is intense and public. The ITC reports annually. The report for 1999 will be available in May, which means that there should be an opportunity for the committee to have the ITC sit here, commenting on our performance, and not just have me do it.

Our commitment to local broadcasting in Scotland is substantial, amounting to about 830 hours on Scottish and 390 hours on Grampian. We are the only broadcaster—unlike the BBC, Channel 4, Channel 5, Sky and so on—that has regional obligations in different parts of Scotland, and values them. That is relevant to a broadcasting discussion because, taken as a whole, Scottish and Grampian have 38 per cent of the peak-time audience. The BBC and the other terrestrial networks have about 50 per cent; Sky, ONdigital and the like have about 12 per cent.

Interestingly, our share goes down to 30 per cent in multichannel homes. The other networks— BBC1, BBC2, Channel 4 and Channel 5—together take 20 per cent, leaving the balance with the multichannel services. If we widen the scope of the marketplace to include information entertainment and add in the time that young people, in particular, spend on the internet, our share goes down even further.

We therefore value the regional focus, which enables us to sustain an audience. Programme diversity between the north, the north-east and the central belt is crucial to us. We have a crucial interest in the way in which we align with people's views of what they want to see.

I want to finish by commenting on the situation at Grampian Television, where our strategies and plans have been challenged a bit of late. To summarise, since 1997, when the two companies merged, the number of programme makers at Grampian Television—those with the creative skills to which we referred earlier—has gone up from 60 to 70. The number of programme hours has gone up from about 390 to 540. That includes programmes made for Scottish Television and Scotland. We also spent £3 million bringing the studios up to scratch.

10:45

The fact is that Grampian Television in its present incarnation is competitive and sustainable, perhaps for the first time in its history. The staffing proposals, which have been the subject of much discussion, merely bring us into line with the rest of the industry, including the BBC in Glasgow. We believe that the proposals are reasonable and they will be pursued.

Thank you, convener, for the opportunity to make that introduction. I am happy to take questions.

The Convener: Thank you. You were here when we listened to the BBC's evidence. The BBC is proud of the fact that it covers the whole of Scotland. In your opening statement, you referred to the fact that there are three regional television divisions within the Scottish region. Can you add to that? Why do you think that that is the way forward?

Mr Cruickshank: Border Television is the third division, although it covers mainly the north of England. I went through the market shares, which is a bit dull, frankly. We have different forms of accountability. We are accountable to shareholders and to the state, through the ITC and the need to fulfil our licence conditions. We can

deliver neither of those if we are not accountable to our viewers.

We know that viewers anywhere in the world, not just in Scotland, appreciate certain genres of local programming—things that appear and feel interesting and local to them, particularly news. We consider our capacity to serve audiences and, incidentally, advertisers locally to be crucial to our success given the trends that I described.

Typically, Scottish Television and Grampian Television have done more than the minimum required to fulfil their licences. That is on public record in the ITC's records. I suspect that that will continue to be the case due to the need to satisfy shareholders, audiences and advertisers simultaneously.

Richard Lochhead (North-East Scotland) (SNP): I thank the committee for having me along this morning. My concerns relate to Grampian Television. As the committee will be aware, there is enormous concern in the north and north-east of Scotland about the direction that Grampian Television is taking under the control of Scottish Media Group. The unions are now balloting members on industrial action at Grampian Television and STV due to proposals to cut pay levels and shed jobs.

The unions' concerns go wider than that, however. They are concerned about the quality of programming, the lack of regional programming and the implications for regional broadcasting. At the time of the takeover of Grampian, the agreement between SMG and the ITC stated that the services of persons employed by Grampian for the purpose of programme production within the region would be similar to those employed in 1996. Given that two out of three programme makers at Grampian are to be sacked, do the representatives of Scottish Media Group still believe that they have not broken any of the commitments made under the franchise?

Mr Cruickshank: Absolutely. Richard Lochhead will be able to pose that question to the ITC in May. We have no qualms at all about it. In my introduction, I pointed out that the creative skills that we employ—in Aberdeen in particular—have increased even after the redundancies to which Richard Lochhead refers. It should come as no surprise to anyone that, over time, the skill mix required to produce the range of programmes that we need changes. We all experience that in the industries in which we work. As I said, the number of programme hours produced in Aberdeen has gone up from about 390 to about 540 a year.

Notwithstanding that and the £3 million investment, the issue is that working practices and, to some extent, salary levels are not competitive with the rest of the industry. The same

applies at Scottish Television. The proposals come after two years of discussion. As one would expect, they are creating some heat between the union representatives and us. However, the assertions about what are being presented as the peripheral issues in the dispute—about our lack of commitment to programming, programme makers and the like—are just not true.

Richard Lochhead: Is it not the case that three producer-directors are currently employed at Grampian, two of whom are to be sacked, which will leave only one producer-director at Grampian Television?

Mr Cruickshank: Derrick will comment in detail on that point. You pick out a particular title producer-director—which has no particular significance in the business of programme making. However, I will pass the detail of the question to Derrick.

Michael Russell: Incredible.

Mr Cruickshank: Might I just say that since the numbers involved in the dispute are so small, we are very close to discussing the terms of employment of individuals. We will not take the discussion further than the level that is has reached.

The Convener: The committee would be careful about discussing individuals on any occasion, particularly in a chamber as open as this one. Your point has been taken.

Mr Derrick Thomson (Grampian Television): We were looking for seven redundancies across the group. Five people will go from Scottish Television and two from Grampian Television. You have the facts wrong. After the restructuring of our programme division, the same number of people will be in position. I will run through the figures.

In 1996, Grampian Television had 17 journalistic staff in Aberdeen, including the head of news and current affairs. In 2000, there will be 22 journalists in that department, including the head of news and current affairs. That is an increase of five personnel in four years. There used to be a head, an assistant head and two editor-producers. In 2000, we will have five key posts: a head, two editor-producers and another two news editor-producers. In 1996, we had four key posts in the news department and four producers. We are now putting more programming into news. In 2000, five people will look after programming and there will still be three producers. The total of eight remains the same.

Lewis Macdonald: I want to follow that up. The issue that has caused great concern in the Grampian transmission area has less to do with the news side and more to do with wider programming. As has just been indicated, the loss of a producer-director is on the programming side. Derrick, does the fact that—as far as I understand it—Grampian has carried the majority of the compulsory redundancies indicate that professional programme production staff at Grampian are being treated less well by SMG than those at Scottish Television?

Mr Thomson: Absolutely not.

Mr Cruickshank: It would be helpful if Andrew Flanagan said something about the post-merger redundancies.

Lewis Macdonald: I know that Mr Flanagan signed the agreement, to which Richard Lochhead referred, on behalf of SMG. What is the status of that agreement? Is it a legally binding agreement with the ITC to maintain staff numbers at a level comparable with that of 1996?

Mr Cruickshank: It is a legally binding agreement. As I explained in my introduction, Derrick is legally responsible for fulfilling that agreement. He has an equivalent at Scottish Television. There is no question of SMG breaking a legal agreement, even in the letter. Given what I said about the importance of Grampian Television and regional broadcasting to our business and our audience, the spirit of that agreement will never be broken either. I hope that we can move on to issues that concern viewers, rather than the relatively small number of our present staff.

Lewis Macdonald: We are addressing issues that concern viewers. It is obvious that staff are affected, but the committee is concerned with whether you are achieving your objective of maintaining appropriate levels of regional broadcasting and programme making. Programme making is causing many people concern.

Another part of the agreement signed two years ago was that Grampian would broadcast seven hours and 41 minutes of new regional programming every week, of which no more than 50 minutes would be co-productions or cocommissions. What do you understand by the terms co-production and co-commission? Are you satisfied that you are producing six hours and 50 minutes of exclusively Grampian-produced or commissioned programming?

Mr Cruickshank: I have said that we are absolutely convinced—and I have assured the committee—that we will meet not just the letter, but the spirit of our obligations to Grampian people. You are asking the same questions the ITC is asking us with a view to publishing its performance review in May. I wonder whether we might return to this issue when that report is available and you can take evidence from the ITC.

The Convener: I think that we have already agreed to meet you after the publication of the ITC

report. Are you happy with those answers, Lewis?

Lewis Macdonald: I would like to explore coproduction a little further. Many of the points that have been brought to my attention concern programmes that are made in Glasgow or are made in Aberdeen by Glasgow-based staff and appear with Grampian Television captions. Can you confirm or deny that that happens? How do you define a programme that is not co-produced or co-commissioned but which is a Grampian Television product?

Mr Cruickshank: I do not define it. It is for the ITC to define. It is defined in the licence. I repeat that we are complying with the letter and the spirit of the agreement. Whether that is true will be in the public domain very soon through the ITC. If you want to use committee time to discuss what the ITC means by co-production, which productions fall under that heading and where they are made, we can do so.

Lewis Macdonald: It would be helpful to understand your position. You say that it is a matter for the ITC. Of course it is for the ITC to judge whether you are achieving your objectives, but you must have your own working definitions of what constitutes a Grampian Television production.

The Convener: We appreciate that the ITC will not report until later in the year and that there may be points on which you do not want to comment now, but it would be helpful if you could answer the questions that are being asked.

Mr Cruickshank: We would be content to do that. Donald Emslie will deal with the definitions.

Mr Donald Emslie (Scottish Media Group): I shall address the committee's concerns by referring to our licence commitment. Mr Macdonald has questioned whether we are meeting our target of seven hours and 41 minutes. Grampian's licence, applied for in 1991, stipulated seven hours and 29 minutes a week, which equates to 389 hours a year.

The section 78 agreement, which committed Scottish Television, as it was then—it is now Scottish Media Group—to the levels of production in 1996, was for a target of seven hours and 41 minutes. That equates to 399 hours a year.

In 1998, we exceeded the minimum commitment. As the ITC analysis of 1999 has not yet been laid before Parliament, I should not give precise details, but I can assure you that we have more than exceeded the seven hours and 41 minutes of original Grampian-produced programming. That will become matter of public record when the ITC lays its report before Parliament. I suspect that this committee will also receive a copy of that report.

Mr Macdonald also said that the section 78 agreement limits the number of co-productions that we can make. We have not exceeded that number. The essence of the ITC's definition of coproduction is to combine regional programme budgets to help increase the quality of regional programmes so that they are relevant to both regions. There should be an element of cofinancing, for obvious reasons, and an element of co-production by an executive producer.

As I said, we have not exceeded the stipulated number of co-productions. The co-productions change. As controller of the Grampian Television licence, Derrick Thomson decides what he wants in his schedule and will agree what co-productions are best for the Grampian viewers, putting highquality programmes into the peak segment.

11:00

Richard Lochhead: I appreciate that you have achieved your target of seven hours and 41 minutes a week. The key issue is whether those programmes were genuinely regional programmes and where they were produced. The crux of the matter is how you define what a regional programme is. You have not addressed that point. I am told that "High Road" is badged as an STV-Grampian production. What is the Grampian input to that production? I am told that "The Week in Politics" is badged as a Grampian production but is produced entirely in Glasgow. How do you define a regional programme to achieve your targets?

Mr Cruickshank: I shall ask the person who has to take that decision, Derrick Thomson, to answer that.

Mr Thomson: "High Road" is a co-production. It is a high-quality drama that has significant relevance to the north of Scotland. That is where I have decided to put this year's entertainment money and I do not think that you can argue with that.

Richard Lochhead: So, it is a regional programme because you have helped to pay for it.

Mr Thomson: It is a co-production.

Richard Lochhead: But it is not made by Grampian.

Mr Thomson: It is a co-production. Coproductions can be made in either of the contributing regions.

Mr Stone: Ever since we got our first telly when I was seven, I and my father watched Grampian. It is marbled throughout our lives in the Highlands. The crux of the issue is that morale among Grampian staff is at rock bottom, whatever you may say about numbers meeting objectives. Do

you accept that that collapse in morale could undermine the delivery of the service? Do you accept that moves should be made to address that problem? Do you accept that it might also undermine all the good efforts that have been made by Grampian on the Gaelic front? I would like to probe you to get some assurance that regional programming will continue and increase in future.

Mr Thomson: I disagree with your suggestion that morale is at rock bottom. For the people to whom I talk—the majority of staff—that is not the case. Let us consider the facts. Grampian has been heavily invested in over the past two years, with £3 million being sunk into the business to make television programmes. Not only do we make our own licence commitment, we are taking up programming from our colleagues at Scottish Television, which was part of the agreement. Last year, we took up more than 130 hours and made them in the Grampian television area.

In my opinion, we still produce extremely strong regional programming. If members wish to look back at titles from last year, I would be more than happy to do that. We will continue to produce strong regional programmes because we are totally committed to making programmes that affect people in the region.

We should consider how we have revamped our news programming, which is more than half our output, this year and last, and the introduction of a new programme on Sunday afternoons, "Grampian Weekend", which reflects everything going on in the region. It covers entertainment, current affairs, social action and education. I can honestly say that we are going from strength to strength.

We are commissioning regional documentaries this year. There is "The Big Beat", a six-part series on the Highland police force. "National Trust" covers related issues in the north of Scotland. I totally disagree that we are failing.

Mr Stone: You have attracted the biggest audience that I have seen so far of non-committee MSPs. If you put an anonymous questionnaire around your staff, you might, I might suggest, get a surprise. You have given me nothing whatsoever on the Gaelic front.

Mr Thomson: Sorry, could you give me your question on Gaelic again please?

Mr Stone: What are you going to do for Gaelic in the future? Can you assure me that the position of Gaelic is absolutely safe with Grampian, and that it will be built upon?

Mr Cruickshank: I ask Donald Emslie to respond to that question, which applies across Scotland—Gaelic is not just a Grampian TV issue.

Mr Emslie: Two main issues concern Gaelic at the moment. First, we are absolutely committed to a regional output of Gaelic television. Scottish Television makes 26 hours of Gaelic a year; Grampian Television makes 46 hours. One of the benefits of the merger of Scottish and Grampian is that we now share entirely the 72 hours that both stations make. I think that that is a real step forward for the Gaelic community. We are absolutely committed to that. Gaelic will not diminish; it is a licence commitment and will stay as part of the licence.

Secondly, you referred to what we will do with the CCG—Comataidh Craolaidh Gàidhlig. As a business, we are keen to continue winning commissions from the CCG, and we are discussing several programme proposals for which we hope to win the funding, and which we hope will go into production.

The news service "Telefios" is not a licence commitment. It is a commission from the CCG. We hold the contract for it until the end of this year as part of a three-year agreement we entered into in 1997. We are discussing with the CCG its future thinking for Gaelic news in a broadcasting environment that is changing for it as well as for everyone else.

Like the BBC, we have submitted evidence to the Milne committee. We will strongly support the development of a Gaelic channel if that is the way the CCG and the Government wish to go.

Michael Russell: I am slightly puzzled. You are giving us a range of answers which, as I think Derrick Thomson said, say that everything is going superbly well, yet you are sitting here in front of this committee hearing criticism after criticism from local MSPs; you are in a serious dispute with the trade unions; the morale in your company is extremely low, as we know from the letters that we receive; and we get letters from people who view your programmes and are immensely concerned. Why do you think that is? Is there some sort of conspiracy against you? Why do you think there is that trouble, if you are doing so well?

Mr Cruickshank: I can respond in part to something Mr Stone said. The corresponding meetings of the Culture, Media and Sport Committee of the House of Commons attract a turnout similar to that at this meeting, particularly when the future of the BBC—and issues concerning commercial television—are being discussed. As you will learn as we—I hope appear before you again, these issues matter intensely to people. They therefore matter to their representatives. You, as representatives, have a particular interest in the media because of your need to communicate to those very same people.

The issues that we are discussing are of intense

interest, so it does not surprise me that industrial relations such as those currently involving Grampian Television generate other second-order, third-order and fifth-order issues. It is our task to resolve that industrial dispute and to use the investment we have made in Grampian Television. The skills of a creative community in Aberdeen that is larger than it was in 1997, when we took over, exist to serve viewers in the north-east. None of that is surprising, to my mind.

Michael Russell: That does not really answer the question, does it? I will put it again. You are involved in a very serious industrial dispute. There has been a great deal of criticism. The Independent Television Commission is now examining seriously whether you have honoured your commitments. There are documents from the trade unions and from other parties, which you have seen, that make serious allegations about your failing to honour your commitments.

The only answer that you have been able to give is that people are interested in broadcasting. They are interested—but we did not have this discussion with the BBC; we talked about programming and substantive issues. With you, we are talking about how you run your company. I want to know whether you think that it is being managed well and adequately, or whether you accept that there are some problems with the way you are running your company, which need to be addressed.

Mr Cruickshank: Having an industrial dispute is not a success—it is unfortunate. I acknowledge that. We have to work our way through that with our staff.

As to whether what is on the screen—which is of interest to viewers and to your good selves—is better or worse, that is a matter for the ITC. Our view is clear: that it is better and that the licence commitments are certainly being honoured and will continue to be honoured.

As I observed earlier, whether that statement is confirmed is a matter for an independent regulator to report publicly in due course.

Michael Russell: I wish to recall something Robert Smith said in his evidence. You were here and heard it. I reminded him of it, too. He said the more that goes into production, the more we can build a creative Scotland.

The evidence that we have before us is that you are putting less into a creative Scotland. Let me put an alternative scenario—

Mr Cruickshank: Sorry, can I just dispute that?

Michael Russell: I think that the evidence exists.

Mr Cruickshank: That is a presumption to your

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question. I will not accept it.

Michael Russell: Let me put a different scenario to you, Mr Cruickshank. This is a difficult year for your company, and later this year you will have to negotiate a price for your franchise again. All the market evidence shows that you will have to pay perhaps £4.5 million to £5 million, as opposed to the £2,000 that Scottish Television paid some years ago. Is there not a case for arguing that what you are trying to do—which may be legitimate—is to get that money together, and that one of the ways in which you are getting it together is by reducing your staffing costs in a way that is at least unusual: by trying to draw an industry average and saying that everybody has to conform to that average?

Mr Cruickshank: We have more creative staff. We propose that the terms and conditions should be approximately the industry average which, incidentally, would leave staff better paid than staff at the BBC in Glasgow would typically be paid just to give some context. We believe that we can build a team, have built a team and can continue to build a team to serve the population of Grampian very well indeed.

Michael Russell: Are you applying the industry average to your executive staff in SMG in terms of salaries and share options? If so, will you publish those figures?

Mr Cruickshank: They are published, and, if you wish, we—

Michael Russell: Are you applying the average?

Mr Cruickshank: Yes-

The Convener: Can I suggest that that is not-

Michael Russell: I think it is a germane point.

The Convener: I am sorry to interrupt, but I do not think that that is a question for this—

Mr Cruickshank: Please: may I answer the questions posed to me?

The Convener: Sorry, but I do not think-

Mr Cruickshank: Am I not allowed to answer that question?

The Convener: No. I do not think that it is a question for this committee, although I am sure Mike Russell can ask it in another arena.

Mr Cruickshank: For the record, I wish to say that I was not allowed to answer that question.

The Convener: You certainly may say that.

Michael Russell: May I conclude my questioning—if I am not going to be allowed to ask that question?

The Convener: Very quickly, Mike, because absolutely everybody wants to get in.

Michael Russell: I know. I just wanted to conclude my questioning by saying this: there is an argument that the broadcasting structure in this country is faulty in terms of how it goes about allocating franchises.

I ask you again: is the key issue for you in the coming year—this is not a criticism—the amount you will have to pay to retain your franchise and the fact that you have to agree that by the end of this year? Is that not a major factor for you?

Mr Cruickshank: It is one of the issues facing us. Do you want to cover the precise details, Andrew?

Mr Andrew Flanagan (Scottish Media Group): I think that your question misunderstands the process of licence renewal by the ITC, Mr Russell. It is not a negotiation. The ITC takes submissions, makes a decision and then communicates that to us. We have the choice of accepting those terms or not.

The ITC's calculation takes existing costs into account, so a smaller amount would be paid in licence fee if the production cost was increased. As Don Cruickshank said, we have been investing in our programmes—that will result in a reduced licence fee. It would be counter-productive for us to cut costs, if it was not necessary, in advance of licence renewal.

11:15

Michael Russell: Why is it necessary?

The Convener: I said that that was your last supplementary. A number of members want to speak.

Karen Gillon: What programmes have been commissioned by Grampian and by Scottish in the past two years? That will give us an indication of the types of programmes you commission. I want to know about the programmes individually commissioned by Grampian and by Scottish—not co-commissioned ones.

Mr Thomson: I will go through Grampian's programming for last year.

We continue to produce our news, deaf news and weather.

In terms of sport, I took in rallying for the first time, commissioned a document on golf at St Andrews and we continue to cover Highland league football.

In entertainment programming, we had a replacement programme for "Top Club" called "Snap". We also had a programme called "Chartburn", which is a look at the top 10 books,

videos and films.

We continue to do party conferences, "Crossfire" and a new programme called "Summer Discovery", which was an outside broadcast going around the region filling the summer slot while Richard and Judy were on holiday.

We covered the parliamentary elections last year. Another new series was "Grow for It", a gardening programme. We had "Parliamentarian of the Year" and "The Buck Stops Here", which was one-to-one interviews with key figures in the community in the north. Our social action programme, "Community Calls", continued as normal. We had two one-hour specials on the Highlands called "Highland Debate". We commissioned "Upfront", which was our children's genre last year. We also had 36 hours of Gaelic.

In 2000, we have commissioned "'Hooked' with Paul Young" and a new programme called "The Back Page", which is a sports discussion show. We will cover the Highland league final. "Grampian Weekend" was the new Sunday afternoon magazine show, dealing with current affairs, arts, entertainment and historical issues. "Scotland's Larder" is on, a Grampian favourite. "The Big Beat" is a six part series looking at the Highland constabulary. There is a new raft of religious programmes and Gaelic programmes.

Part of the issue is that we continue to support a large part of the independent sector in the north, in the Grampian region, Fife and Aberdeenshire.

Karen Gillon: In all of those programmes that you commissioned, were the staff employed by Grampian Television? If they were not employed by Grampian Television, when were those programmes shown? Were they late night programmes, weekend programmes or minority viewing programmes? That is very important in terms of the Grampian regional identity.

Mr Thomson: Last year, "Grow for It" and "Scotland's Larder" were shown in peak viewing time. We are part of the ITV network, so there are issues about slots, but should members consider that, of the vast majority of Grampian programmes, the ones that are not on at peak time play very close to either the inside or the outside of the ITC defined peak viewing times. Sport plays at 10.30 pm, as does politics. Entertainment last year played in a 5.30 pm slot. The key documentaries played in 7.30 pm slots, as they will do this year.

The Convener: Will you respond to Karen Gillon's question about staffing?

Mr Thomson: I can give you documentary evidence that Grampian personnel worked on all bar two of the Grampian-produced programmes. A producer and two researchers from outside the organisation worked on "The Back Page" because producer-directors were working on other programmes. "Hooked' with Paul Young", one of the independent commissions this year, is produced by Fairline. It is the only one that is being produced outwith the region.

Karen Gillon: Could we perhaps get a copy of that information in written form?

The Convener: So many members want to ask questions that it would be unfair to bring anyone else in as we have run over our time. I know that that is partly because we were a little late starting with the witnesses.

Mr Lloyd Quinan (West of Scotland) (SNP): Convener, you indicated to me that I could ask questions after Michael Russell.

The Convener: Sorry, Mr Quinan, I will wind this up and then come back to you.

I thank the witnesses for attending the committee this morning. As you mentioned, we are awaiting the ITC report. The committee may invite you back then to discuss these issues further. Several members still have questions they want to ask. Thank you for your attendance this morning.

Mr Cruickshank: Thank you.

Mr Quinan: Convener, you indicated that you would allow me to ask a question.

The Convener: My apologies, I have to bring in a range of questions.

Mr Quinan: You have failed. You have failed the inquiry into this evidence by not allowing the question session to be extended.

Michael Russell: On a point of order. It is immensely regrettable that members—who are not members of this committee—should give notice of their intention to attend the meeting, attend the meeting, and then find that they are unable to ask questions.

That is an extremely unfortunate precedent to set.

Mr Quinan: Especially when it had been indicated that they were to be allowed to ask a question.

The Convener: I am not saying that members cannot ask questions; I am saying that all the other members also wanted to speak.

Michael Russell: In that case, we should have continued.

The Convener: We are short of time and we have other, equally pressing, issues to discuss. It will be possible to come back to this issue in the future.

Michael Russell: Mr Quinan, who is not a

member of this committee, has had to spend time here and has been unable to ask a question.

The Convener: We will have a two-minute break.

11:21

Meeting adjourned.

11:26

On resuming-

The Convener: Time is pushing on, so let us begin.

Mr Macintosh: Convener, I would like to object to the comments that were made by Mr Quinan before the suspension. His remarks were intemperate and uncalled for. Several members of the committee had been waiting since the start of the meeting to make contributions. We had caught your eye and you had acknowledged that you knew that we wanted to speak. We were not able to, and one of the reasons for that was that our colleagues Lewis Macdonald and Michael Russell dominated the questioning. That is the way that things can happen in the committee. Mr Quinan should watch his behaviour from now on. Our committee should think about issuing a warning to him or perhaps reporting his remarks to the Parliamentary Bureau.

The Convener: I assure the committee that, regardless of whether Mr Quinan was a member of this committee or not, I had hoped to bring him in. However, because of the time constraints that we always knew that we would face with the witnesses, that was not possible. I regret that, and I hope that he will understand.

Standards in Scotland's Schools etc Bill

The Convener: We move to item 3, which is the report from the Equal Opportunities Committee on the Standards in Scotland's Schools etc Bill. We have Johann Lamont's paper in front of us, which gives an outline of what the committee is proposing.

Johann, do you want to add anything?

Johann Lamont (Glasgow Pollok) (Lab): I will speak briefly, and then Shona Robison and Malcolm Chisholm may wish to add something. It is significant that the debate on equality in education is not considered by some to be of as high a priority as the item that went before, although that does not come as any great surprise to people involved in equality issues. It was interesting to see the room emptying as the debate on equality started.

We welcome this opportunity to speak to the Education, Culture and Sport Committee. Obviously, the role of the Equal Opportunities Committee in the legislative process in the Parliament has not yet been fully clarified. However, we felt it was important that we should be given the opportunity to have an input in the education bill. As you will see in the report, we took evidence from a number of bodies.

Our clear message is to re-emphasise the importance of mainstreaming in education or anything else. We have a clear role in terms of equality proofing. However, we feel that all legislation should be equality proofed within departments before it is brought forward. That system may not yet be working as effectively as it might. Malcolm Chisholm will expand on those points.

In debating the technical language of education—indicators and so on—we sometimes lose sight of the potential of education to deliver equality. We took evidence from groups representing young people with special needs and from groups representing black and ethnic minority parents, who felt that they were often excluded. The powerful message was the importance of delivering social inclusion within education as well as through education. I hope that this committee will take that on board.

We also make a plea that this committee grapple with the complexities of inequalities in schools and in education generally. There can be a temptation to look for quick solutions. One example of that is seen in attempts to explain the relative attainments of boys and girls. There seems to be a desire not only to explain why girls fail in terms of their being to blame for their own failure, but to explain why boys fail in terms of women being to blame for that as well, because there are too many women teachers. The evidence that we took from the Equal Opportunities Commission and the Educational Institute of Scotland addressed those points, and I hope that you will too.

11:30

Malcolm Chisholm (Edinburgh North and Leith) (Lab): We want to get across the fact that most of the evidence that we heard was critical of failures to address equality issues directly in the legislation. We realise that it is early days for mainstreaming, but we should report those criticisms.

I recommend that members read the submissions that we received from the Equal Opportunities Commission and the Commission for Racial Equality. Referring to the consultation on the education bill, the Equal Opportunities Commission said that:

"It is . . . disappointing that there is no evidence in the current consultation that the Commission's key recommendations on equality have been considered, and indeed there is no explicit reference to equality, other than in Schedules 2 and 3 covering minor amendments to the Sex Discrimination Act."

In its response to the consultation, the Commission for Racial Equality raised a point about the Scotland Act 1998 that is relevant to this debate:

"The Scotland Act 1998, under Schedule 5 places an obligation on the Scottish Parliament to promote equal opportunities. We anticipated that the purpose of this clause would be to enable both the Scottish Parliament and the Executive to further their commitment in this regard and translate the stated commitment to equal opportunities and mainstreaming into practice in a devolved matter using the opportunity provided by new legislation. It is regrettable that the Bill makes no explicit statement to this effect, or indeed reflects the provision contained in Schedule 5 of the Scotland Act."

The kinds of concerns that were being raised by the Commission for Racial Equality, the Equal Opportunities Commission and others were very similar, and that is why it was easy to draw up general recommendations that addressed the concerns of all those bodies. I was responsible for the structure of the report, and it may not be ideal. However, a key recommendation at the beginning of the report is that the bill should place

"a duty on Ministers and local authorities to promote equality of opportunity for all in education."

A new section that embodied that might be considered at the committee stage of the bill. I think that some of you have seen a draft proposal from the Commission for Racial Equality. It has consulted the Equal Opportunities Commissionagain, all those bodies are working together. Some of our recommendations would not need to be embodied in legislation—some would be a matter for guidelines—but legislation should address that key recommendation directly.

Shona Robison (North-East Scotland) (SNP): I would like to highlight a couple of pieces of evidence that the committee heard.

One powerful piece of evidence was from the Equity Group, which is a body that represents the rights of parents of children with special needs. The bill establishes the right of the child to receive education, but there is no explicit obligation to mainstream equal opportunities in the delivery of that right.

In our report, we recommend that the bill should establish

"the right of every child to be educated in a local mainstream school and receive individual support when and where necessary"

and that it should place

"a duty on Ministers and local authorities to promote equality of opportunity for all in education"

and that it should make

"specific reference to equality in its statement on the purpose of education."

One reason why that is particularly needed is that there has been no increase in the number of children with special needs in regular or mainstream schools in Scotland in 13 years.

The Commission for Racial Equality made a powerful presentation to the committee. As Malcolm Chisholm said, the draft bill makes no reference to matters of racial equality. It would be useful if such a reference were included in the bill. The new ministerial duty in the draft bill to secure improvement must refer to schedule 5 of the Scotland Act 1998 to ensure that equal opportunity requirements are met by public authorities.

Nicola Sturgeon: The report is helpful and complements the work that we have done at stage 1 of the bill.

The report says that every child should have the right to be educated in a local mainstream school. The bill as published moved on from the draft bill by creating a presumption that that would be the case. Does the bill go far enough?

Shona Robison: We have had a debate about that. The conclusion that we came to was that, to maximise the benefit to parents, there should be a right rather than a presumption. A presumption seemed to have qualifications attached. There are practical difficulties involved, but if the right were asserted, it would then be up to local authorities to manage that right in consultation with parents. The use of the term "right" would give parents the maximum amount of influence.

Nicola Sturgeon: Part of our job is to comment on the policy memorandum that accompanies the bill, as well as the bill itself. There is a section that talks about the effect of the bill on equal opportunities, human rights and so on. Is it fair to assume that you think that the policy memorandum is deficient in that area?

Shona Robison: Yes.

Malcolm Chisholm: I suspect that people consider equality proofing issues after the event to see that nothing is contrary to equal opportunities considerations. We are saying that the whole business has to be more proactive. I imagine that we will eventually have an equality unit, but the policy memorandum takes a minimal approach.

Mr Macintosh: I want to ask about the matter that Nicola Sturgeon talked about. In regard to mainstreaming, I do not think that the worries are about resources so much as about whether mainstreaming would be appropriate for all children. Did you take evidence about that? Is the right to mainstream education enforceable by the parents on the child's behalf, or does the local authority have a say? Did you explore what would happen if a child is so disruptive that the local authority does not think that it is in the best interests of the child or the other children in the class that the child remains in mainstream education?

Shona Robison: It is an issue of choice. Some parents might choose not to have their child in mainstream education for whatever reason.

We explored some of the practical difficulties as well. There would have to be regular contact between parents and the local authorities as to how the child was doing. If it was felt that it was not of benefit to the child to remain in mainstream education—or special education, if that were the case—discussions would have to take place and there would have to be a format for them.

Johann Lamont: We wanted to challenge the presumption that is sometimes made. It is easy to say that we should find a solution to the problems that a child might be having in mainstream education; it is more difficult to challenge the assumption that a child with a special need cannot be sustained in mainstream education. We need to shift the balance of the debate and generate a level of trust and openness between parents and the local authorities.

The Equity Group emphasised that it wanted the youngsters with whom it is concerned to be in mainstream education. It said that that move would be resourced partly by the fact that the special sector would diminish. However, some parents opt for an alternative placement for their child. Those delivering the education service must, therefore, recognise that a balance must be struck.

We want to put the burden of proof the other way around: it must be absolutely established that the mainstream placement is inappropriate. Parents should not have to prove that their child might be able to be sustained there if resources could be found.

Mr Macintosh: If a child has a right to a mainstream place—which is how it should be and what I thought the phrase, "presumption in favour of" ensured—does that mean that the parents could keep the child in mainstream education despite the fact that that might not be in the child's best interests? I can think of lots of examples when that might happen. Who enforces the right: the local authority or the parents?

Shona Robison: One concern that we have is that, unless the child is properly resourced—and that might mean their having someone with them at all times—the child might fail in mainstream education. We should consider whether the child could thrive in mainstream education, given adequate resources.

However, there might come a point when it becomes clear that the best interests of the child are not being served. There would then have to be on-going discussions among parents, teachers and the authorities about how the child was progressing. Inevitably, there would be problems, but if we can change the culture to an assumption that the child should remain in mainstream education, everyone will do everything that they can to keep the child in mainstream education.

Mr Macintosh: I agree with your thinking but I am not sure about the conclusions that you draw. It is a question of how the legislation would be framed.

The question is not always about resources sometimes it is about disruptive behaviour—but the question of resources is vital. All legislation that has resource implications must be examined carefully. Have you taken any evidence about the costs that might be involved, particularly in relation to things like individual support in the classroom?

11:45

Johann Lamont: It would be worth examining current provision, because the same model is not used throughout Scotland. Special educational needs are often met within mainstream schools; that is how provision has developed historically. Running an entirely parallel system may not be an efficient use of resources, and the implication that huge costs would be involved is perhaps too straightforward. If there are resources within a school to support the youngsters, that may also benefit the whole school. We did not take evidence on that, but perhaps we could pursue the point.

Shona Robison: The Equity Group gave evidence but, as Johann Lamont pointed out, it said that resources could be transferred as special education diminishes. In some cases, children are being bused 50 miles each way daily, so there would be a long-term saving on transportation costs but, in the short to medium term, we could not rely on resources being freed up immediately.

Inevitably, there would be resource implications, but we should remember the cost implications later in life. There has been no change in the mainstreaming figures for the past 13 years, and 95 per cent of adults with disabilities are unemployed. There is clear evidence that disabled children thrive much better educationally in mainstream education than they do in special schools.

Mr Monteith: The Equal Opportunities Committee recommends first that the bill

"Establishes the right of every child to be educated in a local mainstream school".

To take up a point that Ken Macintosh was developing, the evidence that you mentioned, including the Equity Group evidence, was about children with special educational needs. However, there are also disruptive children, whom local authorities seek finally to place in other schools. If we are saying that "every child", even a disruptive child, has the right that you recommend, "local" may not be an option, particularly in rural areas. I know of many instances where children who have been excluded from schools have to be taxied to other schools, sometimes more than 20 miles away.

Does your recommendation apply in particular to children with special educational needs? Or did you consciously not define that in your recommendation, because you really mean "every child"? Your evidence focused on one set of children, but your recommendation is very general and would cover all children. I want to identify what you are really after.

Johann Lamont: If you take a mainstreaming approach, it is perfectly reasonable to assume that every child, regardless of their needs—whether those needs are special educational or other needs that have created difficulties for them in the education system—should be embraced within the legislation. While some young people's disruptive behaviour can be attributed to special educational needs—that is a complex matter—some of our young people's experience in our communities can explain very well why they have difficulty in settling in schools. We did not take particular evidence on this point, but there is a view that if you can sustain a child within their local school in their local area, you are more likely to be able to sustain them in school, and that, in fact, the disruptive effect of exclusion makes it less likely that they will settle elsewhere. As someone who comes from that background, I would welcome committees exploring that issue, particularly in relation to what people sometimes refer to glibly as disruptive behaviour, as if that were something very different from special educational needs. It is reasonable for the parents of young people with what might be defined as special educational needs to know that their rights are embraced along with those of all youngsters.

Mr Monteith: So you would not consider amending your recommendation to read "the right of every child of special educational needs", but would leave it open, as it is now?

Johann Lamont: I would leave it open. Educational needs can be different in different circumstances. Those who might be defined as having special educational needs form the one group who currently have obvious alternative provision.

Mr Monteith: I also wanted to clarify what evidence you have on the impact of incorporating your recommendations. When pressed earlier on costs, your answer seemed to be maybe. In response to my earlier questions, you appeared to have no particular evidence.

I would sign up, as many of us would, to much of what is in your report, but some of the evidence, such as the statement that there has been no increase in mainstreaming in the last 13 years, conflicts with my own, albeit anecdotal, experience. I do not think that I am alone in that. Is there any conclusive evidence, or are you presenting your report as a wish list, the impact of which we cannot evaluate?

Shona Robison: It may be useful if we pass the Equity Group's written evidence to the Education, Culture and Sport Committee. It included many statistics, and showed that there had been no significant shift into mainstream education for 13 years. It also showed how much better those children who go into the mainstream fare educationally. The information is all there. We could arrange for it to be passed on.

The Convener: I believe that that information has been circulated to members, but in case they have lost it, we will circulate it again. Two more members want to speak, then I will wind up this item as we are running very late.

Fiona McLeod: If you remember, I attended the Equity Group conference on behalf of the committee, so I could supply reference material on many of Brian Monteith's questions if it is wanted.

The Convener: Okay.

Ian Jenkins: My Liberal credentials draw me in one direction, but my knowledge of practical things in schools makes me worry about making a binding commitment that may cause a great deal of difficulty over resourcing, the accessibility of existing buildings and so on.

The resource implications cannot be easily ignored. Big, practical difficulties are involved. My heart tells me that we should be as strong as possible in our wish to promote the rights of every child, but I would like to leave some flexibility for practical considerations. Saying that makes me feel guilty, but we cannot ignore the implications and the potential for hassle and conflict among authorities, parents and children. Obviously, my desire is to be on the side of the child—

The Convener: Was that a comment rather than a question?

Ian Jenkins: It was indeed. Do you agree-

The Convener: We will have to leave it at that. I will ask Johann Lamont to wind up on behalf of the representatives from the Equal Opportunities Committee.

Johann Lamont: Ian Jenkins's comment reflects the challenge that mainstreaming and equal opportunities present to everybody in terms of delivering services. If it was our own child who was battling with a local authority, we might feel that the hassle was worth while.

We discussed that challenge in the Equal Opportunities Committee, but we were keen that the right for every child should be put at the heart of the bill and that we could consider later how that might have to be pulled back. If we do it the other way round, families throughout Scotland will have to make the case for their youngsters over and over again, because the presumption goes the other way. The focus would then be on the young person being the problem, whereas we should be focusing on how the service can meet the needs of all our young people.

The Convener: I thank the three members of the Equal Opportunities Committee for attending.

Fiona McLeod: On a point of order. We said many months ago that we should be given updates on current business on our agenda. In the light of all that has happened on Hampden over the past four days, I am disappointed that that matter has not been on today's agenda. I would like to know whether we can discuss the matter and bring ourselves up to date today.

The Convener: The omission of Hampden from the agenda for this meeting was unintentional. I appreciate that you should have had the opportunity to raise the matter. Ten minutes ago, I was handed a letter from the minister, which I intend to circulate to members. It brings us up to date and reiterates the minister's commitment to attend this committee as soon as there is something more concrete to report. I hope that that will satisfy you.

Fiona McLeod: As I have not seen the letter, I have to say that that does not satisfy me, and that it should not satisfy this committee. Given the shifts, claims and counter-claims that there have been over the past four days, it is surely time that this committee began an investigation. Four months ago, we were offered a report when the matter was done and dusted. I hope that that is no longer acceptable to this committee.

Mr Monteith: I am not satisfied with the fact that Hampden cannot be brought up properly as an item of business. I attempted to contact you, convener, and left messages with the clerk, but by the time I had a short discussion with you yesterday, it was too late.

This has been an on-going saga, in which there have clearly been developments. The matter was mentioned at our previous meeting. Therefore, I ask that as an item on the agenda for our next meeting, there should be not just an update, but a discussion on whether we should institute a committee of inquiry into the background to the funding and to the rescue package, whether or not that package is rejected. All the evidence is that it will be rejected by that time. We may be in a far deeper hole after announcements by the administrators.

Nicola Sturgeon: I associate myself with what Fiona McLeod has said. Rather than labour the point, I suggest that the letter be circulated and be placed on the agenda as a substantive item. It may be that by next week we will know more about what is happening and will be able to have a more meaningful discussion.

The Convener: We are all aware that the situation seems to be changing daily, if not more often. I assure you that Hampden will be on the agenda for next week. The item will not just be an update, but an opportunity to discuss how the committee should progress.

11:59

Meeting continued in private until 12:34.

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