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Official Report

EDUCATION, LIFELONG LEARNING AND CULTURE COMMITTEE

Wednesday 9 February 2011

Session 3

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EDUCATION, LIFELONG LEARNING AND CULTURE COMMITTEE
5th Meeting 2011, Session 3

CONVENER

*Karen Whitefield (Airdrie and Shotts) (Lab)

DEPUTY CONVENER

*Kenneth Gibson (Cunninghame North) (SNP)

COMMITTEE MEMBERS

*Alasdair Allan (Western Isles) (SNP)
*Claire Baker (Mid Scotland and Fife) (Lab)
*Ken Macintosh (Eastwood) (Lab)
*Christina McKelvie (Central Scotland) (SNP)
*Elizabeth Smith (Mid Scotland and Fife) (Con)
*Margaret Smith (Edinburgh West) (LD)

COMMITTEE SUBSTITUTES

Ted Brocklebank (Mid Scotland and Fife) (Con)
Hugh O'Donnell (Central Scotland) (LD)
Cathy Peattie (Falkirk East) (Lab)
Dave Thompson (Highlands and Islands) (SNP)

*attended

THE FOLLOWING GAVE EVIDENCE:

David Cameron (Review of Devolved School Management)
Blair Jenkins (Scottish Digital Network Panel)

CLERK TO THE COMMITTEE

Eugene Windsor

LOCATION

Committee Room 6

Scottish Parliament

Education, Lifelong Learning and Culture Committee

Wednesday 9 February 2011

[The Convener *opened the meeting at 10:01*]

Broadcasting in Scotland

The Convener (Karen Whitefield): Good morning. I open the fifth meeting in 2011 of the Education, Lifelong Learning and Culture Committee. I remind all those present that mobile phones and all other electronic devices should be switched off for the duration of this morning's meeting. No apologies have been received, but I understand that Margaret Smith hopes to join the committee at approximately 10.30.

The first item on the committee's agenda is to take evidence from Blair Jenkins on the Scottish digital network panel's recent report and recommendations to the Scottish Government. Mr Jenkins, who is well known to the committee, was the chair of the panel and, earlier in the session, the chair of the Scottish Broadcasting Commission. I am pleased to be able to welcome him back to the committee and invite him to make an opening statement.

Blair Jenkins (Scottish Digital Network Panel): It is a great pleasure to talk to the committee again. I will make just a couple of brief remarks, as I am sure that there will be many questions.

I acknowledge how important the degree of focus and attention that the committee has been able to bring to bear on broadcasting issues in recent years has been to broadcasting in Scotland. The attention and support that the wider Parliament has given to the issues has also been a vital part of the debate. I am keen to see that continue and am happy to be here today.

Although I am here to talk about the work of the Scottish digital network panel in relation to how we establish and fund the Scottish digital network, I am happy to cover any aspect of broadcasting about which members want to ask. If members want to raise issues that are not directly linked to my recent work, I am happy to talk about them.

There is one issue that I want to mention in my brief opening remarks, just in case it does not come up in questions. I am asked a lot of questions about the Scottish digital network, but one issue that is not discussed often enough is the economic impact of getting the new network up and running, and the considerable benefits in jobs and economic growth that we could bring to bear as a result.

I am sure that members of the committee need no reminding that creative industries in general, and digital media in particular, are a key sector and a priority part of the Scottish economy. Digital audiovisual content, whether for entertainment or for information, will be one of the defining industries of this century. It is right to talk about the costs of the network and how we fund it, but we must be clear about seeing that as an investment in a key part of our economy—a real stimulus package, if you like, that will bring enormous benefits on that front. I know that today we will talk about the cultural and democratic benefits of the Scottish digital network—and I am keen to do so—but I would also like to focus on the significant economic benefits.

The Convener: Thank you for that opening statement, Mr Jenkins. I hope that we will cover many of the points that you made in our questioning. First, I will ask about governance. You made key recommendations about good governance for the new network—that is important—including the radical suggestion that appointments should not be made by ministers, but agreed by a committee of the Parliament. Why is that important? It would be a very different way of making a public appointment and is not something that has happened before. Why is that important and what improvements would that make to the governance of the network?

Blair Jenkins: That was a suggestion that we put out there, rather than a firm recommendation, but there is something in it that is worth thinking about. Without going into particular appointments or naming names, there have been times when appointments have been made at UK level to significant broadcasting positions when there was perhaps an underlying hint that a degree of political consideration might have been applied—if I can put it that way.

There could be a distinctively Scottish way of approaching this, which would be to say that the Parliament is quite rightly the custodian of the public interest. If I were applying for such a position at any point in the future, I would feel it entirely natural and appropriate to come and talk to a committee of the Parliament—perhaps this committee, who knows? It seems a distinctively Scottish way of coming at things to say that such appointments should be approved by a committee of the Parliament, rather than necessarily by ministers. It would provide that extra layer of security. We are pretty good in the UK at coming up with governance models for broadcasting and keeping broadcasters at arm's length from Government and so on, but there would be an

extra layer of accountability in having parliamentary appointments.

The Convener: Would that ensure that the public would take a little more interest and have a little more confidence in the new network, because they would be able to see from the start who would be responsible and accountable for the new network?

Blair Jenkins: One would hope that that might be part of the impact. To be honest, I think that we will have very little difficulty in getting pretty wide public interest and engagement in the process of setting up the SDN as we get closer to that point. For the first time ever, we will have a distinctively Scottish broadcaster—a Scottish national broadcaster, if you like. I have said previously that if broadcasting had been invented this week, there would not even be a discussion about this—we would be building in a dedicated Scottish public service broadcaster from the start. In a sense, what we are trying to do now is retrofit the right kind of broadcasting to the evolving UK, given how it is changing culturally, politically and structurally. You are right that there would be a benefit and I am sure that there will be a high degree of public engagement on what the new network could and should be.

Kenneth Gibson (Cunninghame North) (SNP): How confident are you that the SDN will receive a channel on Freeview, satellite and cable?

Blair Jenkins: The key to that is its being designated as a public service broadcaster. If the new service is designated as a PSB, it is guaranteed carriage on all the main platforms. That is one of the important reasons why it ought to be designated as a PSB, which, if it is set up in the way that we are talking about, is to some extent a formality. No one at the Office of Communications, the Department for Culture, Media and Sport or anywhere else has suggested to me that if we get the SDN up and running it will not receive that status, which guarantees prominent carriage on Freeview, satellite and cable. It is important that it guarantees carriage with a high degree of prominence, which might be what you will ask me about next. Members might or might not be aware that, in Wales, S4C gets position 4—button 4, if you like—and page 104 on Freeview and satellite. I very much hope that the SDN would get an equivalent degree of prominence. It might not be in position 4, because Channel 4 is in that position in Scotland, but something like channel 6 in Scotland would be appropriate.

Kenneth Gibson: You have partly answered my second question. I was going to ask how certain you are that the SDN will be classed as a public service broadcaster.

On page 17 of the report, only one paragraph is dedicated to the impact on other media in Scotland. Will you expand a bit on what you think that the impact might be?

Blair Jenkins: We spent quite a lot of time talking about the consequences for other media if the new network were to pursue commercial revenue. That is quite an important point. I have no doubt that the SDN would attract significant audiences, which means that it would take audiences away from other players, such as the BBC, Channel 4, STV and the other broadcasters. That is to be expected with any new arrival.

We spent quite a lot of time talking to media operators about the potential consequences for existing commercial media in Scotland if the new body were to pursue advertising revenue. If there is such a thing as unanimity in Scottish media, we found it, because the one thing that everyone said to us was that a new entity that had any element of public funding and was also pursuing commercial revenues would have a serious and negative impact on the Scottish media ecology.

Publicly, as would be expected, existing commercial players tend to be quite optimistic and talk up the prospects for their business. Privately, however, many are quite gloomy about the prospects for their business. It was not all that unusual for us to be told that any new entity that was pursuing advertising revenue could represent the tipping point, in a negative sense, for some of the existing media in Scotland.

Kenneth Gibson: Even if the SDN does not pursue advertising revenue, it would still have an impact, as it will take audience share. Aside from the pound, shilling and pence issues, do you think that the existence of the SDN might encourage the other media entities to be more Scottish in terms of their outlook, content and production processes, or might the SDN be seen as the Scottish channel, which might have a slightly negative effect on the Scottish outlook and content of the other channels? I do not think that that would be the case, but I would like to hear your professional opinion.

Blair Jenkins: That is an interesting question. To some extent, as the situation is untested, my answer will be based on speculation.

I think that the situation would play out differently with different broadcasters. I have no doubt that the BBC would step up its Scottish production. Whenever a new competitor arrives in a bit of territory that it is operating on, it becomes extremely competitive. The BBC moved into breakfast television only when a commercial breakfast television operator came along—that was back when I was working for the BBC. I believe that the BBC would try even harder to

demonstrate its commitment to Scottish output. I would expect to see a ramping up of the volume and range of Scottish productions on the BBC so that the BBC was not positioned as being somehow less Scottish because of the existence of the Scottish digital network.

With regard to the commercial broadcasters, where we see a greater or lesser degree of success in terms of getting Scottish content into the schedules, I think that they might feel a reduced sense of obligation. Creatively, channels such as Channel 4 would still commission quite a lot of production out of Scotland—I do not see there being any great difference in that regard. As we know, ITV commissions virtually nothing out of Scotland at the moment, and I suspect that that is likely to continue to be the case.

Ken Macintosh (Eastwood) (Lab): You have given us a breakdown of how the figure of £75 million for the cost of the Scottish digital network was arrived at. Could you expand on the thinking behind that figure?

Blair Jenkins: Rather than give you a detailed analysis of the costs, which I would be quite happy to do, I will answer your question a different way.

When we did the original cost analysis, my colleagues and I discussed what a typical schedule of programmes might be and then multiplied that through a year. This time—because it is quite useful to validate or externally reference your assumptions—I went to the Ofcom figures for what Scottish broadcasters currently spend on productions. I think that those are the numbers that you have been looking at. If you use those numbers when you are thinking about the way in which the Scottish digital network might operate, you can easily come to a ballpark figure for what the cost of output might be.

We have always said that the network would probably aim for four hours of original production per day. The model that we constructed involved an hour of news, an hour of current affairs and two hours of other things such as documentaries, dramas and arts programmes, which tend to be more expensive. By their nature, such things can be cut in lots of different ways, but as a working figure, the figure is pretty good.

10:15

Ken Macintosh: When the crucial issue of funding was discussed in the Parliament, we skirted around it because there was a bit of disagreement about the source of the funding. I noticed that the section of the Scottish digital network panel's report on funding states:

"It is clear from recent developments that the television licence fee is now regarded across the political spectrum as the best source of funding for public service broadcasting in general".

Why is that the case? As you know, the BBC is very worried about any top-slicing of the licence fee because, apart from anything else, that undermines the licence fee. The BBC is a broadcaster and people are willing to pay the licence fee because the BBC is clearly the evidence that it has been paid. The more the licence fee is used for other purposes—and potentially less popular purposes—the more the case for it is weakened. I was not sure about that initial statement.

Blair Jenkins: That statement reflected the fact that the previous United Kingdom Labour Government identified the licence fee as the source for funding the continuation of regional news on ITV, and it proposed to use quite a sizeable chunk of the licence fee for that purpose. However, that proposal was interrupted by the general election. When the chairman of the BBC trust spoke about the BBC licence fee, the then secretary of state quite sharply reminded him that it is not the BBC licence fee; rather, it is the television licence fee, which has historically been used for other purposes. As some people know, it has part funded the Welsh language service S4C for 30 years, and it will fully fund the Welsh language channel. That is an interesting development.

Ken Macintosh: You referred to

"the best source of funding"

as opposed to one of many options.

Blair Jenkins: As you will know from your background, one of the reasons why the licence fee has always looked like the best way of funding public service broadcasting is that it has been kept at arm's length from direct running opportunities and political interference in funding levels. Long-term settlements with guaranteed levels of funding that are not part of general public expenditure have been seen as a key part of maintaining independence from the political framework.

It seemed to us that a settled position had been reached with the decisions to fully fund S4C from the licence fee and to devote a sizeable sum of money to the local television project around the UK as a start-up lump sum and a continuing contribution to the costs of local TV. We seem to be coming to the view in this country that that is how we should fund public service broadcasting, and that is why we ended up with that view.

Ken Macintosh: I want to explore the arrangements with S4C. What is your understanding of how that arrangement was reached and of why no similar arrangement has been reached here, given that we are already talking about a Scottish digital network? We have

funding for MG Alba; why are we now going in two different directions?

Blair Jenkins: I was not privy to the discussions that took place in the autumn. Like everybody else, I was interested in and a little surprised to see how quickly the deal was put together, as was S4C, which was not in the room when the deal was done. I spoke to its chairman not long after that. It would be fair to say that he was still somewhat surprised then.

I am not straying too much away from the subject in hand by saying that it can be seen that a great deal of effort was focused in a short period of time on tackling the deficit in the public finances, and things were done rather quickly. A lot of the detail of how S4C's relationship with the BBC will work is pretty unclear and my informal discussions suggest that there is uncertainty within S4C and the BBC about exactly how it will work in practice. However, I am sure that they will get there.

Ken Macintosh: Finally, did you look at other possible sources of funding? The most obvious to my mind is to take a mixed approach. The report has a big section on why the sector is worried about the mixed approach and using advertising revenues. Perhaps another idea would be to ask for a contribution from either or both the Scottish and UK Governments. The Scottish Government funds MG Alba. I can imagine approaching the UK Government and being told to ask for a contribution from the Scottish Government.

Blair Jenkins: We gave it some thought and it seemed to the panel that, as far ahead as it is sensible to look, the pressures on financing public services and the public sector will be very severe. As you know, I would be the very first person to argue and fight for more funding for broadcasting but, in the current climate, we are struggling to afford what we would like to have in health, education, housing and transport. Public broadcasting gets an annual sum of £3.6 billion so it seemed that that was where we should look, rather than compete with other public services.

Christina McKelvie (Central Scotland) (SNP): I will stay with that point. In your opening statement, you mentioned economic benefits and I am interested in looking at the publicly funded model and the commercial model. What would be the impact of those models on jobs and income? Could you add a wee bit about your disappointment that it is still the case that only 2 per cent of the licence fee is spent in Scotland and how that ties into the choice of funding model?

Blair Jenkins: I think that I am right in saying that it is not that 2 per cent of the licence fee is spent in Scotland. We said that to fund the SDN would require 2 per cent of the current licence fee income. I think that the BBC probably spends a bit more than that, although I do not have the number to hand.

Kenneth Gibson: It is 4 per cent.

Blair Jenkins: Yes, it is a higher number.

In terms of the impact of the different funding models, the one thing that everyone was clear about was that commercial funding would mean taking revenue away from existing players rather than bringing new revenues into the market. We might come on to talk about this later, but in parallel with our work Nicholas Shott was leading a UK-level review into the commercial viability of local television. As we say in our report, that review came up with a figure of £20 million in advertising revenue as the likely total to come from local TV in the UK, which is reaching 11 million viewers in its initial phase. The sums are not difficult. If £20 million is how much can be raised by targeting 11 million viewers, targeting 5 million viewers will raise about half of that.

In his report, Nicholas Shott wisely did not go into the issue of where the money would come from. It is pretty clear that everyone who was spoken to said the same thing, which was that, although it is much more dissipated and fragmented at the UK level, the money would come from existing media; it would not be new revenue coming into the market. That is what we have to consider.

In the way that we have outlined and in the way that the Parliament has supported it, and as the independent sector has said to us, the digital network would be a game changer in Scotland. It would transform the Scottish creative economy. It is a once-in-a-lifetime opportunity to make that kind of impact.

Christina McKelvie: Do you have any examples of how the digital economy would be a game changer for the Scottish economy?

Blair Jenkins: I have quite a few. We quoted Channel 4, which is very enthusiastic about the idea. For example, if there are new Scottish writers that Channel 4 wants to help develop or to work with, there is the notion of co-funding drama. Drama is the most expensive part of broadcasting. It can be done at a lower cost than the current average, but decent drama still comes in pretty expensive, so it becomes much more possible if it is done in partnership. Nowadays, all the broadcasters are looking to do things in partnership. I see the digital network working in partnership with the likes of Channel 4 and BBC Alba, and with broadcasters such as RTE and other European broadcasters, to collectively fund programming that would be difficult to fund on a stand-alone basis.

Wales provides a parallel. The existence of S4C over so many years has financially underpinned the Welsh production sector, to the point where there are two independent Welsh production companies that are still indigenous and have not been taken over—they were consolidators, rather than consolidated, when the independent sector went through the frenzy of consolidation. Those two companies—Tinopolis and Boomerang—are now substantial production companies, bigger than any stand-alone independent production company in Scotland. That is partly due to the stimulus and underpinning that S4C has provided.

Christina McKelvie: You mentioned the Shott review, which found that local television could be commercially viable in the long term with a low-cost model based on broadband distribution. The review did not state what it meant by "long term". What is your opinion on what it meant? What would the timescale be?

Blair Jenkins: I think that the review imagined that local television would develop in a phased and staggered way. There would be a first wave of 10 to 12 local stations, which would get a certain amount of public support for their set-up costs in their initial few years. Largely, those stations would be focused on big cities—probably the 10 or 12 biggest cities in the UK, because it is a commercial model, although the review left a bit of room for manoeuvre.

The review believed that, subsequently, different areas around the UK, including in Scotland, would come forward at different times with television services. With broadband, start-up costs are much lower than is the case when transmitters and traditional broadcasting distribution methods are involved. I cannot remember the numbers and the date, but the review hoped that, eventually, there could be 50 or 60 stations—at one point, there was mention of 80—around the UK, most of them on broadband.

I am sure that from time to time the committee talks to the Scottish Local Television Federation, which takes the view that there could be as many as 16 services in Scotland. That is a challenging view, but the federation is pretty clear and sure about it. In one way or another, there will probably be dozens of local services around the UK on broadband, but probably only a core of 10 or 12 broadcasting traditionally, on Freeview.

Christina McKelvie: In your report, you say that the Scottish digital network "would reinvigorate democracy". As politicians, we are quite interested in reinvigorating democracy. How would the network do that?

Blair Jenkins: Politicians are marvellous people, but they benefit from a high level of scrutiny. As a programme maker, I have wrestled for years with the issue of how we can engage people more in the democratic process and get them more interested in politics by coming up with programme types and formats that would stimulate greater involvement.

I probably speak for many people in and around broadcasting when I say that they are pretty disappointed with how broadcasting has responded to devolution. Any changes that have been made in the past 10 years have been pretty marginal. I was involved with one of them—the introduction of a 20-minute "Newsnight Scotland". That was better than nothing, but it was not a substantial change, given the nature of the change that has taken place and how much meatier and more substantial the agenda here has become. You guys deal with stuff day to day, but that has not been reflected in broadcasting.

I will give one example that is highly counterintuitive. As we moved into the setting up of the Parliament and the devolution age, both main Scottish broadcasters transmitted audience discussion programmes, which are an important form of engagement; "Question Time" is a great programme. There used to be "Words with Wark" on BBC Scotland and "Scottish Questions", which became "Scottish Assembly", on STV. Those were lively discussion and debate programmes that got people involved. With the technology that is now at our disposal, which is better than the technology that we had 10 years ago, we could make such programmes even more participatory, interactive and so on, but we do not have them on television. It seems to me slightly odd that, now that we have the democratic infrastructure that requires programmes of that kind, we do not have the programmes.

That is linked, in part, to another issue that I have raised previously: the structure of the broadcasting arrangements in Scotland. For different reasons, both BBC Scotland and STV find it pretty hard to opt out of their respective network schedules. I do not deny that some very good programmes are being made, but there are not enough of them, and that is one of the arguments in favour of creating something new that does not have to make such compromises and has a pretty clear sense of its remit.

10:30

Alasdair Allan (Western Isles) (SNP): One issue that is of interest to the committee, not least because we do not fully understand it, is the expected method of delivery for the new network. Have you considered internet protocol television as a means of delivery and, if so, to what extent?

Blair Jenkins: Absolutely. I should point out, though, that there are different views in the

industry on how quickly IPTV will become mainstream. One view is that, over time, it might become the sole method of distribution. However, there is no agreement about how quickly that will happen. I come down slightly on the cautious side of the argument; I certainly do not think that it will happen within the next five to 10 years and I think that traditional broadcast distribution will still be there. Nevertheless, IPTV is a very important method of distribution and more and more content will be consumed by that means.

One development in this area is, of course, YouView, which involves the BBC, BT and other partners and which, despite suggestions in the trade press that it might be slightly stalled or delayed, is intended to come on air later this year. It is fantastically interesting in the way it will allow people to move seamlessly from traditional broadcast material to material that is delivered over the internet to the TVs in their living rooms or wherever without the joins showing, and the new service's seamless technology-free introduction of IPTV will, I think, make it more mainstream.

Another great thing about IPTV is that it has no capacity constraints or limits of the kind that we have become used to, which means that it will be possible to put anything and everything out there. However, we should, like Nicholas Shott, be slightly cautious about how quickly we can get to the point where IPTV is a ubiquitous and absolutely satisfactory method of distribution for everyone.

Alasdair Allan: You mentioned some of the cultural shift that might be necessary. Are there any regulatory issues that might arise?

Blair Jenkins: Do you mean from the move to IPTV?

Alasdair Allan: Yes.

Blair Jenkins: Yes, there are. In the UK, we have pretty clear regulations that apply to mainstream broadcasting, including those governing the watershed, what is appropriate at different times of the day and so on. A quite active debate has begun over whether the same considerations can—or should—be applied to broadband on-demand services and whether it is, in fact, possible to have the same kind of regulatory structure and framework that we have had for traditional broadcasting. That debate is going to become important over the next couple of years.

Alasdair Allan: There has been some media discussion about what has been said about BBC Alba—and what it meant—and you have provided some clarification in that regard this morning. What is your understanding of the debate over whether BBC Alba's programming should form part of a new network?

Blair Jenkins: That is an interesting question. In reviewing the possible options and funding models for setting up a new Scottish digital network we took the view that we would be negligent if we did not take account of Gaelic language programming. If you are trying to envisage and describe a new service that is intended to fully reflect Scottish culture, history and heritage and the different strands of our national life, you must realise that Gaelic has to form a part of all that. Of course, given that a publicly funded Gaelic language network already exists, one has to ask whether there are opportunities for synergy or collaboration and how far such an approach can go. There would, in any case, be a high degree of synergy and collaboration between the two networks if they were separate entities, but we felt that it was worth raising for discussion whether BBC Alba's Gaelic language programmes might find a natural home in the Scottish digital network.

What we said—which I think is the right way of looking at it—is that there will be a number of issues in that regard that all deserve a lot of detailed consideration beyond what we did in the three and a half months or so of the lifespan of the Scottish digital network panel. We highlighted the question whether BBC Alba's Gaelic language programmes should be part of an SDN as an issue that ought to be further explored. There may, in the end, be half a dozen good reasons why that would not and should not work. However, the reaction that I have had from people in the Gaelic community and outside it is that they are glad that we have opened up the issue for debate and discussion.

There is a perfectly valid debate to be had about the issue. However, my instinct is that if that were to shape up as an interesting idea, it could only ever be done by invitation rather than by instruction. Gaelic language speakers and supporters would have to be satisfied that that was the best deal and option for them. At the moment, when the only show in town is BBC Alba, they would be absolutely right to say "Well, we'll stick where we are unless and until something better comes along."

Alasdair Allan: Those comments will be very welcome. What instinctively perhaps provoked some of the reaction was the issue of scheduling. I do not know whether you have any insight into that. People were possibly thinking back to STV's rather grudging use of Gaelic television programmes at two in the morning. Is it possible to devise a schedule that would make possible the union of BBC Alba's Gaelic language programmes and the SDN?

Blair Jenkins: Yes. To be honest, I am interested in your reference to the media reaction

to that possible integration. Funnily enough, from my point of view, though I may be too central-belt focused, that notion or suggestion was picked up less in the media and there was much less discussion of it in any of the broadcasting or press things that I did. I had thought that it would trigger more of a debate.

However, I think that Alasdair Allan has hit on the key point. Gaelic is an extremely bad fit into commercial television, because it is really putting square pegs into round holes. The Gaelic language does not sit easily in a commercial schedule. What was found over the years, and why the funding of Gaelic language programmes started, was that for perfectly valid reasons it became increasingly difficult for the commercial licenses—STV and Grampian, I suppose—to find decent slots for Gaelic programmes. It was less of an issue for the BBC, although it was still something of an issue for it. However, it was a particular problem for the commercial broadcasters.

Knowing most of the characters involved and having a lot of friends and connections in Gaelic broadcasting, I absolutely understand why the option of a dedicated channel was pursued. I also understand that that was a long, hard fight and that everyone was pretty happy when that fight was won. If our idea were to have any kind of traction, guarantees would have to be built in about the scheduling of Gaelic programmes. If you were going in to make that deal from an MG Alba perspective, that is the first thing that you would look for. A public service broadcaster is not trying to maximise its audiences all the time and is not forever mindful of the need to bring in advertising revenue, particularly in peak-time slots. Where you do not have such pressures, it ought to be much easier to find a proper means of accommodating Gaelic. However, if nothing else, there are things there that are worth thinking about and exploring.

Claire Baker (Mid Scotland and Fife) (Lab): Christina McKelvie picked up on questions about the possible economic advantages of an SDN. I think that you covered quite a lot of areas in relation to that. Do we have the skills base in Scotland to respond to an SDN? What kind of partnerships would be needed to ensure the creation of the projected thousands of important new jobs? Do we have the capacity at the moment to respond to the challenge of creating such jobs? If not, what needs to be done to build such capacity?

Blair Jenkins: That is an interesting question. We do have the capacity. For instance, the Scottish independent production sector has found itself to be capable of coping with the expansion in BBC network production, which is one of the things that has happened over the past few years as a result of the broadcasting commission and the attention that has been given to the issues by this Parliament, I should say. If you talk to the production sector in Scotland and, indeed, to the broadcasters, they would say that the production sector is capable of significantly expanding and that it could cope with quite a substantial increase in activity, if I can put it that way. There is quite a lot of underutilisation of people and resources in the sector in Scotland at the moment, so I am pretty confident that it can expand.

I have been in this industry for a reasonably long time, and I know that an awful lot of people, for perfectly sensible and valid reasons, relocated to other parts of the UK because, to be frank, that was where the broadcasting money was and where the interesting programmes could be made. Certainly, there are people of my acquaintance who would love the chance to come back and live and work in Scotland and make here the kind of programmes that they had to move away to make.

I do not want to gloss over the fact that, without going into too much detail, there are particular craft skills and cross-media skills in which the likes of Skillset would have to get involved through substantial training programmes. That is partly what the money should fund. At the moment, a lot of the training in the industry is done by the BBC. Although that training is very good, there is scope for more and better training for people in the industry.

Elizabeth Smith (Mid Scotland and Fife) (Con): You made an interesting point about the fact that, post devolution, the reaction of the industry has not been what you would have expected. You said that that has been because it is difficult for the BBC and STV to get beyond scheduling constraints. Is that the only reason, or are there other reasons?

Blair Jenkins: There are other reasons—that is a fair point. It is like the point that I made about Gaelic. Serious programming, in general, has disappeared from the ITV schedules—I include STV in that. Many people would say that that shows a lack of ambition or too much of a commercial focus; the people who work in those companies would say that there is nothing else they can do. At UK level, there is no doubt that commercial pressures have played a part in “World in Action” and “The South Bank Show” no longer being shown on ITV. The ITV system has found it impossible to sustain the programmes that all of us would regard as having been hugely important in our younger years, in terms of our learning about the world and culture. Arguably, the burden of that content has fallen quite heavily on the BBC, which is one of the reasons why BBC4 came along.

There is always an expectation that, to justify the licence fee, the BBC will achieve certain audience levels. That is partly the explanation for why there is not much current affairs programming, for instance, at peak times in the BBC schedules. Current affairs programmes tend to be pushed to the margins of the schedules partly because, even in the BBC, where audience figures do not drive revenue, there is a feeling that certain audience levels must be achieved in order to justify the public support.

Elizabeth Smith: Do you see it as a structural issue rather than a cultural one that, for one reason or another, the companies are not picking up Scottish politics or current affairs? Are they not particularly interested, or do they feel that there is no relevant demand for such programmes?

Blair Jenkins: It is both. They feel that such subjects do not achieve the audience level that they think they are required to deliver, especially at peak times. There was a period—I do not know whether we are coming out of it—when there was almost a national switching off from politics, if I can put it that way. That infected large parts of the media, and broadcasting was not immune to that. I return to the point that I made earlier. One of the most disappointing things in the post-devolution era—if that is the correct way in which to describe where we are now—is the fact that there have been no imaginative editorial responses to the new arrangements and the new level of debate in Scotland.

Elizabeth Smith: Are you confident that the new set-up could change that?

Blair Jenkins: I would write that in as absolutely the first thing in the remit.

Ken Macintosh: I have a supplementary question about where we go next. It probably comes back to costs. A deal has been done regarding the licence fee settlement, although I do not think that it has been totally signed off. I am trying to work out whether the whole network depends on the licence fee being top-sliced. The UK Government does not seem to be particularly enamoured of the proposed arrangement. What do you suggest we do? Where does the solution to that lie?

Blair Jenkins: We are now moving firmly into the political arena. Do I dare to predict what might happen next? Let me think.

I have spoken a lot about this over the past couple of years, not just in Scotland but around the UK and in other parts of Europe as well, and there has been a lot of interest in the work that we have done. No one in any branch of the Government has said to me, “That’s a really rotten idea”. Everyone has said that it is a good idea and they understand the case that we are making. The only issue has been the challenge of funding.

10:45

I have seen the text of the letter on the licence fee and it looks like there is a pretty firm guarantee that nothing else will be demanded of the licence fee until 2017. We have suggested that, if it should prove to be the case that the licence fee is not available and there is a gap to be bridged, a case could well be made for using part of the money that will be raised from the spectrum auction, depending on how quickly things move, which could be over two, three or four years—it is hard to say. As I am sure members know, a benefit of digital switchover is that there is more efficient use of spectrum for broadcasting, which frees up lots of bandwidth for other uses, so early next year the Office of Communications will begin to auction off the freed spectrum. We can never predict how much money an auction will raise, but a similar auction of bandwidth in Germany last year raised about £4 billion. If there is such a windfall in the United Kingdom, a case could be made for using part of the money to get the network up and running until the licence fee becomes available again.

Perhaps because of everything that has happened during the past year or two, I meet very few people who have a fundamental objection to the licence fee being used for the Scottish digital network—I have not met anyone in that category recently. People think that it is a valid thing to do. That is an important point. The only issue has been the licence fee not being available until 2017. I will be an interested spectator as the dialogue proceeds among and within the parties in their Edinburgh and Westminster manifestations.

Ken Macintosh: Are there thoughts about a gradualist approach to the issue? I do not know whether we should start with the assumption that no money will be available until 2017. However, if we start with that assumption, are other options open to us? The issue is being driven in Scotland, but it feels as though we are looking elsewhere for funding. It is politically difficult to argue that we want a Scottish broadcast network but we want someone else to pay for it. We can make a more convincing argument if we are willing to put some money up ourselves—in other words, if the Scottish Government or some other source closer to home is willing to put money up. Has the idea been considered or pursued?

Blair Jenkins: When the Scottish Broadcasting Commission reported, we were fairly neutral on the matter. We thought that a publicly funded model looked like the right model, for all the reasons that we discussed at the time and, to some extent, repeated in the panel’s report. I have

no philosophical difficulty with funding coming from another source, but in reality that looks like an awfully difficult thing to achieve in the current context.

I slightly take issue with the suggestion that the funding would be coming from elsewhere—

Ken Macintosh: Because we all pay for it—

Blair Jenkins: Yes. The licence fee is a UK resource. That is why the precedent of S4C is so interesting. There is no suggestion that the fact that S4C will be fully funded from the licence fee in any way reduces the BBC's commitments and intentions in relation to audiences in Wales; the BBC's commitments and intentions in that regard remain the same. Public money goes into local television, which will have a differential presence and impact around the UK, and there is no suggestion that that is somehow unfair. We take the position that we all pay into a big pot of money and then decide what is the best public use of the money. The funding of the Scottish digital network is a perfectly legitimate use for the licence fee. As I said, I encounter less and less resistance to that notion. However, timing is an issue that must be addressed.

Kenneth Gibson: Scotland has 9 per cent of the UK's population, and 4 per cent of the licence fee is spent here, so surely if an additional 2 per cent were spent here, the BBC would still be able to use a significant amount of Scottish taxpayers' money to help to fund the entire UK network.

It would be difficult to sell to the Scottish public the idea that additional money should come out of the Scottish budget to help to fund the network, as Kenneth Macintosh seems to be suggesting, when the money can surely come out of the licence fee, as has been suggested.

Blair Jenkins: I have never taken the view that there should be an absolute match between the amount of licence fee money that is raised in Scotland and the amount that the BBC spends in Scotland, because we benefit from things that are UK wide.

Kenneth Gibson: I am not disagreeing with that, because there has to be central funding as long as the BBC remains a UK organisation in its current form. However, there is still room for manoeuvre.

Blair Jenkins: In the end, everything is a negotiation. For a long time, the BBC said that every pound was a prisoner, that it could not afford to lose any of the licence fee because it needed it all and it was uniquely the beneficiary of that form of income. Now, however, a deal has been done to take a substantial part of the licence fee and use it for other purposes. The BBC, rightly, has seen that as being a good deal for it. The director general, Mark Thompson has said that he thinks that he can deliver not only the 16 per cent saving that the comprehensive spending review requires him to deliver over the next four years, but a 20 per cent saving, with the additional 4 per cent being available to be used for other purposes.

There is rattle room within the licence fee to achieve the sum that is required for the Scottish digital network. As we say in our report, that sum is quite modest when compared to the situation in other European regions.

I am not at all glib or complacent about the need to ensure that the BBC is not damaged. That is important. It is important that we have a keener sense of what we need the BBC to do—and what we need it to do extremely well. That is a good debate to have from the point of view of ensuring that full and proper funds are made available. My view is that that still leaves sufficient sums of money to fund the Scottish digital network.

Michael Grade, who has run most parts of British broadcasting at one time or another—he has certainly run ITV, Channel 4 and the BBC—recently said that he thought that Channel 4 could be fully funded out of the licence fee. I think that that would be a step too far—Channel 4 currently spends around £550 million and I do not see the BBC absorbing that kind of hit. However, I think that there is scope to have the BBC continue to be as strong, good and important as it is now while funding the Scottish digital network from the licence fee.

Ken Macintosh: In the light of Mr Gibson's anti-BBC remarks, I should clarify that what we are doing is trying to get the network off the ground. I am a bit worried that we are in a period in which we might have to wait. There might be other avenues and opportunities open to us.

Kenneth Gibson: I never made any anti-BBC comments. That is total nonsense.

The Convener: I do not want this meeting to degenerate into an argument between two committee members. We have had a constructive session with Mr Jenkins this morning.

Mr Jenkins, I thank you for your attendance and for the work that you have been doing in this area.

10:53

Meeting suspended.

11:06

On resuming—

Future of Schools Management in Scotland

The Convener: Item 2 is evidence for our consideration of the future of schools management in Scotland. Members will be aware that the Scottish Government appointed David Cameron to review devolved school management. We have invited him to discuss that work with us before we take evidence from the Cabinet Secretary for Education and Lifelong Learning on 23 February.

I thank Mr Cameron for joining us. I ask him to make a short opening statement to give us an overview of his work and where he is with that.

David Cameron (Review of Devolved School Management): The review is very much work in progress. We have established a reference group, which has met twice. The group is widely representative of the education community. It includes representation from the national parent forum, trade unions, the Association of Directors of Education in Scotland and School Leaders Scotland—it takes the usual format, with which members will be familiar. The group is proceeding in a consensual way. We have a general commitment to moving from the idea of devolved school management towards the idea of entitlement to lead, which is the direction of travel that we are trying to take.

We are trying to come up with recommendations that will fit a range of governance models. We are aware that school governance is being debated and might well be an issue in the forthcoming election. We felt that we had a responsibility to consider some of the review's implications for governance but that the priority was to secure meaningful change, regardless of what the governance future might be.

We are still gathering evidence and trying to process it into the beginnings of a report. The timescales are unbelievably short. The reference group is scheduled to meet on 23 February and the report is due to be submitted before the middle of March, so I am under pressure to produce a substantive document by 18 February that the reference group can consider on 23 February. That has limited the review's exhaustiveness.

Having placed the review in that context, I am happy to say more on its guiding principles, if that would help the committee. Otherwise, I am happy to move to questions, so that I can clarify the issues that concern members most.

The Convener: Before we move to questions, it would be helpful if you could tell us exactly what your guiding principles are, as that will facilitate further questions.

David Cameron: The guiding principles for the review are that decisions should be taken as close as possible to their delivery to children and young people. That has to be done in the context of a national agenda, however, with a responsibility to deliver on that. The example that I commonly give is that it would be nonsensical to make a commitment to life sciences under the national economic strategy—which we are doing—if no schools in Scotland were offering advanced higher biology. We need to be clear that democratically endorsed decisions are taken and endorsed as part of wider national strategies. Schools need to be aware of what those are and they need to be responsible in that regard.

As far as guiding principles are concerned, not only is there the delivery of a democratically agreed and sanctioned national agenda, there is a commitment to deliver in the best interests of children and young people.

We have already begun to move in the direction of entitlements. The experiences and outcomes within curriculum for excellence set out the entitlements that young people have under their broad general education up to the end of secondary year 3. The further principles in curriculum for excellence go beyond that. There needs to be a recognition that young people have an entitlement, and we should not have unacceptable variation in how we respond to that entitlement in schools across the country.

Another guiding principle is that any arrangements that we put in place should be such that all schools can benefit from them. Currently, a secondary school and a primary school in the same local authority area can be operating under exactly the same national guidance from 2006 and the same local authority arrangements, but one of those schools will have the capacity to make meaningful decisions and the other will not, simply because of the scale of its budget and the amount of disposable income that the school is capable of dealing with. We need to find a way whereby the devolution, the entitlement to lead or whatever is to the benefit of all young people and all schools. That means that we will probably consider recommendations for federations of school groups.

There are other guiding principles aside from that. First, we are in a rapidly changing society that will change more quickly in future. We therefore need an agile, responsive system. Secondly, there is a feeling that, under the current processes, moves towards change—particularly when it is genuine, transformational change—are too cumbersome. Those are the main guiding principles.

The Convener: As part of those guiding principles, will there also be an explanation of why change is necessary? It struck me at our round-table discussion last week that, although there are people who talk about the need to change the management of our schools and who say that the case for change has been made, others who gave evidence to the committee were not so convinced that the case has been made. Are we clear about why we want to make these changes and about what benefit children and young people and our teaching profession will get as a result of them?

David Cameron: There are possibly three aspects that need to be addressed in answer to that question. First, we have already moved through the establishment of curriculum for excellence to a situation where there is much greater capacity for schools to make decisions about how they provide appropriately for the youngsters for whom they are responsible. If we make the change in terms of responsibility, we need to ensure that it is reflected in our management arrangements.

I am being specific in differentiating between management arrangements and governance arrangements. The review that I am conducting is primarily concerned with management arrangements, and it will only touch on governance where that is relevant to the discussion. It is important to be clear about that.

We have created a different way of delivering the curriculum compared with anything that we have had previously in Scotland. The arrangements that we make require to reflect that.

The second point is that there is a general awareness that we need better-tailored, more agile responses to the changing needs of society and young people if we are to make the kind of transformational change that is important. Related to that is a dawning realisation—the Parliament is to be given credit for this—that we do not make transformational change simply by pulling one string on the puppet. If we pull the curricular string and change the way that the curriculum is delivered, we need to ask continually what other strings we need to pull on to ensure that that change is embedded and transformational.

11:15

There is a real concern that, over a long time, genuine and concerted efforts at change in Scottish education became more conservative—I use the term with due apologies and a lower-case c—as they developed and we have not gained from some of the radical beginnings that we had. Standard grade is a classic example of that. Therefore, there is a recognition that, whenever we contemplate making a significant change to address changing circumstances, we need to consider the context within which that change takes place and ensure that the context is supportive.

The third element is that there is clearly discussion about change not only at a strategic level, as the convener suggests, but at ground level. There is a significant groundswell for change among the members of School Leaders Scotland, who have expressed concerns for some time and have been mindful of the need to consider the arrangements for devolved financial management and governance in general. The Association of Headteachers and Deputes in Scotland is also involved in the debate. Very radically, even the Educational Institute of Scotland has entered into a debate on school governance and moved away from its long-standing, traditional commitment to the local authorities in their current form taking the lead management responsibility. There is a build-up of debate that is not solely imposed. It is a groundswell of genuine debate.

Elizabeth Smith: I am interested in what you say, because it reflects much of what came out of the Donaldson review. The change is coming from within, which is a much better way of moving forward. Graham Donaldson said to us that everything that he wanted to achieve was grounded in asking whether a change would benefit our young people, which is exactly what you started with. This is probably a difficult question: do you have any ideas about how you measure improvement in outcomes?

David Cameron: Yes.

Elizabeth Smith: Would you like to explain what they are?

David Cameron: I take it that the simple affirmative will not suffice.

We need to be far clearer about the areas in which we wish to see improvement. Currently, we do not have benchmarks for a number of the areas in which we not only wish to see but need to see improvement.

A significant point is that, to achieve the ambitions of the Parliament, Graham Donaldson and others who are involved in education, we need young people who are more adept in the higher-order skills. We cannot simply operate on the basis of strengthening basic skills. There is a general consensus that we will not survive and compete as a low-wage economy in a global world. We need to consider, as Graham Donaldson does extensively in his report, how to develop highly skilled young people who are capable of innovation, creativity and operating within a knowledge-based economy rather than a traditional, manufacturing-based economy and certainly rather than simply a service economy.

That means that we need to start benchmarking our standards in relation to, for example, understanding rather than simply recall; analysis and evaluation rather than simply the kind of knowledge and understanding that we measure through a number of our current assessment procedures; and creativity and systems thinking. Those are key skills that are built into—I apologise for the duplication—"Building the Curriculum 4: Skills for learning, skills for life and skills for work", which is one of the key guiding documents of curriculum for excellence.

There is a recognition that we need to begin to benchmark in those skills and look outwith Scotland at international standards. The programme for international student assessment—PISA—is the obvious example about which Graham Donaldson talks regularly. We need to take stock of whether it covers the range of areas in which we wish to see improvement, but we need to begin to benchmark and create standards. The international comparison is vital to that.

Elizabeth Smith: I was interested in what you said about higher-order skills and about knowledge and understanding and evaluation, because that was what was supposed to happen with standard grade. Those were the criteria—I remember them vividly from when I was a teacher. However, that did not happen and standard grade did not move us up the league tables. Why was that, if those features were supposed to be crucial to the standard grade set-up?

David Cameron: I will give my analysis of what happened with standard grade. We started off with serious and significant ambitions for curriculum design and assessment. The Munn and Dunning reports were forward-looking documents that promised the significant change that you are discussing and describing. However, as we went through the mill in the development of standard grade, it became increasingly conservative—again, I say that with due apologies and the emphasis on a lower-case c. There was a reduction in the emphasis on internal assessment because of concerns about teacher workload. We moved away from a broad general approach to assessment to the development of what were known as extended grade-related criteria. We moved back to much more of a tick-box mentality to step-by-step assessment.

The tools that we used for assessment for standard grade did not always deliver what we sought. For example, during the trial period for standard grade, it was suggested that young people might be asked in one examination to answer a question on Brazil, on which they would be provided with a great deal of evidence. The response from the moderating panel was, "You can't do that, because they've not studied Brazil." One wondered what the point of studying geography was if it could not promote a better understanding of a range of countries, rather than the one that had been studied.

That is a fairly sound illustration of why we did not necessarily follow through on our ambitions for standard grade and a range of other developments at that time.

Elizabeth Smith: You hinted that the curriculum for excellence should address such issues, and we all hope that it will. Is there any reason why fundamental change in school management can help that process? In other words, are you arguing that, because we have the curriculum for excellence, there ought to be, by logic and definition, a change in school management to reflect that?

David Cameron: That relates more to the flexibility and autonomy that schools will have in the delivery of curriculum for excellence. We need to review school management arrangements to reflect that. There is little point in empowering people simply through entitlement if, in reality, they cannot take advantage of that. We need to consider how we empower people better to take advantage of the opportunities that curriculum for excellence offers. However, a change in the management and devolved financial arrangements will not take us significantly further forward in capturing all the prizes that curriculum for excellence offers. On the issue of the wider range of skills, we need to look more closely at assessment and the experiences and outcomes and take a range of reinforcing steps to ensure that we get the delivery that we seek.

Ken Macintosh: You made a clear distinction between management and governance and said that you are focusing on management. Will you expand on that? Was that principle imposed on you as part of your remit, or is that self-limiting? Why are you not touching on both?

David Cameron: It is partly self-limiting. When one enters into a commitment to conduct a review, one wants something to happen as a result of it. The wider the scope of the review, the less likely that is to happen. The concept that we have operated with is to try to get a set of arrangements for devolved decision making as well as devolved financial management that will fit within a range of governance structures. It is impossible to look at either of the two in isolation. If we asked a range of people who are involved in education what the blockers are to further progress, many of them would talk about the amount of funding that they have. Decisions about the amount of funding are affected because schools are part of local authorities and are not simply under the governance of an education authority. A range of issues around that will impinge on the review, but

we wish to at least make concrete recommendations on specific issues about school management that fit within a range of governance frameworks.

Ken Macintosh: Are you going to collect evidence of the benefits of devolved school management? Are you starting from the basis that autonomy and devolved school management are beneficial for pupils and will improve standards, or are you trying to prove the case?

David Cameron: That is an interesting question. Yes, I am collecting and looking at evidence through research and discussion. I am, for example, looking at the general work that has been done on the issue; there has been a lot of influential thinking on the impact of such arrangements and I am also examining impacts in other contexts and of devolved arrangements that are different from those that operate in Scotland.

In that sense, we are looking to prove what we think is a strong case that greater devolution and entitlement to lead could have a beneficial effect on schools and the system. However, it will not have that effect on its own and I think that other changes will be necessary. A clear body of evidence suggests that the more people are committed to the system, the more they operate on decisions for which they have been responsible and the more they operate in line with their own enthusiasms, interests and commitments—provided, as I said earlier, that there are clear parameters in terms of a democratically established national agenda—the more likely it is that we will raise standards and secure benefits for young people in our schools.

Ken Macintosh: What you are saying is in tune with the political consensus—I certainly do not think that there is a party-political split over this issue—but the fact that we all agree with it will not necessarily make any difference. After all, a discussion is on-going about structures in education and the round-table conversation that we had last week, if anything, put big question marks over any gains in this respect. Such a move might save costs but to be honest I have to say that that case was not proven. What are the benefits of this approach? You mentioned benchmarking standards, using PISA and looking at assessment. I understand all that but, much as I agree with the idea of liberating teachers to be more professional and take more decisions, I am still trying to work out how devolved school management will in itself bring those benefits.

Indeed, one of the stronger pieces of evidence that we heard last week was that the biggest difference can be made within schools not between schools. In other words, we would make the biggest difference of all by driving standards in a school up to the level of its highest achieving department. Are you considering that issue at all?

David Cameron: There are frustrations of that kind around staffing. For example, schools can get stuck with surplus staff members and find themselves unable to do anything at all about the situation because the processes in question are difficult and challenging. Again, I echo the view that the problem is not how to get rid of what people have described as the dead wood in teaching but how to fire and maintain the enthusiasm of the many good teachers we have and improve the standards of those who are average. However, things would be improved if headteachers were more able to confront some of these issues directly.

In reality, though, DSM arrangements on their own will not effect such improvements. In that respect, I return continually to the image of the marionette; we need to pull all the strings together to ensure that movement is cohesive rather than isolated. After all, you fail to make gains in significant single areas because you have failed to make commensurate changes in others. That is more where DSM fits; if you like, in chess terms, it is less a queen than a bishop or a rook.

Ken Macintosh: In some authorities, the real differences are made by quality improvement officers, for example, going in to support schools, which is perhaps the opposite of devolved school management. Are you going to look at what is happening inside schools? The big gain might well be made from driving up standards within schools, but the fact is that most schools are already fairly autonomous. Are you looking for DSM within a school, as it were, to ensure that teachers themselves are more autonomous?

11:30

David Cameron: Again, I need to be very clear about what I want to do in advance of having the meeting with the reference group on 23 February. I am determined that, as far as possible, we will establish a high degree of consensus within the reference group that we wish to make supportive statements about a number of recommendations that are explicit in the Donaldson report.

There is no point in offering power if there is not, alongside that, the capacity for genuine leadership in the exercise of that power. The issue of leadership is vital. We do not have 32 local authorities all performing to the same level in delivering change, which has been a concern for the Parliament, and we do not have—whatever the number is—well over 1,000 headteachers who would, in my view, currently be capable of delivering that agenda, so leadership is a massive issue. We will not get leadership simply by

focusing on those who are currently in leadership posts. We need to take the clear message from Donaldson and look at the development of leadership as a key part of the world of education and teaching.

Christina McKelvie: At last week's round-table session, there was a lot of conversation about structure and process and we have had a wee bit of that at this meeting. I chucked into the mix the thought that we might be looking at the issue the wrong way, in that we are looking at structures and process and not looking at what the child needs and at some of the factors that influence the child's ability to learn and have a positive experience in education. The examples that I gave included poverty, whether of finance, of opportunity or of aspiration; alcohol or drug-abusing households; and health issues.

Will your review focus on the outcomes for the child? What does the child need? Do we take an holistic approach to a child's education that allows them to develop and grow into fully functioning adults? A bit of me believes that what happens in the school should be part of the wider community and part of how we look after the child and nurture them.

David Cameron: That is a key issue for devolved school management, because the more we increase the capacity of the school as a decision-making body, the greater difficulty we might create in getting co-operation around children's services. One change that has taken place in local government in Scotland is a move towards corporatism and, in some instances, away from a commitment to children's services per se.

I do not know whether the review will make a recommendation on the issue, but there is a debate to be had and it is certainly an issue that one would have to explore. Schools being part of a local authority make it much more likely that they will act on a corporate basis and will pursue shared priorities. That is a key discussion that we need to have, particularly with the Convention of Scottish Local Authorities representatives on the reference group. It is currently a matter for discussion and I am not sure whether there will be a specific recommendation on it.

The other issue of concern is that, as part of the concordat, ring fencing has gone over recent years. There is no doubt that that has been widely welcomed in a number of areas, but some people in education have had concerns about the loss of ring-fenced funding and there is a general feeling among some educationists that budgets that the Parliament intended for education have been deployed across a range of other priorities and not always in the best interests of the child. There is clearly a set of important issues around joint working and where schools sit within structures, and we will need to take cognisance of those in the review.

Christina McKelvie: One idea that came up last week was having a child development service for children from the age of one to three because, across the parties, we agree that early intervention is a key driver in ensuring that there is a good outcome for the young person. Do you think that there should be a child development service from age one to three or from one until whenever they end their learning journey? I have a much broader view of where such development should start and end; it should not be tied down to one to three.

David Cameron: Much as I would like to be given the powers through this review to rewrite everything in Scottish education and, hopefully, make some of the progress that we need to make, I can only pull the string of the puppet that I have and try to ensure that I am pulling it in a way that is compatible with other work that is going on.

That said, I will not evade your question. We are looking at a situation where health is the universal service for children from the prenatal stage through to three, and education makes a significant contribution, particularly where there are high levels of need. The best results will come where we deploy these services together in a co-ordinated way, with a clear focus on child development. We recognise that children will not learn if they are damaged, affected or vulnerable as a result of poverty or ill health. We are all aware that, for many children, the script of their lives is written at the early stages. Those of us who are engaged in this—including you as democratic politicians—must try to erase that script and write a better one for them, and with them. That is our ambition.

More joint working around children, whether through the establishment of a child development service or through some other mechanism that guarantees better communication and collaboration, would be helpful and entirely compatible with the commitments that the Parliament has made in relation to the early years strategy.

Margaret Smith (Edinburgh West) (LD): You have touched on some of the capacity issues that I wanted to pick up on. We all know headteachers in our local schools who are absolutely ready to take on as much responsibility as possible and have the ability across a range of functions to do just that. Equally, there will be other headteachers who have neither the capacity nor the inclination to take on all the different options, which at the moment might largely be dealt with by a central department. How do we ensure that we improve that situation and give headteachers and others what they need to take on board greater responsibility, if that is the direction of travel that

you are moving in, which certainly is one to which we are all signed up?

David Cameron: The first observation to make is that you can overload the willing horse. It is not simply a case of looking at those headteachers who might have less capacity or less ability within themselves; we must also ensure that we do not add unduly to the workload of others. The best headteachers—this is a theme that you are developing as a committee—are those who work with their colleagues in schools and with their community to have a direct impact on outcomes for children and young people. We need to be careful that we do not impose an untenable administrative burden on them through changes in the devolved school management arrangements.

Since the national agreement on teachers pay and conditions, we have seen the rise of business managers in secondary schools. Secondary schools are generally well supported in ways that allow the headteachers to be relatively relaxed—if I can use that phrase—about some of the administration and budgeting and to concentrate on the delivery of education. That has not been the case across the board. Some primary colleagues have neither the capacity nor the support to do that. I suspect that that is also true in a number of smaller secondary schools and smaller authorities.

Our direction of travel is likely to be one where we think in terms of federations of schools, with an enhanced management team that would have responsibility for supporting not only the secondary school, but the primary schools. We will also need to think carefully about the skills blend that we would require from personnel.

I have a meeting scheduled for the 14th of this month with the director in Glasgow, because there are significant lessons to be learned from the learning communities model that operated in Glasgow. There are a range of other models around. I have been looking carefully at some of the models in England. The Specialist Schools and Academies Trust, for example, is very interesting. I know that there is a very strong view in Scotland about the academies and about following the line that has been taken in England in a number of areas. What has been interesting is that some areas there have in effect created their own education authority through the trust, but it is an authority that is at the service of the schools, rather than vice versa. There are lessons to be learned from that. Schools do not want to have all the responsibilities as individual establishments. Currently, they lack the kind of personnel who would enable them to deliver effectively on those responsibilities, should they have them.

Margaret Smith: Having federations of support is an interesting idea. From carrying out the review, you will know that we do not exist in a vacuum; we all know that starkly. Right now, councils across Scotland are having to take some serious decisions about funding. My local authority is taking serious decisions about the business manager and bursar back-up that you have described as a way of freeing up headteachers to concentrate on learning and teaching. When you look at the capacity of headteachers to engage in even greater devolved school management, presumably you will have to make reference to exactly the kind of structure and support they need for that to work.

David Cameron: Yes.

Margaret Smith: You touched on the issue of staff. One area of concern, certainly from the unions' point of view, is how we balance giving greater autonomy to headteachers in their schools with national agreements on staff. You talked about the frustration that headteachers have in relation to staff. When we visited local authorities across Scotland last year, we picked up on that frustration. How do you see the staffing issue being dealt with?

David Cameron: One of the most controversial issues will be the balance between national agreements and devolved decision making in schools. That issue must be explored. One difficulty that we will have is that we are operating and will complete our work in advance of the McCormack review getting under way. We are most likely to allude clearly to the importance of the issue and to make some points around it. In purely technical terms, we need to show awareness that the McCormack review has been commissioned and that it is not up to the review of devolved school management to pre-empt any conclusions that it may reach on the issue. However, as you have done clearly this morning, we need to highlight the relevance of the issue and the need to explore it further.

Margaret Smith: I have a final small question. You say that you are gathering evidence. What is your perspective on the degree of variation across Scotland in devolved school management and on the differences in approach between local authorities at present?

David Cameron: Variation is huge in relation to what is devolved, what decision making is devolved and how the system works. School Leaders Scotland has done a significant amount of work on the issue and can give you figures for the extent of variation in funding in schools. At our previous meeting, we looked at figures that indicated that some schools were in receipt of more than 90 per cent of the funding that was classed as available for devolution; for others, the

figure was as low as 70 per cent. There is significant variation in that area.

The reality is that, in the current climate, some of the money is spent before the school makes a decision. The key point is that schools have the capacity to make decisions about that element of disposable income. The issue needs to be thought through carefully, but there is significant variation. Interestingly, at this stage there are no significant correlations between that variation and variation in outcomes between the schools and authorities involved. That is a conundrum.

11:45

Kenneth Gibson: On that last point, I was interested to find out that Northern Ireland spends £1,200 a year less per primary school pupil than Scotland, but has almost identical levels of attainment. In secondary schools, that gap rises to about £2,000. It is interesting to drill down to find out exactly how best to get value for money, especially in times of economic hardship.

You talked about clusters and skills blend. How far-reaching is your remit? A couple of days ago, I was talking to a retired primary teacher who told me that she was an excellent maths teacher but that she was mediocre at teaching anything else, yet she had responsibility for teaching children over many years. Do you believe that there should be an increase in specialisms in primary schools so that there are more specialists, not only in physical education and drama, but in basic literacy, numeracy and so on? Clearly, some teachers are more adept in relation to certain subjects than others. It is not always easy to put a square peg in a round hole.

David Cameron: One of the possibilities associated with devolved school management is that a headteacher might be able to take that kind of decision and deploy staff differently from the way in which they are currently deployed.

In terms of specialisms in the primary sector, we must perform a delicate balancing act. The model whereby children are primarily in a relationship with a single teacher who has a responsibility for care and has an overview of their general progress creates a healthy situation in many respects. There is a clear need to supplement that with specialist provision in particular areas, but I am relatively open minded about how that might be done.

At the risk of sounding like a complete jargon-driven educationalist, I think that one of the things that is happening is a recognition that it is not necessarily subjects that drive education. Most subjects are artificial intellectual constructs and they all depend on a broad set of skills around knowledge, recall, understanding, analysis and evaluation. We are not seeing progression in our schools in those areas. We might see progression in subject knowledge and in the apparent levels of difficulty, but we are not seeing progression in the areas that I just mentioned—indeed, there is clear evidence that we are seeing regression.

It is a slight caricature, but it has been said that there are instances in which children are functioning more independently and with greater control of their own learning at the age of four than they are when they are doing their highers. When children are at their intellectual peak, they are at the point at which their education is most constrained by revision, exam technique and a commitment to ensuring passes at all costs, regardless of whether the educational benefits match that. One of the things that we see consistently in Scotland is people going to university and then changing their course options to ones that they could have got into with lower results in their higher exams. We also see a number of our younger people who have been well taught, supported and coached, but who cannot survive in an educational environment in which the kind of support that they are used to does not exist.

The point that I am trying to make is that we need a balance between the teaching and development of skills, and the essential subject knowledge, particularly conceptual knowledge, that needs to be in place to support progress. As we begin to think differently about what we are delivering through the curriculum, we might well think differently about what is the best delivery model in the primary school. My preference would be for a significant amount of the young pupils' time to be spent with one professional who co-ordinates the educational activity around them and for that to be supplemented and supported by specialist input, involving either other teachers or other educational models. That is the kind of arrangement that would be more likely to bring success.

Kenneth Gibson: That sounds pretty sensible. When I was in primary school, a French teacher would come in from outside, but everything else was covered by the classroom teacher. There might need to be more flexibility, but the core of what you say is correct.

Professor Mongon said that studies have shown that the differences within schools are often wider than the differences between schools. That indicates a difference in terms of leadership—not only at the top of a school, but within departments in a school. How can we tackle that issue? Doing so will be fundamental in our efforts to deliver the best possible outcomes for the greatest number of children.

David Cameron: The information that you were given is absolutely right: you will commonly find that in-school variation is regarded as being 10 times greater than between-school variation. There is significant evidence that teaching matters. We need to address that. There is also significant evidence that young people from deprived backgrounds can thrive better in particular curricular areas, under the guidance of particular teachers, and in particular schools. There is no doubt about that.

Above all else, the Donaldson review has shown that teacher education is a career-long commitment and that it begins with pre-service training. Your example of your days at primary school is helpful, and much of what Donaldson says about pre-service training fits exactly with your model. There should be an increasing emphasis on knowledge of specialist subjects. He has considered how we can change structures in order to accommodate that, and he has considered how to make progress with the idea.

Teachers have to feel in control of their own development. My favourite quote at the moment is that self-evaluation has to look outward as well as inward. If people can do that, it will genuinely be an engine for change.

The Donaldson report is also very good on the model of teacher learning communities—the kind of thing that we are seeing much more commonly in Scotland, in which long-term development is focused on groups of professionals. It may well be that, in a more devolved situation, that kind of approach will be more likely to thrive.

Mr Gibson is right to suggest that, if we want to improve things, the first thing that we have to do is to improve the quality of the experience that we offer to young people. That will involve addressing issues in relation to staff development, ensuring that the system is more ambitious, and ensuring that we are consistent in the care that we offer to our young people as they go through the system. I am fond of saying that, if you grow up in some of the poorer parts of Venezuela, you will have the opportunity of learning to play a classical instrument and of participating in a classical orchestra; whereas, in Scotland, there is a good chance that you will learn to play the recorder. I am not sure that that is the kind of statement that we want to make in relation to the ambitions and aspirations that we have for our young people—although we may well understand how the situation arises. The drive towards higher aspirations will come through consideration of ambition, aspiration, technical skill, and a genuine commitment to reflection on improving. In my review, I am considering whether there are things that we can do that will support that aim.

Kenneth Gibson: Israel has one tenth of the population of the UK, but it has more people who are classically trained almost to symphony-orchestra level. We can clearly learn from a whole variety of societies.

The issue of best practice was raised last week and it is clearly at the forefront of many people's minds. If a school, department or class is working exceptionally well, how can you transmit the good learning methodologies to a wider audience? There is no doubt that some fantastic work is being done in Scotland—in a variety of different places, in a variety of different subjects, among people of different social groups, among people of different ages, and in different class sizes. However, there still seems to be a difficulty in ensuring that the maximum number of people can benefit from such good practice.

David Cameron: I absolutely agree with that. I have said on a number of occasions that, if all our young people were having the best experiences that are currently available within the Scottish education system, we would not be talking about systems change. I have argued strongly that the curriculum for excellence is as much about challenging practice as it is about changing practice. The best subject teachers bring the world into their classrooms; they do not exclude it. They do not teach a subject; they teach a child. Those are the ambitions of the curriculum for excellence.

We need to do a number of things to create a climate of sharing, in that sense. We must end the continual quest for the silver bullet. We have often been distracted by the pursuit of one initiative after another, often supported by ring-fenced funding, and teachers have sometimes become disenchanted with change. A lesson that we have learned from the winter is that, if we want to get traction, we need to slow down. Sometimes, when the wheels are spinning fast, all that we get is wheel spin, not forward motion. There is a need to concentrate consistently on the fundamentals and to operate with models of staff development that allow teachers to concentrate on practice and the discussion of practice.

I was in Linlithgow Academy two weeks ago, doing some work directly with the staff there. I had submitted my presentation in advance, saying, "This is what I'm thinking about doing. Is that okay with you?"—the customer is always right. The headteacher got back to me and asked whether I could mention the curriculum for excellence less. I discussed the matter with him, and the point that he was making was that he wanted his staff to feel that they were making change from the inside out. That was Ms Smith's comment. He wanted them to feel that they were responding to the evidence of what happens when they work with young people in the school, and he wanted them to see

the curriculum for excellence as an enabler and a permission rather than a driver.

We want to create that culture and a sense among teachers that we are not questing for another solution but looking for what the committee clearly understands has an impact on outcomes for young people. If we allow our teachers to dwell on that in a collective way, mindful of the wider role that they play in serving society as well as children and young people, we will have a recipe for further progress. It would not necessarily be rapid progress and, on some occasions, it would not generate as much apparent progress as we have sometimes seen through other initiatives, but it would guarantee real, secure progress and achievement in our schools.

Elizabeth Smith: How are you engaging parents in that process?

David Cameron: In several ways. The national parent forum is represented on the group. I have been closely associated with the national parent forum since its inception and have encouraged its involvement and engagement in a number of groups, including the curriculum for excellence management board. I am delighted that we have managed to achieve that. I am also currently involved in consultation on the school handbook. I am, in any case, having a series of evening meetings with parents throughout the country and we are taking the opportunity to gather parental views. Nevertheless, it is the responsibility of the parents' representatives—similar to the responsibility of the other representatives on the groups—to check back with their constituencies.

Lorraine Sanda, the parental involvement officer, has also attended one of the most recent meetings of the national parent forum. The membership of the forum has been in something of a state of flux, and she stood in. That was helpful, as she has a perspective across a range of groups because of the other work that she has been doing. We have been trying to use it in that way.

Elizabeth Smith: I have one last question. It was put to us last week that the real demand from parents is for good schools—they are not too worried about management structures. I sympathise with that. Do you get the impression that that is the message that is coming back from the parent body?

David Cameron: To a certain extent. The analogy—I am overdosing on analogies—is with going to a restaurant. I just want a good meal; I do not care how it is cooked, but if it is not cooked properly, I will not get a good meal. The best parents know what outcomes they want and have a significant contribution to make to the discussion about how those outcomes might be achieved. As you know, many of our parents are extremely knowledgeable and bring a great deal to the debate from outwith the context of education. People learn from the environments in which they operate and work, and people learn as parents. They are the prime educators of their children and often understand far more than we give them credit for about the learning and teaching processes. They have a significant contribution to make.

I promised not to be evangelical this morning, but it comes back to the point about what makes a difference. The impact of supportive parental involvement is as great as the impact of many of the other factors that we spend much more time talking about. It makes a real, significant difference. Malcolm Gladwell refers to work that was done in New York, where there was clear evidence that schools closed the gap—not entirely, but significantly—between the most disadvantaged and the most advantaged learners over the period for which they had the children. However, the gap more than reinstated itself over the long summer vacation because of the impact of the parental contributions over that period. Parents are hugely significant in this and it is important that we get their ideas, not only about what we should aspire to, but about how we might translate those aspirations into reality.

The Convener: That concludes our questions to you, Mr Cameron. Thank you for your attendance at the committee. I am sure that we all look forward to the publication of your report in March.

David Cameron: Thank you for your courtesy and for the hearing that you have given me, which I much appreciate. The discussion has also been informative in terms of the review, and I thank you for that.

Meeting closed at 12:01.

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