

EDUCATION, CULTURE AND SPORT COMMITTEE

Tuesday 29 October 2002
(*Afternoon*)

Session 1

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EDUCATION, CULTURE AND SPORT COMMITTEE

27th Meeting 2002, Session 1

CONVENER

*Karen Gillon (Clydesdale) (Lab)

DEPUTY CONVENER

Cathy Peattie (Falkirk East) (Lab)

COMMITTEE MEMBERS

*Jackie Baillie (Dumbarton) (Lab)
*Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD)
*Irene McGugan (North-East Scotland) (SNP)
*Mr Brian Monteith (Mid Scotland and Fife) (Con)
Michael Russell (South of Scotland) (SNP)

COMMITTEE SUBSTITUTES

Murdo Fraser (Mid Scotland and Fife) (Con)
Marilyn Livingstone (Kirkcaldy) (Lab)
Fiona McLeod (West of Scotland) (SNP)

*attended

WITNESSES

Riona Bell (Scottish Executive Finance and Central Services Department)
Cathy Jamieson (Minister for Education and Young People)
Mike Watson (Minister for Tourism, Culture and Sport)

CLERK TO THE COMMITTEE

Martin Verity

SENIOR ASSISTANT CLERK

Susan Duffy

ASSISTANT CLERK

Ian Cowan

LOCATION

The Hub

Scottish Parliament

Education, Culture and Sport Committee

Tuesday 29 October 2002

(Afternoon)

[THE CONVENER *opened the meeting at 14:04*]

Item in Private

The Convener (Karen Gillon): I call the meeting to order. We are now in public session. I ask members and those in the public gallery to ensure that all mobile telephones and pagers are switched off.

The first item is to decide whether to take item 5, which is consideration of the paper by advisers on the purposes of Scottish education inquiry, in private. I suggest that we take that item in private because the paper is likely to form the basis of the committee's draft report. Do members agree?

Members *indicated agreement.*

Budget Process 2003-04

The Convener: Item 2 is consideration of the 2003-04 budget process, on which we will take evidence from ministers. Our first evidence session concerns tourism, culture and sport. Culture and sport fall within the remit of the Education, Culture and Sport Committee. I welcome Mike Watson, the Minister for Tourism, Culture and Sport, to the committee. He is accompanied by John Mason, who is head of the Executive's tourism, culture and sport group; Graeme Munro, who is the chief executive of Historic Scotland; and Riona Bell, from the Executive's finance and central services department. I invite the minister to make some introductory comments before we move to questions.

The Minister for Tourism, Culture and Sport (Mike Watson): I will make some brief remarks, after which I will be happy to answer questions.

By 2005-06, public spending in Scotland will be £4 billion higher than it is in the current year. There is a good story to tell in relation to the portfolio for which I have responsibility. The budget will rise from £199 million this year to £254 million in 2005-06, which represents a real-terms increase of 5.8 per cent. That compares favourably with other portfolios.

In the culture and sport portfolio, we stress the themes of participation and excellence. We will continue to do that in relation to sport by investing in the "Sport 21" agenda and through initiatives such as supporting a school sports development officer in every secondary school in 2004-05 and 2005-06. We will expand the active primary school programme by providing an additional £12 million over the three years. We will continue funding for all children to experience the game of golf by the age of nine and we will provide the Scottish Football Association with additional support for the development of youth football, on which the SFA has begun a review.

In relation to spending on culture over the next three years, there will be an increase of £10.8 million for cultural activities that come within the remit of the national cultural strategy. Funding for the school cultural co-ordinator programme will continue beyond the current pilot. We will provide additional support for music tuition for children and, in addition to a sum of almost half a million pounds this year, will give £3.5 million for Gaelic-medium education and for the establishment of bòrd Gàidhlig na h-Alba. We are also providing a considerable increase in support for theatre.

We will provide increased funding for Historic Scotland to maintain a network of quality visitor

attractions and to make major investments at Edinburgh and Stirling castles. Through enhanced marketing, we are confident that we can meet the target of increasing visitor numbers to pre-foot-and-mouth disease levels by 2004. *[Interruption.]*

The Convener: I will stop you there. I ask everyone to check that their mobile telephones and pagers are switched off. It is clear that a device is on, as there is interference to the sound system.

Mike Watson: I do not know whether pagers affect the sound system. I suspect that I am not the only person who has a pager that is switched on.

Jackie Baillie (Dumbarton) (Lab): They do not have an effect if they are set to vibrate.

The Convener: Please continue, minister. I am sorry about the interruption.

Mike Watson: I will continue my discussion of Historic Scotland. We will accelerate the programme of conservation at historic properties that are within the care of the Scottish ministers and we will continue to support jobs through direct investment and a grants programme.

The two major issues that the First Minister has stressed for all Executive departments are sustainable development and social inclusion, which is known as closing the opportunity gap. I believe that both those issues are actively promoted across the portfolio for which I have responsibility. That can be demonstrated in many ways. We have set out clear targets and objectives, which members will have seen, which we believe to be achievable.

That is all I wish to say for my opening remarks. I am happy to take questions.

The Convener: The floor is open to members for questions.

Jackie Baillie: We cannot let the minister go without someone asking a question. This is not directed at the minister, but I want to place on record the general point that it is difficult for members to discuss expenditure with either Mike Watson or the Minister for Education and Young People without the level 3 details. I recognise that the frustration probably exists on both sides.

Museums and the arts in England and Wales experienced a percentage rise as a result of a national framework that dealt with the development of museums in particular. How does that translate into and compare with the Scottish budget? I am conscious that the Executive is about to embark on a debate on the framework for the future of museums in Scotland. The committee has prepared a paper, which we hope will feed into those discussions.

Mike Watson: The initial point to be made is that it will not be particularly helpful to make direct comparisons between fields of legislative responsibility within Scotland and within England. It is inevitable that, as a result of devolution, there will be differences. I want to say this without sounding patronising, but that is what devolution was about. For the sake of argument, questions are also being asked in England on issues such as tuition fees and long-term care for the elderly.

Nonetheless, I understand the point that Jackie Baillie has made, which is that the comparisons are drawn by those who work in the museums sector. Indeed, a similar argument has been brought to my attention about the funding of the theatre sector south of the border. In Scotland, we try to develop our cultural policy in the best interests of Scotland and of the various sectors within the national institutions and of the other organisations for which I have responsibility. I work closely with those organisations and we are trying to develop the framework, as Jackie Baillie mentioned.

The sort of suggestions that are made within the report that Jackie Baillie co-authored for the committee will certainly be helpful in informing our debate, which will take place as part of the consultation period following the national audit. Under the national culture strategy, we are also committed to undertake moves to put together that framework.

I can accept that the comparisons are not necessarily always favourable but, equally, I ask the committee to accept that it is not always possible for funding to be matched pound for pound or, indeed, sector for sector. Nonetheless, I am determined that the Scottish museums sector should have adequate overall funding to ensure that it is vibrant so that it serves its full purpose, which is, of course, to a large extent educational.

Jackie Baillie: I have a couple of follow-up questions. The letter that the committee has received today in response to our initial inquiries into the budget states clearly that

"it is not for the Executive to secure the future of nationally important collections which are not currently the responsibility of the National Institutions."

Given the fact that well over 50 per cent of the collections that are of national importance are distributed across Scotland and are outwith the national institutions, I wonder whether that position is sustainable if we are to preserve properly our cultural heritage.

Secondly, I note the welcome decision to give Glasgow City Council a one-off payment of £3 million in recognition of the fact that its museums contribute both to social justice and to the economy of the west of Scotland. Will that

continue in any shape or form? Will the strategic change fund for museums continue beyond its current lifetime?

14:15

Mike Watson: The strategic change fund still has resources left, which will be used wisely. No decision on the fund has been taken beyond that.

I note what Jackie Baillie said about Glasgow. The contribution that Glasgow's museums and galleries make through the number of visitors they attract is clear, and Kelvingrove art gallery is particularly successful in that regard. It would be fair to say that that was reflected in the additional resources that were made available. The way in which we will develop the strategy for Scotland's museums in the future remains to be seen.

The point about the number of collections that are outwith the national institutions is fair. However, we have to ensure that we protect the collections that are there. I was amazed to read that 12 million different objects were identified as part of the museums audit. That was exceeded only by the fact that 13 million people visited those museums annually, which is also impressive. We have to ensure that the national institutions are protected and that they add to their collections. We must bear that in mind when we consider their funding.

I am conscious that a number of museums are in difficulty and that they have approached the Executive. I hope to look on such approaches sympathetically wherever that is possible, but it has to be made clear that it is not always possible to do so. There have been a number of very public cases in which assistance has been sought. It has been possible to give assistance to some extent, but I am conscious that it has not always been possible to do so. That is one of the major questions to be addressed when we put together the national strategy.

Mr Brian Monteith (Mid Scotland and Fife) (Con): I wish to discuss two areas. The first concerns the long-term funding needs of the arts in Scotland. As the minister is aware, the committee suggested that there should be a baseline study. The response that the committee received from the Executive said:

"Ministers are advised by the Scottish Arts Council (SAC) on the funding needs of the Arts in Scotland and they receive regular reports from them."

However, the response does not say whether those regular reports cover long-term issues. We are aware of the minister's relationship with the Scottish Arts Council, but we are interested in what is being done beyond the immediate horizon. Will the minister tell us more about that?

Mike Watson: I cannot be too specific—I am not being evasive by saying that—but I can say that just before the summer officials and I received a presentation from James Boyle, the president of the Scottish Arts Council, in which he set out his longer-term vision of what I can perhaps most judiciously call refocusing some of the funding that the council receives. That is not really news, because it was reported at the time.

Those discussions are continuing, and that is the sort of reporting to which the Executive's response refers. Further meetings are scheduled for the very near future. We are looking at the long game. I take the point that the committee is interested in progress not just year on year or every three years. We are conscious of the fact that a number of organisations that are funded through the Scottish Arts Council require greater security than that which has been possible hitherto. Although the resources that are going to the council will increase, it is probably true to say that they will never increase as much as that sector will. I do not refer specifically to Mr Boyle or Graham Berry, but there will always be greater demands within the sector and we have to find a way of ensuring that the demands fit in with our general policy of developing the arts in Scotland.

Mr Monteith: The other issue that I wish to take up is Gaelic. I did not quite make out what the minister was saying because of the interference on the microphones. Will he elaborate on what he is able to do for Gaelic, whether he feels that he is able to do enough on funding and whether he would wish to do more? Does he want to comment on local authorities' take-up of the funding that he already makes available for Gaelic?

Mike Watson: I shall start with the last point that you made. I suspect that you are talking about the specific grant that is available for local authorities to fund Gaelic-medium education.

Mr Monteith: That is correct.

Mike Watson: Other than in Thurso in the far north, where there is a shortage of available teachers, I am not aware that parents are demanding Gaelic-medium education for their children and that that demand is not being met. There are pockets here and there that have difficulties with illness cover or cover for maternity leave, but by and large, the need is being met.

However, I acknowledge that a need can be created. The Gaelic-medium education primary school in Glasgow is a good example, where the numbers have increased exponentially. A delegation of parents of pupils at that school told me that if the numbers increased at the current levels, the school would not be able to cope. Although that is a problem, it is—to use the words I used on that occasion—a pleasant problem and it is one that I am determined we should solve.

I want the language to have a secure future and I realise that that will be achieved by having more people learn to speak the language at an early age. That demands the provision of more teachers.

We are making good progress towards providing more teachers and more education. At the Mod, I announced that we are providing money for Lews Castle College in Stornoway to improve the primary course that it offers, so that students do not have to travel to Jordanhill College of Education for part of their course. That can now all be carried out in the Western Isles. That is an important way of moving forward and making a difference.

Do we have enough funding? No, of course not. I do not think that there is a minister who will sit in front of a committee and say that he or she has enough funding. I want to do more with Gaelic. I have tried to gain support for the establishment of bòrd Gàidhlig na h-Alba.

I have also sought support for the establishment of a non-departmental public body at a time when NDPBs are being closed for reasons that are well known. However, that seemed to be the best vehicle to use to help to develop Gaelic and it will be introduced very early in 2003 with appropriate funding. Some of the funding to which I referred in my opening remarks is for that body. It is important, and it is also important that the number of Gaelic organisations that have hitherto been linked very loosely will be linked more closely through that body.

I reiterate the point that I made when I started. I fundamentally believe that the provision of suitably qualified teachers is key and it is something that I have made a priority since I took up my current post.

Mr Monteith: Thank you. I want to come back on a small point that you made. I was interested to hear your comments about Glasgow, and I must say that they come as no surprise to me. However, how aware are you of the situation in Edinburgh, where parents are keen to see uptake of the grants that you make available but where the City of Edinburgh Council is resisting that, on the basis that it does not believe that there is enough demand? The evidence that you are presenting to the committee about the communications that you have had from parents in Glasgow suggests that once a dedicated school has been set up, demand will grow.

Have you had any discussions with the City of Edinburgh Council, or would you be willing to enter into any such discussions?

Mike Watson: I had discussions with the leader of the council and the convener of the education committee of the City of Edinburgh Council in

either April or May this year. We discussed those issues in relation to Tollcross Primary School. I need to have further discussions and have been talking with Sarah Boyack, the local MSP, about getting a group of parents together to discuss the issues.

As I understand it, there seem to be differences of opinion within groups of parents. Some parents do not want a dedicated Gaelic-medium education school; they just want a Gaelic unit to be provided within the existing school.

It is fair to say that the City of Edinburgh Council has maintained a consistent position. However, I agree that the evidence from Glasgow is powerful, and I believe that demand can be stimulated by the provision of a dedicated school. If there is wide enough support from the parents when I meet them, I will be happy to go back to the City of Edinburgh Council to discuss the matter further.

Irene McGugan (North-East Scotland) (SNP):

I want to pick up two points that have already been raised. I accept what you said in your answer to Jackie Baillie about devolution and differences, and that direct comparisons between north and south of the border are not helpful. Are you not concerned that that substantial difference in funding will have a negative impact on Scotland's arts and culture, in that artists, actors and others might see greater opportunities outwith Scotland?

Mike Watson: That point has been put to me with respect to the theatre. We are putting a considerable amount of additional money into Scottish theatre in this and the next two years. From memory, the total amount is approximately £5 million. That funding is to ensure that regional theatre in Scotland is strong, especially in the context of the establishment of a national theatre. We believe that that is an important first step.

It is a good question, and I have debated the issue with the Scottish Arts Council and with representatives of the actors' union Equity, because there is the chance of a southwards drain of actors, producers, directors and all kinds of staff who work in theatres. I would not say that I am not concerned about that, but I do not think that it is reasonable simply to say that we can match the spending south of the border where, understandably, different priorities have been identified, particularly with regard to the regional development of theatre and museums, which seems to form the basis on which the additional funds have been provided. I noted that there was some comment in the report by Jackie Baillie and Mike Russell on whether that is an appropriate model for Scottish museums.

Therefore, I am concerned about the issue, but it needs to be set in the context of the other things that we are doing, which might not be happening

in other parts of the UK to the same extent. It is about ensuring that we set out our priorities clearly and seek the funding to meet them.

Irene McGugan: My second point is about the baseline study, which the minister touched on. The response did not seem to be very positive about that recommendation from the committee. You mentioned having regular talks with the Scottish Arts Council, but my recollection is that James Boyle publicly endorsed a year zero approach with a baseline study. If that is to be believed, is the Arts Council supportive of such an approach? The committee recommends it, but the tone of your response indicates that you do not view it as the way forward for the long-term funding of the arts.

Mike Watson: I would not want to develop any kind of arts or culture policy and the funding to go with it without ensuring that I had the support of the Scottish Arts Council, and that we could work together. It would not be very productive otherwise. I am not saying that that baseline approach is not a way forward; I am saying that discussions that we have had, particularly on some of the initiatives that James Boyle has himself advanced and is developing, following the appointment of Graham Berry, are by no means complete. They will continue. I am not saying yes or no to a baseline study. The point is that what we do must fit in with other aspects of funding in the cultural portfolio, of which the arts is one part. That is the approach that I have adopted.

Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD): I was going to ask about the discrepancy between Scotland and England in provision for the theatre, but I am glad that Irene McGugan has raised that already.

Let me continue on the subject of the Scottish Arts Council. In your discussions with the Arts Council, minister, you will no doubt have been talking about policies and the place of the national companies in the funding process. At what point would you be able to involve such bodies as this committee and bring them into your discussions? Is it more a matter of you and James Boyle working together and then announcing something without anyone else having an input?

14:30

Mike Watson: I hope not. If there are to be significant changes, the pattern is to consult, as indeed we are doing on the museums audit. A document that we have drawn up with the Convention of Scottish Local Authorities about how local authorities implement cultural policies is currently out for consultation. That is how I like to proceed, and it is established in the Executive that that is the way in which we proceed. In my experience, the views of the Parliament's

committees and the reports that they produce are certainly given weight when decisions are made.

Ian Jenkins: One of the aims in your culture brief is to improve the provision of cultural activities in schools. The Executive has stated that it is

"investing in the future self-confidence, skills and creativity of our children."

That is something that I would back to the hilt—as hard as I can. Could you talk to us about the budgetary relationship between you and the Minister for Education and Young People in that regard?

Mike Watson: Cathy Jamieson and I and our officials have discussed the cultural co-ordinators. That is an example of how cross-cutting is not just a slogan in the Executive; it is very much a practical part of day-to-day life.

The extra money that we are putting in for school sport is another example of that. It cuts two ways, not just one, as it involves health as well, and we have had considerable discussions with our health people. Cathy Jamieson and I are both clear that the money that we are putting in is for the general benefit of children in learning, in ability and in terms of their general educational experience.

You asked about the budgetary relationship. As far as we are concerned, the money that we have put in has been allocated as the result of the discussions that various departments have had on the spending review. I argued the case for cultural co-ordinators on educational grounds and for sports co-ordinators in the active primary schools programme on health and educational grounds. Without being more specific, I can assure you that that is the sort of discussion that we have. That is what makes cross-cutting meaningful.

Ian Jenkins: I am pleased about that, but will who pays for what ultimately be transparent in the budget?

Mike Watson: Yes.

Ian Jenkins: That is fine.

The Convener: I would like to ask about some aspects of the sport portfolio and particularly about youth development in football. Your paper to the committee says that you

"work with the SFA to provide additional support for the development of youth football."

Members obviously have an interest in that and I am currently looking into the matter on behalf of the committee. What financial expenditure from the Executive will be involved?

Mike Watson: As I recall, the review of youth football was announced on 13 September, the day

after the budget was announced. The approach involves the Scottish Football Association and the Executive. The figure that I have in mind is about £100,000 for that review. I do not have the paperwork in front of me, but my memory is that that is the sum that we are putting in. The idea is that the review will report next year. Youth football is fundamental to the development of football in Scotland.

A couple of weeks ago, convener, when you and I were in Sweden, you had a meeting with the football association and I had a meeting with the Swedish sports academy, and we talked about the way in which that country successfully pursues youth sport. It does not just achieve broad participation but is pretty successful in many sports, so there are lessons to be learned. Like the First Minister, I have told the SFA that we expect comparisons with comparable countries to be used as part of the review and I am confident that that will be done.

The Convener: That links into my second point, which is about increasing participation in sport among children and young people. One of the lessons that I learned from my time in Sweden, from visiting schools in Scotland and from speaking to those responsible for drawing up the physical activity task force report is that we are losing the battle if there is no physical activity element in the curriculum. What discussions have you or your officials had with the education department about how we can increase participation in physical activity and in turn increase participation in sport?

Mike Watson: There are two strands to that issue, one of which is within my portfolio and the other of which is not. You will no doubt have the opportunity to ask Cathy Jamieson about the extent to which time is made available in primary and secondary schools for physical activity. Physical activity need not be restricted to sport; dance and other cultural activities are also physical. In its submission to the physical activity task force, sportscotland made some fairly clear comments about curriculum issues, which I had better say no more about, as it is not for me to comment on those. That is one strand.

The other strand involves ensuring that we provide the best facilities and maximum encouragement to young people to get involved in sport. That is why we have set clear overall targets for getting people involved, particularly in disadvantaged areas. We aim to involve 5 per cent more people from under-represented groups in the next three years and 10 per cent more funding has been made available for sporting programmes in disadvantaged areas. Those important elements link with initiatives such as the new opportunities fund, which also has two strands—capital

payments for facilities and the longer-term provision of coaching.

The proviso is that school facilities thus funded must be made available to the wider community outwith school hours. We must ensure that the time and the facilities are available in schools and that follow-through from school to sports clubs is also available. We all love to have champions, but we must get people involved in sport to see what they can gain from it. If some of them are good enough to go through and win medals and championships, that is great. If they are not champions, but go on to indulge for the rest of their lives in healthy physical activity, I will regard that as an equally significant measure of success.

The Convener: I appreciate that money will be available for facilities, but in rural areas such as the one that I represent it will have a minimal impact. Those areas are unlikely to secure large numbers of facilities because of the distances involved. You mentioned that you spoke to local authorities about cultural issues. What input can your department have on sport and on ensuring that the facilities that are available in our small villages, for example, can be put to better use outside normal school or community hours?

Mike Watson: As members know, I represent an urban constituency, which has severe problems with the availability of facilities, largely because of the costs of keeping buildings open and staffed. I understand that those problems are often multiplied in rural areas. A fundamental part of our approach to having a healthier society should be the availability of physical activity. If local authorities say that they cannot afford to open facilities, or if they open them but people cannot afford to use them, I would want to get into discussions with COSLA to find a way of ensuring that such obstacles were overcome. It would be particularly sad if facilities existed and people wanted to use them but, for whatever reason, they were unable to do so. We must find ways of ensuring that the facilities that we have—never mind those that we will provide in the future—are accessible in all senses of the word.

The Convener: That is a positive contribution. Thank you.

Jackie Baillie: The documents that we were given contain details of an increase in funding for Historic Scotland of £2.5 million in 2004-05 and £4.7 million in 2005-06. I am sure that that is welcome, but are you confident that the organisation will spend the money? I shall give you some context for that. You will undoubtedly be aware of the committee's discussions about the Ancient Monuments Board for Scotland and the Historic Buildings Council for Scotland. I confess that I did not know that either organisation existed before, but the committee was impressed by the

evidence that we took and worried by the lack of appropriate successor arrangements.

Financial matters were raised, and I want to tease them out—they have been of interest to the press, too. Concerns have been expressed about the historic buildings repair grant scheme. An underspend for 2001-02 and the projected underspend for 2002-03 seem extraordinary when the need to preserve our cultural heritage through historic buildings is self-evident. Equally surprising is the fact that, as I understand it, Historic Scotland officials were actively discouraging applicants from applying before 2005, although that has now stopped. My concern is that we underspend when the money is available. I recognise that there are always difficulties in monitoring expenditure, but there seems to be a worrying pattern. Are you confident that the money can be spent? How does the Executive monitor the spend of Historic Scotland?

Mike Watson: Prior to 2001-02, I do not think that there was a problem. I know that the committee has given the matter some thought as part of its consideration of the Public Appointments and Public Bodies etc (Scotland) Bill, and I would be concerned at any underspend when there is a demand for repair grants from whatever source.

Several issues control the extent to which it is possible to spend all the money in-year. I understand that, with a typical budget of about £11 million, applications of about £14 million were received and that, given the usual period that it takes to get building or repair works under way, that equated roughly with the money that was available. There was a difficulty last year, but the system is demand led—demand has to exist, and the timing must be right, to ensure that the money can be spent in-year.

As would be expected, I have had discussions with Historic Scotland and have made it clear that I expect the money to be spent as far as possible within the year. I have received assurances that Historic Scotland intends the money to be spent within the year—that is what I am aiming to ensure. There are considerable benefits to Scotland from the funding, including Historic Scotland's work, the jobs provided and the general economic benefit from tourism. Historic Scotland runs more visitor attractions in Scotland than any other body, so it is important that the money is spent wisely, well and timeously. I have made that clear to Historic Scotland.

Jackie Baillie: Let us pursue that further. All the evidence suggests that the demand outstrips the availability of money, so there is no issue of lack of demand. Nonetheless, I understand that the problems are likely to be repeated this year—perhaps not quite on the same scale, but repeated

nevertheless. Information about what firm and indicative offers of grant have been made and what the balance is at this point in the financial year would help us in determining whether the problem has been resolved.

Mike Watson: I can only repeat what I have said. I have to ensure that the money is spent within the year, as far as possible. The problem is a relatively recent phenomenon. The take-up figures for the previous two years were about 99 per cent and 98 per cent. Take-up was not an issue until last year and, as I said, we are working on the issue this year. Historic Scotland has told me that there is the possibility of a shortfall in this year's take-up. However, Elaine Murray and I will ensure that everything is done to get as much of the money spent as possible.

You used the word "monitoring". We have always worked closely with Historic Scotland, not least because of the attention that has been given to it by the committee and the media. You can be sure that that close working will be closer than ever before.

The Convener: What happens to the money that is unspent?

Mike Watson: Money that is unspent within that budget remains with Historic Scotland; it is not clawed back to the centre. I am aware of the suggestion that, in some way, it is in Historic Scotland's interest to hold on to that money and delay payment so that it can use it for other purposes. I have considered that allegation and do not think that it stands up. I have talked to various officials in Historic Scotland, who are as keen as I am to ensure that the money is spent on repair grants. That is what we are intent on doing.

The Convener: Can you understand the committee's concern about the money that goes into the sector outwith Historic Scotland? Concern has been expressed to us in evidence that that money, in total, is not going to the agencies to which it should be going but is reverting, for whatever reason, to Historic Scotland. Given the fact that demand has outstripped supply considerably, I find it incredible that that budget—of all budgets—is being underspent.

Mike Watson: I understand the concern and I have done my best to allay it in my correspondence with the committee.

The Convener: The concern will continue, minister.

Mike Watson: I cannot be any more frank. I am determined to ensure that what happened last year was a blip and that, as far as possible, what is available this year will be spent within the current year.

The Convener: There are no further questions, minister. Thank you for your time and your evidence. If we have any further questions for you, we will be in touch.

14:45

Meeting suspended.

14:48

On resuming—

The Convener: I ask everyone who has joined us to ensure that their mobile phones and pagers are switched off. We are having a wee problem with our sound system.

I welcome the Minister for Education and Young People, Cathy Jamieson, as we resume our evidence taking on the budget process 2003-04. The minister is joined by Mike Ewart, the head of the Scottish Executive's education department, and Riona Bell stays with us. You have had a long session, Riona. I invite the minister to make some introductory comments before members ask questions.

The Minister for Education and Young People (Cathy Jamieson): Thank you, convener. I shall set a context for the probable questions. I am happy to provide evidence to the committee and I hope that we will be able to answer members' questions. Nonetheless, I realise that members may want to pursue certain issues in detail, which we will deal with at a later date.

Today I am presenting the spending plans to focus our resources on achieving growth and opportunity in Scotland over the next 20 years. That is the context in which the education portfolio budget has been set. As the committee knows, level 3 budget figures will be published only at the end of the month, so today we will focus on the level 2 figures.

It is important to put on record the fact that the increasing amount of money that we are spending on children and young people shows how seriously we take education and children's services. That is one of our key priorities for action. The resources that we are targeting at teachers and schools, and the additional support that we are giving to the most vulnerable children and families, will help us to close the opportunity gap so that every child can achieve their full potential.

In 2003-04 we will spend more than £400 million through the education department budget and specific grants. We are planning to increase that amount to well over £600 million by 2005-06. On top of that, we will transfer £64 million from the excellence fund to local authority expenditure in

2003-04 and more than £90 million to grant-aided local authority spend over the next three years. It is fair to say that that is an unprecedented level of investment in Scotland's most valuable asset—our children and young people.

Obviously, we believe that our schools and all the services that support children, families and young people play a vital part in unlocking young people's potential. That is why in the spending plans we are investing significant additional resources in both school education and children's services to provide for the full implementation of the national agreement on teachers' pay and conditions, to expand support for children and families, especially those in difficult circumstances and with very young children, and to carry forward the substantial investment that we are making in school buildings and child care.

Specifically on the national agreement on teachers' pay and conditions, we have provided additional sums, including funding to cover the costs of the induction scheme for new teachers entering the profession and for the new chartered teacher programme, which teachers will be able to enter from August next year.

Cross-cutting is crucial—I know that it is a matter in which the committee was interested at earlier stages. I will highlight three key areas. The first is closing the opportunity gap. That has been very important to us and we will continue to drive forward better integrated services, particularly for the most disadvantaged children, through initiatives such as the changing children's services fund. We continue to invest in early-years intervention through, for example, sure start Scotland and the child care strategy. We are giving extra support for looked-after children. We are planning improvements to the quality of school meals, we are supporting children with special educational needs and disabilities and we are rolling out the new community school approach.

The second cross-cutting area is tackling youth crime. We have launched a 10-point action plan to tackle youth crime in Scotland. That plan recognises the strength of the existing youth justice system and identifies areas for improvement, particularly in dealing with persistent offenders.

The third cross-cutting area that we have taken into consideration is sustainable development. Economic development not only generates higher incomes and better-quality employment, but helps to achieve our goals of social justice and sustainability. We believe that our policies on education and young people are making a critical contribution towards employment, inclusion and sustainability.

In summary, we plan in the current year to spend more than £145 million on schools. That figure will rise to more than £222 million by 2005-06. Members will know that that represents only a fraction of the total public sector spend on school education. We will take forward a budget that will support key parts of the framework to deliver on the future of school education, including initiatives to modernise the environment in which our children learn and to provide modern technology. I have mentioned the continued implementation of the teachers' agreement, new community schools and improving inclusion for pupils with special educational needs and disabilities.

In 2003-04, we plan to spend £63 million on children and young people. The total will rise to more than £125 million by 2005-06. That will ensure that the most vulnerable young people have services that cater for their needs. Again, that represents only a fraction of the total public sector spend on services for children and young people, as the vast bulk of the spend is channelled through local authorities and health boards.

We are continuing to support the child care strategy and I have already mentioned a number of initiatives that we have introduced in that respect. The budget for social work training, which is an issue that the committee has taken an interest in, will increase from £10 million in 2002-03 to more than £20 million in 2005-06. The budget for specific grants will increase from an estimated £189 million in 2002-03 to more than £239 million in 2005-06.

Given the committee's previous comments, members will be interested to know that the excellence fund, with its many strands, has been replaced by the national priorities action fund. As part of the process, £64 million of that money has been transferred to local authority expenditure in 2003-04 to cover agreed outcomes. That measure has followed constructive discussions between the Executive, COSLA and the Association of Directors of Education in Scotland. The increase in specific grants will help to ensure that our schools provide the highest quality of education for our young people in a high-quality school environment.

I also want to place on record the fact that the schools public-private partnership programme represents the largest ever investment in the physical infrastructure of schools and involves the refurbishment or rebuilding of 300 schools by 2009. We have allocated resources towards that very significant investment. We are committed to delivering on our ambitious targets and to giving every child and young person the best possible start in life. I hope that my comments have provided the context within which we are working. I would be delighted to answer any questions.

Mr Monteith: Minister, I want to ask you about the additional sums that have been made available for teachers' pay and conditions following the McCrone agreement. My colleagues in the Highland area have raised with me Highland Council's concern about delivering the full terms of the agreement after what the council sees as a shortfall in its funding. However, at the same time, other colleagues have drawn to my attention East Lothian Council's apparent ability to spend money that was earmarked for the McCrone agreement on other areas. Does such a situation concern you? Can you take any other action to address the possibility that some councils will be able to deliver the McCrone agreement whereas others will find it difficult? After all, councils that are finding it difficult to do so lay the blame at the Executive's door for not funding the settlement adequately.

Cathy Jamieson: I can give a fairly short answer to that question, which I hope will clarify the situation. The issue is not new; indeed, the councils that you have mentioned have raised the issue over a number of months. We have already had discussions about it. As the settlement was negotiated and agreed with COSLA and the Executive, it would be wrong for the Executive to decide to unravel it. It would be wrong to go back on such a tripartite agreement.

You asked how some local authorities are able to deliver the terms of the agreement whereas others are not. East Lothian Council is expected to deliver the agreement in full and by the agreed milestones. At the moment, there is no suggestion that the council has not been able to do that.

Mr Monteith: I am not suggesting for a minute that the council cannot deliver the agreement. However, it might have been funded beyond the amount that is required. On the other hand, some councils have pleaded a degree of poverty in that respect. Unfortunately, the issue will not go away. Only last week, I saw correspondence from the council in my area that was still raising concerns.

I understand that, as the agreement is tripartite, you would not be able simply to impose anything. However, as the minister responsible, you might wish to enter into dialogue with COSLA and local authorities that have particular problems so that McCrone is fully implemented. For my part, I am greatly concerned that the agreement will begin to unravel because it cannot be delivered. That would be most unfortunate. I am trying to explore whether there is something that you can do to initiate a resolution if there is a problem.

15:00

Cathy Jamieson: First, I have regular dialogues with COSLA, as do officials. Part of the implementation process for McCrone was for the

Executive to provide support, working alongside and in partnership with COSLA, in order to examine taking forward the agreement. That is the best way forward.

I reiterate the point about local authorities: we have to strike a balance—I know that committee members have raised the issue previously—in creating at national level a framework that allows for local delivery. I know that Brian Monteith is particularly interested in that. We are seeking to put the right framework and resources in place and we will have central control over, or a say in, how some of the resources are spent. However, we will also allow local authorities to exercise local discretion where that is appropriate. That is happening at the moment.

Irene McGugan: I will address two aspects, the first of which is social work training. I note from “Building a Better Scotland” that additional funds are being provided for social work training and child protection, although the figures that you gave and the baseline figures that we have for social work training do not match. I assume that the difference is because of child protection.

Cathy Jamieson: I will explain. It is important to recognise that we have not yet received the findings of the review on child protection. I am keen that we do not initiate anything with regard to social work training, or put in place things that pre-empt the outcome of that review. I want to wait to see the recommendations that are made, because they might have implications for social work training.

Irene McGugan: That is the direction in which I thought you were going.

In the fairly detailed response that we received from the Executive to the comments that we made to the Finance Committee, the social work training budget line encompasses a number of things. Can you tease out the action plan for social work services? What percentage of the budget is required by the new raft of initiatives that were launched in April and that are now filtering through, such as recruitment campaigns and so on?

Cathy Jamieson: We can look in more detail at some of the figures, but I do not want to suggest that there is a huge administrative cost for the action plan, in particular in relation to the recruitment and retention campaign. It was clear that local authorities, the social work profession and others felt that we needed to do something. We responded to that: we put the recruitment and retention campaign in place quickly and we will evaluate its effectiveness, but I am also keen to ensure that money goes directly to front-line services. Members will recall that we allocated an additional £3.5 million and that we targeted it

specifically. We also increased the amount of money that is available for bursaries for social work training places. I want to ensure that we target the finances in a way that will deliver by getting people into jobs and training them—that is very important.

Would you prefer us to give the committee a detailed breakdown in due course, once the money is allocated? I ask because part of the problem is that the level 3 figures have not been identified. We can return to the matter in due course and I will be happy to do that.

Irene McGugan: I appreciate that. That would be grand.

In the Executive response, on funding for special educational needs, the figure for the year 2003-04 did not include funding for grant-aided schools. Is that funding still not included, and is there a reason for that?

Riona Bell (Scottish Executive Finance and Central Services Department): To which figure are you referring?

Irene McGugan: I refer to the figure of £40.4 million for the year 2003-04. It was noted in the Executive response that that figure does not include funding for grant-aided schools in 2003-04.

Riona Bell: We will need to come back to the committee on that.

Cathy Jamieson: I am checking the papers to see what we actually said. Discussions are ongoing, as members will be aware. We will come back to the committee on that so that we can examine the final details.

Ian Jenkins: I want to return to an issue that Brian Monteith touched on regarding the McCrone settlement. In discussions, a problem with formulae that are used for certain aspects of education provision sometimes emerges. I do not necessarily mean the formulae that the Executive uses; however, perhaps there is a problem with the formulae that COSLA uses. Difficulties arise with the McCrone settlement because ratios of teachers to pupils can vary. Similarly, some authorities feel that a big chunk of their education budget goes on school transport and that such expenditure impacts more heavily on them than it does on others. It is thought that such expenditure should be removed from the education budget because that budget relates to educating.

The way in which special educational needs are judged has always worried me; there seems to be a formulaic, almost per-head-of-population, allocation. I understand why one would start from such a position, but I wonder whether there should be such an allocation and whether there should thereafter be more flexibility. As Brian Monteith suggested, the Executive, COSLA and local

authorities could decide to start from such an allocation, but say that wee adjustments will need to be made. Such flexibility would be valuable.

Cathy Jamieson: I am sure that Ian Jenkins will recall that, when previously we discussed the matter with the committee, it was mentioned that transport allocations in particular take account of rurality. I accept that a number of different methods have historically and traditionally been used. Special educational needs, for example, are based on the two to 19-year-old population; other methods have been based on the inclusion of a weighting factor for deprivation or rurality.

There are issues around how we should try to skew resources to meet local needs. Arrangements that have been put in place as part of the budget have been discussed with COSLA and are based on the method of distribution that was agreed with COSLA. If we are to make changes, we will have to discuss matters with COSLA. There might be winners and losers at the moment, but there might be different winners and losers under other distribution methods. I suspect that there would be heated and detailed discussions before further agreement was reached.

Ian Jenkins: I am sure that the minister is right, but I wanted simply to discuss principles.

Jackie Baillie: I am sorry that I had to leave the meeting during questioning. I hope that I will not repeat what has already been covered.

I welcome the additional funding for the sure start programme—in which I have been interested—and the decision to increase targeting of the programme from 5,000 to 15,000 children. That is a substantial difference. The best local authorities will target resources most effectively, but some authorities do not target as effectively as we want. Will the Executive do more to monitor the efficacy of spend at local level, including the use of local outcome agreements?

Cathy Jamieson: When previously I gave evidence to the committee, I said that I was concerned about ensuring that we obtain the best value for the resources that we put in. We are talking about a significant investment of money to support early-years child care in particular. The committee said in advance that it supports such investment and I am glad that we have been able to deliver on that.

As Jackie Baillie says, the increase in the number of young people and children whom we intend to support is significant. Work is under way to consider how we can better integrate funding streams and services—in particular those that are provided jointly by health authorities and local authorities—and ensure that all agencies, including those in the voluntary sector, are

partners in identifying how best to target resources and ensure that money gets to the front line to support children and families. We will take a close interest in that. If we can secure an agreement, we hope to pilot some innovative pieces of work in the not-too-distant future in order better to join up those services.

Jackie Baillie: My next question moves away from the sure start programme and follows a visit that I made to John Logie Baird Primary School in my constituency. The teachers there understand clearly the drive towards attainment and the targets for attainment. The papers with which we were provided laid out more challenging targets that are also aimed at raising attainment levels. However, the teachers told me that the year-on-year increase works contrary to the Executive's social inclusion priority. Teachers find that they are forced to focus less on the needs of children who are left behind and more on those who need to attain if the new and challenging targets are to be achieved. They say that one thing that would help enormously, aside from clarifying the policy priority, is additional funding for classroom assistants, although I hope that that can co-exist with attainment targets. There has been a huge welcome for classroom assistants, but teachers want more of them. What can be done to make that happen?

Cathy Jamieson: We recognise that there is tension—I hope that it is creative—between the need to improve overall attainment and achievement levels, which remains one of our goals, and the need to close the gap for those who have not until now had the best possible deal from the system. We are clearly focused on national priorities, which is why we have changed the focus from the excellence fund to the national priorities action fund. That fund reduces about 20 strands of funding to five and allows local authorities to be more flexible in their budgets. If authorities wish to do so, they can focus spend on additional classroom resources in the form of auxiliary support or classroom assistants.

I recognise the valuable work that is being done. This morning, I visited a primary school in Longniddry where classroom assistants, nursery nurses and special needs auxiliaries work closely with classroom teachers and make a real difference to pupils' literacy and numeracy. That is the kind of initiative that we want to develop. We continue to allocate money to implement the discipline task group's recommendations. That money has already provided additional auxiliary and support staff in many schools and will allow authorities to continue that process.

The Convener: The minister will be aware that one of the key targets of another task force—the physical activity task force—was to increase the

level of physical activity in the curriculum. Has any thought been given to that? I know that the physical education review is on-going. What scope will there be for resource allocation for PE, should the review find that progress is required?

Cathy Jamieson: I am aware of the convener's particular interest in the subject, and I am sure that she grilled Mike Watson on the topic earlier. The review is on-going and work is being undertaken. The flexibility in the budgets for local authorities will allow us to pick up the review's recommendations. *[Interruption.]*

The Convener: I remind those who have joined the committee to ensure that their mobile telephones are switched off.

I thank the minister for her information. If we have any more questions, we will be back in touch with her.

Cathy Jamieson: We will provide clarification on the point that was raised earlier as quickly as possible.

Scottish Media Group

The Convener: We move to the next item on the agenda, which deals with correspondence from the Department of Trade and Industry on the Scottish Media Group plc sell-off. It is gratifying to see so many representatives of the press in the gallery to report what we have to say on education and Scottish museums, which we will deal with in a later part of the meeting. We will watch to see who leaves.

Members will have received the response to the letter that I wrote to Melanie Johnson, the Parliamentary Under-Secretary of State for Competition, Consumers and Markets, in relation to the proposed sale of newspapers that are owned by SMG.

15:15

How do members wish to proceed on the matter, if at all? My initial suggestion is that we welcome the minister's clarification on the issue of the sale, but that we write to her again because the content of her letter suggests to me that, if the newspapers were sold to the current highest bidder—Ellerman Investments, which is wholly owned by the Barclay brothers, the owners of Scotsman Publications Ltd—the matter would be considered under the special newspaper merger regime because it would concern a media group's owning yet more of the Scottish media. It would be useful to ask the minister whether that will be the case and to put that clarification on record.

Jackie Baillie: I would be entirely happy with that. It is clear that Ellerman Investments is linked directly to another UK newspaper proprietor. The convener's suggested action is particularly appropriate in view of the committee's support for the maintenance of the independence and diversity of the much-loved Scottish press.

Mr Monteith: I am not entirely sure what purpose would be served by our writing to the minister. I am sure that, when a bid is on the table, the minister will be well aware of whether it will need to be considered in the way that is outlined in her letter. We should merely note the minister's letter and leave the relevant department to get on with the job that, as a British department, it will be more than capable of doing.

Ian Jenkins: I do not disagree with Brian Monteith's concluding remarks, but there is no harm in writing to the minister as you suggest, convener. It is important that we do not sit idly by and risk people not understanding our position. Any further coalescence of media ownership in Scotland would tend to cut down the diversity of our freedom of expression. We must guard against that and express the view that developments in this area should be examined carefully.

The Convener: I am in no doubt that a department of the United Kingdom Government will act wholly properly in relation to any matter; I hope that members understand that that is my view. However, given that there is a view that Ellerman Investments is not the same company as Scotsman Publications and that its bid should not therefore be dealt with under the special newspaper regime, I think that it would be useful for us to put on record the committee's view that, in light of the information that the minister has given us and of information that is in the public domain, the matter should be dealt with under the special newspaper regime. Unless members wish to move otherwise, that is what I will do.

Mr Monteith: To what extent do you think the Education, Culture and Sport Committee has a locus in the matter rather than the Enterprise and Lifelong Learning Committee, given that the matter concerns a business transaction?

The Convener: I am prepared for the Enterprise and Lifelong Learning Committee to deal with the matter as well, which is why I sent Alex Neil a copy of my letter to Melanie Johnson.

I believe that this committee's responsibilities for culture, education and sport mean that we have a locus in the matter. We need to point out that the diversity and plurality of Scotland's media is something from which we benefit and that it would be helpful for that to continue. I will write to the minister in those terms. Is that agreed?

Members *indicated agreement.*

Scotland's Museums

The Convener: For item 4, members should have in front of them the briefing paper on the museums sector that was produced by the committee's reporters, Jackie Baillie and Michael Russell. Does Jackie Baillie want to speak to the paper, or is it merely for information prior to our meeting on 5 November?

Jackie Baillie: The paper is essentially for information, but Michael Russell and I would welcome the committee's views on the conclusions that we reached and any suggestions for the way forward. We were careful not to arrive at firm conclusions but merely to point to options for the future for national and local museums. *[Interruption.]* I will wait while members of the press exit. Goodbye.

The paper acknowledges my earlier point to the minister that many collections of national importance are distributed outside the National Museums of Scotland and the National Galleries of Scotland. We need to consider carefully how a framework for the future can involve the National Museums of Scotland in disseminating curatorial expertise and the Scottish Museums Council in acting in a manner that is akin to that of the Scottish Arts Council.

We are keen to mirror what happened in England and Wales, where a short-life working group was set up that involved the key partners. That working group had in a relatively short time to come up with an agreed model that could be taken forward as a framework for the future. Essentially, our conclusions are contained in the paper, so if it has the committee's support, we can put those points to the minister.

Ian Jenkins: This is a measured report, which is not tub thumping in any way but is, rather, a constructive contribution to an important debate. We should invite the minister to give the report positive consideration. I hope that he will move forward along the lines that are broadly suggested by the report.

The Convener: The minister would be able to come before the committee next week, but we would need to meet at 1.45. I intimate that to members now, but we will also intimate it in the papers and e-mail the details to members who are not present today. Is the paper agreed to?

Members *indicated agreement.*

15:22

Meeting continued in private until 15:58.

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