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Official Report

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Thursday 15 March 2012

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Scottish Parliament

Thursday 15 March 2012

[The Presiding Officer *opened the meeting at 09:15*]

Childcare

The Presiding Officer (Tricia Marwick): Good morning. The first item of business is a debate on motion S4M-02338, in the name of Liam McArthur, on childcare.

09:15

Liam McArthur (Orkney Islands) (LD): As Liberal Democrat education spokesman since last May, I have had the chance to participate in debates that have covered most aspects of how our education system is performing, and its strengths and weaknesses. The debates have been useful, productive and—in the main—consensual. However, I am conscious that we have not, as yet, brought the same attention to bear in scrutinising how childcare is provided. I am pleased that Scottish Liberal Democrats are this morning helping Parliament to atone for that sin of omission.

The debate could not be more timely. It follows the recent publication by Children in Scotland and the Daycare Trust of their report “The Scottish Childcare Lottery”. That detailed comparative assessment of provision of childcare across the United Kingdom provides plenty of food for thought. It also delivers a stark message—despite the First Minister’s pledge, which he gave again at the weekend—that we are some way short of being able to claim to be matching the best anywhere in Europe. The findings underline various issues that appear to be specific to Scotland and confirm that, in a number of respects, we lag behind the rest of the UK.

That is worrying. High-quality childcare—including nursery, childminding and out-of-school care—can play a key role in supporting our children’s learning and development. Especially in the early years, as Children 1st reminds us in its briefing for today’s debate, that can be pivotal in determining a child’s life chances. Meanwhile, for parents, access to affordable high-quality childcare is often crucial to enabling them to return to, or to remain in, work.

What are some of the key findings from the report? Children in Scotland and the Daycare Trust have established that there are significant gaps in the availability of childcare in Scotland. According to their report, only one fifth of Scottish local authorities indicate that they have enough

childcare for working parents. The feedback also suggests that there are specific problems in relation to provision for older children—another point that Children 1st raised—as well as for families in rural areas and those with disabled children.

Where provision is available, childcare costs to parents are among the highest in the UK. Although average nursery costs are slightly lower in Scotland, the average cost for childminders and after-school childcare is higher. In England and Wales, childcare fees in local authority nurseries have largely converged with those in the private and non-profit sectors, but that is not true in Scotland: fees in private and non-profit sector nurseries have been found to be nearly £25 per week more than in nurseries in the maintained sector. It is difficult to understand why that discrepancy exists or why it is so pronounced in Scotland.

There are also geographic variations in childcare costs across Scotland, which are far larger than the variations that are found elsewhere in the UK. For example, out-of-school clubs in the most expensive areas of Scotland charge almost twice as much as those in the lowest-cost areas, while for childminders the difference is more than 70 per cent.

In the light of those findings, I do not suppose that Children in Scotland and the Daycare Trust had to work terribly hard to come up with a title for their report—to all intents and purposes, there is a postcode lottery. The high cost of childcare in some areas, the big variations in costs between private or non-profit providers and local authority controlled ones, and the significant gaps in supply testify to failures in managing the childcare market.

Mark McDonald (North East Scotland) (SNP): Taking all that into consideration, how will the move by Mr McArthur’s party, as part of the UK Government, to withdraw tax credits from 73,300 Scottish families, help to make childcare more affordable for them?

Liam McArthur: I am grateful to Mark McDonald for again coming up with the standard stump speech from Scottish National Party members about things for which they do not have responsibility, but I will return to my point, because it is about a concern that has been expressed.

For the reasons that I set out, the authors of the report conclude that the Scottish Government and many local authorities are failing to meet the objectives that are set out in the early years framework. Even the First Minister has been forced to acknowledge the problems. On 1 March, he declared that

“We should determine, unitedly, to address”

the

“wide divergence in the cost and availability of childcare in various parts of Scotland.”—[*Official Report*, 1 March 2012; c 6834.]

Absolutely, we should. However, the sentiment is hardly honoured by the Minister for Children and Young People’s amendment this morning, which cannot even bring itself to note “with concern” the report’s findings.

The Minister for Children and Young People (Aileen Campbell) rose—

Liam McArthur: I am not sure what message that sends to the authors of the report or to those who are struggling day and daily with the problems that the report clearly identifies. Perhaps the minister would like to suggest what the message is.

Aileen Campbell: With all this negativity, will the member not at least try to concede that we should welcome the bold and ambitious target that the First Minister has set for the wellbeing of the children of our country?

Liam McArthur: I am being accused of negativity by an SNP minister. Now, there’s a thing.

If we are to answer the First Minister’s plea for this united front to be successful, surely we need to recognise where others are leading the way, be prepared to learn lessons and be willing to follow suit. I fully accept the Government’s view that there will be places across Europe where such good or better practice can be identified, but Ms Campbell must not allow nationalistic myopia to blind her to what is on our doorstep. I have lost track of the number of times when I have urged Scottish ministers to look at the benefits that are being delivered through the pupil premium, which is targeting resources at the children who most need them and is enabling schools to put in the additional tailored support that is most appropriate in each instance. Save the Children, among others, points to what a similar system in Scotland might achieve. However, the mere fact that the pupil premium is being taken forward by the coalition Government south of the border means that it is dogmatically rejected by Scottish ministers.

Even when it admits to supporting a UK initiative—for example, the youth contract—the SNP Government seems to be reluctant to advertise the fact. In the case of the youth contract, which can make a real difference by creating meaningful opportunities for young people to access the work or training that they need, such muted support from the Scottish Government is totally counterproductive, but it is part of a pattern. The nationalist narrative simply cannot tolerate the suggestion that the approach that the UK coalition

Government is taking might be more generous or more effective.

In England and Wales, duties are outlined in the Childcare Act 2006 that require local authorities to secure sufficient childcare for working parents and those who are studying with the intention of returning to work. In Scotland, no such legislative requirement exists. “The Scottish Childcare Lottery” reports that, while local authorities in England are undertaking three-yearly assessments of childcare supply and demand with annual updates, the picture in Scotland is mixed. Some councils are carrying out detailed studies, but in the case of at least eight, there appears to be no collection of data on childcare supply.

The minister states in her amendment that the Government will work with the early years task force, local authorities and others to deliver improvements. That is a sensible approach, but we need to acknowledge the extent to which there are still serious blind spots in our understanding of the problems that exist. A failure to understand even basic childcare supply and demand means that local authorities are not able to intervene effectively in childcare markets in order to address gaps, which is a key component of the framework.

The Scottish Government will point to steps that it is taking, and that is fair.

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): I accept that there are issues for the Scottish Government to look at in the forthcoming legislation, including Liam McArthur’s suggestions about what is happening in England. However, does he accept that the biggest issue of affordability relates not just to the number of parents who are losing tax credits but to the reduction of the cap on childcare costs from 80 to 70 per cent?

Liam McArthur: I am well aware of the concern that Mr Chisholm reiterates. However, the £300 million that has been invested in the childcare support element of universal credit will extend access to childcare support to a further 80,000 families. There is a mixed picture. I certainly hope that UK ministers will keep that under review.

At the weekend, perhaps in anticipation of this morning’s Liberal Democrat debate, we heard the First Minister promise

“the best package of free nursery education on offer anywhere in the UK”.

It is to be delivered through legislation that will entitle every three-year-old and four-year-old to 600 hours of pre-school nursery provision a year. Although that might be welcome, it follows a similar promise by Mr Swinney in 2007, that the SNP Government would deliver 570 hours of

nursery provision to the same group by 2010. While those 570 hours are currently enjoyed by three-year-olds and four-year-olds in England, in all but two council areas in Scotland, the figure is 100 hours less than that.

Interestingly, Bronwen Cohen, the chief executive of Children in Scotland, has warned that even the new commitment from the First Minister might do little to help working parents who are trying to negotiate between childcare and pre-school providers. In *The Scotsman* yesterday, Ms Cohen stressed:

"In the early years, care and education are indivisible. Treating them separately has led to considerable inequality in accessing services, contributes to high costs to parents for childcare and means that some families cannot make use of their child's entitlement to pre-school education."

In essence, those are precisely the symptoms that are exposed in the Children in Scotland and Daycare Trust report.

The First Minister has also pledged additional support for looked-after two-year-olds and children who are in foster care. Again, Ms Cohen highlights that, although that is undoubtedly valuable,

"it is markedly less generous than what is being offered in England and Wales."

In England, investment is being made in 260,000 childcare places for 40 per cent of two-year-olds from the most disadvantaged backgrounds. That entitlement to 15 hours a week of free early education represents a £380 million commitment by the UK Government. In Wales, the flying start programme is making similar headway. Those programmes offer examples of where lessons could be learned and of approaches that could be adopted here. Sadly, when the SNP casts its eyes south, it is invariably to condemn, as its amendment does this morning.

I recognise that concerns have been expressed by Malcolm Chisholm, in Neil Bibby's amendment and elsewhere about the impact that changes to the childcare element of working tax credit might have on low-income families. That should be kept under review, but it is clear that the changes that are being introduced under universal credits will see 80,000 families in the UK, including many in Scotland, receiving more support with childcare. The removal of the requirement that recipients work a minimum of 16 hours per week, as well as the £300 million investment, will be welcomed.

Children in Scotland and the Daycare Trust have provided invaluable insight into the challenges that we face in ensuring that access to affordable high-quality childcare in this country matches the best in Europe. In addition, their report identifies a number of areas in which we lag behind the rest of the UK. That may offend nationalist sensibilities to such an extent that the

Scottish Government cannot bring itself to express concern about the report's findings, but I hope that, in working through the early years task force, SNP ministers will be prepared to learn lessons from what is happening elsewhere in the UK, and that we will start to see the more joined-up approach to education and care that parents, children and those who are involved in the sectors wish to see.

I move,

That the Parliament recognises that access to affordable, high-quality childcare supports children's learning and development and enables parents to return to, or remain in, work; notes with concern the recent report, *The Scottish Childcare Lottery*, which found that there are very significant gaps in the availability of childcare in Scotland, childcare costs are among the highest in Britain and that there is greater geographic variation in childcare costs in Scotland than in any other part of the UK; believes that, while some local authorities have worked hard to ensure sufficient childcare in their areas, much more work is needed from the Scottish Government and local authorities to ensure that families have access to affordable, integrated pre-school and childcare services in every community matched to an assessment of local demand, as is required by the Early Years Framework; is also concerned that Scotland is lagging behind England on entitlement to free pre-school education, and calls on the Scottish Government to respond to the concerns about availability and costs raised in *The Scottish Childcare Lottery* report, to ensure that the objectives of the Early Years Framework are met and to set out the steps that it will take to increase childcare support in Scotland in order to match the best elsewhere in Europe.

09:25

The Minister for Children and Young People (Aileen Campbell): I am proud to open the debate for the Government, because it comes after the First Minister's hugely important announcement on childcare at the weekend. The children's bill that will be introduced to Parliament next year will contain a statutory guarantee on provision of more than 600 hours of funded early learning and childcare for every three and four-year-old and for every looked-after two-year-old in our land. Make no mistake—that is a highly significant step. It represents the best package of free early learning and childcare anywhere in the UK. As the Minister for Children and Young People, it is for me an honour to demonstrate this Government's firm commitment to our nation's future. It represents another step forward in our aim of making Scotland the best place for children and young people to grow up in.

The early years are a key priority for this Government. We know that, for parents and carers who are juggling work and parenthood, the availability of high-quality, flexible and affordable early learning and childcare is vital, and is essential to improving the life chances of Scotland's children.

Gavin Brown (Lothian) (Con): Given the commitments that were made in 2007, and to which Mr McArthur referred, why has it taken so long to get to this stage? When will the Government's package be implemented?

Aileen Campbell: We are committed to making improvements to the life chances of children across Scotland and to introducing potential legislation next year. We will work with local government to ensure that all people across the country get the level of provision that we aspire to provide.

The fact that more than 600 hours of funded early learning and childcare will be provided is great news in itself, but the First Minister's announcement was about more than hours and numbers. Key to our ambition of implementing a transformational change in Scotland's delivery of early learning and childcare is flexibility. We want to ensure that provision can be accessed in ways that meet the needs of parents and families. We are heading on an ambitious and bold journey, and local government and other partners will have important parts to play as we work together to deliver our vision for high-quality, flexible and affordable childcare across the nation.

In addition to the offer of extended early learning and childcare provision, we will work with the early years task force and we will use its wisdom and expert knowledge to build a clear picture of current provision and to identify any gaps. I am happy to confirm that we will go further: in June 2012, we will convene a national business summit to explore new ways, including the promotion of childcare vouchers, of incentivising and encouraging more flexible working in the private sector to make it easier for parents with young children. We will develop a series of public-social partnerships, or PSPs, which will cover a range of specific childcare issues on which I believe more action is required. Those issues include parents who are on low incomes and/or in poverty; parents and carers who work shifts; out-of-school care, including holiday clubs; families who live in rural areas; and outdoor and nature kindergartens. PSPs represent a partnership approach to service development once an issue, such as childcare for shift workers, has been identified. PSPs will give all partners an opportunity to test new services and to evaluate them before tendering for delivery. The Scottish Government is promoting the PSP approach through the sector generally and we will, in the coming weeks, discuss with our local partners the best way to progress PSPs. I am sure that that approach will bring huge benefits to design and planning of local childcare provision in the specific areas that I have mentioned.

The Daycare Trust and Children in Scotland report "The Scottish Childcare Lottery" has made a

significant contribution to the childcare debate. Although the report highlights that costs in Scotland are high, I emphasise that they are not the highest in the UK and that, in many cases, increases in costs in Scotland have been smaller than those south of the border. I also acknowledge the report's raising of issues to do with the sufficiency of childcare and variation in costs across Scotland. I will ensure that those issues are investigated by our early years task force and local partners.

The Government will not rest on its laurels when it comes to taking action to improve the lives of Scotland's children and families, and we are setting out the steps and actions that we need to take to improve early learning and childcare provision in Scotland in order that we match the best in Europe. High-quality early learning and childcare are vital for parents and children. For parents, they can provide a route out of worklessness and an opportunity for increased access to rewarding careers, and there is a wealth of evidence relating to babies and young children, perhaps most notably the effective provision of pre-school education—or EPPE—study to tell us about the benefits of high-quality early learning experiences. That is why the Government is committed to increasing the range of flexible and affordable high-quality early learning and childcare provision.

We have already announced an additional £4.5 million to provide early learning and childcare for all looked-after two-year-olds in Scotland, and a further £4.5 million to promote community-based solutions to family support and childcare from April this year.

I have outlined the range of work that we are undertaking to develop flexible and affordable childcare provision, but there are limits to what we can achieve to support parents with the costs of childcare while most of the levers for doing so remain reserved. We should contrast the Scottish Government's actions and aspiration for a Scotland that is the best place to grow up in with the regressive welfare reforms by the coalition in London. I have huge concerns about the impacts that those reforms will have on our children and families.

We think that it is right that people should be supported into work, but the coalition's welfare reform agenda is leading to a number of arbitrary budget cuts that will have damaging impacts on individuals and families in Scotland. As Malcolm Chisholm mentioned, the UK coalition Government reduced the cap for the childcare element of the working tax credit from 80 to 70 per cent in April last year. "The Scottish Childcare Lottery" report cites Her Majesty's Revenue and Customs data

that estimate that that represents an average cut of £531 per year for families in Scotland.

Annabelle Ewing (Mid Scotland and Fife) (SNP): Would the minister be interested to hear that, at the Welfare Reform Committee meeting the other day, not one of the groups that represented civic Scotland had a good word to say about the Tory-Liberal Welfare Reform Act 2012?

Aileen Campbell: Annabelle Ewing raises a very good point, to which Liam McArthur should pay close attention.

We have committed to increasing early learning and childcare provision by more than 125 hours per year, but the coalition Government is, in effect, cutting working tax credit provision for the most vulnerable people by 80 hours. There will also be changes to child tax credit from April this year: the income threshold will be lower for most people. The changes mean that 84,900 families with children in Scotland will no longer be eligible for child tax credit. That will affect 118,700 children across Scotland. We are taking action to benefit 120,000 children across Scotland, but the Tory Government, supported by its Lib Dem coalition partners, is introducing cuts that will impact negatively on 120,000 children across Scotland.

Ordinarily, I would welcome the fact that the Lib Dems' motion suggests that they are concerned about childcare, but unfortunately I cannot forget their failure to stand up for children and families in Scotland. We all know that the Lib Dems are in a coalition Government at Westminster, but they must not shirk their responsibilities. They will not pull the wool over the eyes of ordinary Scottish families, whose household budgets are being plundered by the coalition.

It is plain that having control of tax and welfare systems could help us to deliver real changes to early learning and childcare provision in Scotland. I joined the SNP in order to create the country that I want my child to grow up in—a country that has social democracy at its core, and fairness and equality as its hallmark. I am glad that we are taking decisive action now to improve the life chances of children in Scotland before the referendum.

I move amendment S4M-02338.2, to leave out from “with concern” to end and insert:

“the issues raised in the recent report, *The Scottish Childcare Lottery*, regarding cost, sufficiency and variation of early learning and childcare in Scotland; welcomes steps by the Scottish Government to address these issues, including the commitment to legislate to increase the amount of free nursery provision from 475 hours to a minimum of 600 hours for all 3 and 4-year-olds and all looked-after 2-year-olds; further welcomes the Scottish Government's commitment to work with the Early Years Task Force, local authorities, parents' representatives and childcare providers to consider how best to deliver

increased and flexible provision, identify more clearly provision across Scotland and to learn from the best provision elsewhere in Europe, and condemns the UK Government's proposed welfare reforms that will have a detrimental effect on thousands of families across Scotland and have a negative impact on their access to childcare.”

09:33

Neil Bibby (West Scotland) (Lab): I thank Liam McArthur for introducing the debate, and pay tribute to childcare providers in Scotland, such as North Edinburgh Childcare, which I visited last week, and which does excellent work.

Childcare is close to the Labour Party's heart. One of the first acts of the 1997 Labour Government was to establish a childcare strategy; that was closely followed by a Scottish childcare strategy. There were three aims: to expand early education, to improve the quality of services through regulation and inspection, and to ensure accessible and affordable childcare for parents who need it. We did that through effective legislation, co-ordinated and joint working with colleagues in local authorities and Westminster, and targeted funding.

However, it is clear that there is more to do. “The Scottish Childcare Lottery”, which has been published by the Daycare Trust and Children in Scotland, should be a wake-up call to all of us on the demands that face working parents. It is obvious that the cost of childcare is a major issue for Scotland. We have charges that are the highest in the UK: in three of the five categories of childcare costs, the Scottish average is more expensive than the cost in England and in four of the five categories, the Scottish average is more expensive than the cost in Wales.

We will work with other parties to deal with the issues but, in doing our job, we must express concerns about the lack of action from, and the actions of, the Scottish and UK Governments.

Aileen Campbell: Will Neil Bibby welcome the commitment that the First Minister made at the weekend to 600 hours of free early education and childcare?

Neil Bibby: I thank the minister for raising that issue, to which I will come shortly.

Parents in Scotland are being hit by a double whammy. They are, first, being hit by the Conservative-Lib Dem UK Government cuts to working tax credits, as we have heard. The cut in the maximum support that is available through the childcare element of the working tax credit from 80 to 70 per cent of costs means that the average claim has fallen by £10 per week, which is costing low-income working families who receive the credit more than £500 a year. That is affecting more than 1,000 children and parents in my area—

Renfrewshire—and thousands more across Scotland.

Parents are also being hit by the SNP Government's failure to live up to its promises. I welcome the announcement that the First Minister made to his party on Saturday about increasing free nursery hours for three and four-year-olds, just as my colleagues welcomed it five years ago, in 2007. The lack of progress since 2007 is simply not good enough. For the hard-pressed families of Scotland, I hope that he means it this time and that we can reach the levels of childcare and nursery provision that are available in England and Wales.

The First Minister likes to give speeches about the Scottish Government being a progressive beacon for the rest of the UK, but that is clearly not the case on early education and childcare. A number of questions need to be answered. How much will the policy cost? What resources will be given to local authorities? What rights will parents have to flexibility? Will there be consistent teacher-led input, which is currently unavailable? I hope that the Minister for Children and Young People can give us more details on those matters.

As children's charities tell us, one rehashed or recycled policy—no matter how good—will not deal with the problems that parents face with childcare. We need a more integrated pre-school education and care system. I am pleased that our childcare providers and national organisations are learning from childcare regimes elsewhere in order to invigorate the sector in Scotland.

We need a Scottish model of childcare, for which my colleague Hugh Henry and other members called in the members' business debate on childcare in September. We need to move that forward; we need a Scottish model that recognises that families and children have different needs and that different services are best placed to meet those needs. We need to find a way to support people in the voluntary and private sectors to meet local people's needs, to identify gaps and to provide services. We need a system that supports mixed-economy providers but does not nurture gaps in their funding.

Aileen Campbell: I remind Neil Bibby of my announcement about engaging with the third sector to identify gaps. Will he welcome that move, if not the 600 hours?

Neil Bibby: Absolutely, I will. As I said, we need to engage with children's charities and national organisations, so of course we welcome that.

We need a model in which every child has access to childcare, regardless of where they live or who is in power. We need adequately funded out-of-school services that provide good-quality activities for children and young people, and which

are led by well qualified and committed staff. We need to ensure a Scottish model of childcare in which costs are reasonable and under which parents know that their children are well cared for, staff are reasonably rewarded for their work and high level of knowledge, and children receive high-quality care.

Most of all, we need a Scottish model that is supported by a Scottish Government that sees childcare as important and as an issue of equality and fairness, and which funds childcare adequately and delivers it promptly. We need a Scottish Government that keeps its promises.

I move amendment S4M-02338.1, to insert at end:

“, and regrets that the UK Government's changes to Working Tax Credit will impact on low-income families' ability to pay for childcare costs.”

The Presiding Officer: I call Liz Smith.

09:39

Liz Smith (Mid Scotland and Fife) (Con): Thank you, Deputy Presiding Officer.

Gavin Brown: Presiding Officer.

Liz Smith: I apologise, Presiding Officer.

I thank the Liberals for bringing the debate to Parliament. Nobody in any political party in Parliament doubts how important the subject is. The evidence is overwhelming about early intervention of whatever sort for the health and social wellbeing and the educational achievement of any child. It is important that we debate the matter and take it extremely seriously.

The Liberal motion rightly points to regional variations in supply and costs of childcare. We agree that that is a very difficult situation that needs to be addressed. Childcare costs in Scotland are not only among the highest in the United Kingdom, but are the most variable. The recent Daycare Trust and Children in Scotland report that has been referred to stresses how difficult that is, and that we are at the high end of cost and variability.

It is equally unacceptable that there is not so much flexibility in the system, so there is not enough choice available to parents in how they spend their entitlements. Why do I say that? If it is correct that only a fifth of local authorities have adequate facilities for parents who work full time, that is a serious hindrance. Instead of choice being about when and how to spend entitlements, it becomes about whether to work or have childcare. Naturally, that has serious consequences for some parents, especially lone parents.

It is too often the most disadvantaged children who do not get what they are entitled to. That can put untold pressures on the family budgets of the very poorest families in our society, which is why it is so important that we target early education support and care at those who stand most to benefit.

“Making Work Pay—The Childcare Trap” outlines the problems in the starkest detail. It says that 59 per cent of parents who are living in poverty said that they are no better off working and paying for childcare, compared with only 19 per cent of those with incomes over £30,000; that parents in poverty almost always have to go without buying some essentials to pay for their childcare; and that a quarter of parents in poverty have had to give up work, a third have had to turn down a job and a quarter have not been able to take up education or training because of the difficulties in accessing childcare.

I do not think that anyone could argue that this is not an important time to be discussing the current childcare arrangements, particularly against the backdrop of so many other changes to social and welfare policy. The traditional structure of family life has changed beyond all recognition in recent decades, not least in respect of the fact that far fewer people are working in conventional 9-to-5 jobs. As a result, it is important to ensure that those who work unconventional hours are not disadvantaged.

I am extremely conscious of the extensive criticisms of some aspects of the Westminster Government’s welfare reform, including the child benefit part of the proposals, which I am on record as having expressed reservations about in the chamber. The concerns are sufficient for the coalition to review some of the details, but the principle of universal credit—which is to ensure that people are better off in work than they are on benefits—is the right one. Nonetheless, in conjunction with that, there is a need to reform the childcare entitlement to provide additional support.

The Cabinet Secretary for Education and Lifelong Learning (Michael Russell): Liz Smith uses the phrase that the solution “is the right one”. Can she equate that with the report from the Institute for Fiscal Studies that shows that the coalition’s changes to the welfare system will increase the number of children in the UK who are in absolute poverty by 500,000 by 2015 and by 800,000 by 2020? How can that be the right solution?

Liz Smith: What is right is the principle that it is better to be in work than on benefits. I fully accept that the coalition needs to revise details of its policy and I think that it has admitted that there are aspects that it must revise.

That is why we are interested in the ideas that are being promoted by Iain Duncan Smith south of the border about the possibility of charging for childcare services by the hour rather than by the block. That makes it much easier for childcare to be more flexible and more affordable, in the sense that parents would not have to pay for care when they do not need it. It is about flexibility as well as about the number of hours; that is the important thing that can drive forward the policy. I hope that we can engage with the Scottish Government on that principle as well as we can on the others.

09:44

Margaret Burgess (Cunninghame South) (SNP): I think that we all agree that supporting children in their earliest years gives them opportunities for learning and development that make a huge difference for the rest of their lives, and the SNP recognises that that needs to be integrated with good quality, flexible and affordable childcare in order to enable parents to work.

We are here for families: that is the SNP’s clear message to parents. The First Minister’s announcement of 600 hours per year of funded early learning should have been welcomed with a bit more enthusiasm by the Opposition parties. The increased provision will be flexible, and will help to support parents who are seeking employment, while giving children the best start in life through increased learning opportunities. It is important that it will be enshrined in legislation, which indicates—in my view—the Scottish Government’s commitment to the future of Scotland’s children and their families.

We know, however, that more needs to be done. Childcare provision is not uniform, and it is not affordable in many parts of Scotland. “The Scottish Childcare Lottery” says that, but while the Scottish Government is trying to address the issue, we have the UK Government—of which the Lib Dems are part—ploughing ahead with welfare reforms, thereby increasing pressure on families and raising the cost of childcare. I really cannot understand why the Liberal Democrats chose to lodge the motion.

Willie Rennie (Mid Scotland and Fife) (LD): Does Margaret Burgess accept that the extra £300 million that we are putting in through universal credit for childcare support is a positive thing?

Margaret Burgess: What I accept is that through the Con-Dem Government people have lost out. Last year in North Ayrshire, 1,200 families lost an average of £450 a year. Incidentally, the cost of nursery provision there is 63 per cent of the average cost in England.

Child benefit has been frozen, and increases in other work-related costs—for example, for travel—have meant that many people have had to give up work. The Con Dems have not finished yet, because—as we have seen in the Save the Children report—the impact of universal credit will be that many of our poorest families will lose up to £68 a week. Again, it is mainly women who will be affected. In addition, in Save the Children's online poll 56 per cent of mums said that the main thing that is preventing them from working is the cost of childcare.

The report that the Liberal Democrats refer to in their motion came out of the wider “Childcare Costs Survey 2012”, one of the key recommendations of which was to increase

“the proportion of costs which can be claimed under the childcare element of Working Tax Credit ... to 80 per cent, with a higher rate of 100 per cent for families on the lowest incomes and those with disabled children.”

The survey warns the UK Government that the decision to cut tax credits will mean that some families are no longer better off going to work, once they have paid for childcare. The survey's authors state that

“it is sheer folly that any parent has to leave work because they cannot afford to pay for childcare.”

It is amazing that the Liberal Democrats have picked out some of the details, but not the bits that they do not like. They have a bit of neck asking for more affordable childcare here when their colleagues in Westminster are driving up the cost of childcare in Scotland and the rest of the UK.

When the Scottish Parliament has control of the tax and benefit systems, we will be able fully to realise our ambitious vision for children and parents. We will be able to provide the wraparound service that is needed, by integrating early years education with affordable childcare, thereby ensuring the very best for our children and supporting parents by guaranteeing that work pays.

09:48

John Park (Mid Scotland and Fife) (Lab):

Today's debate is timely. We have spent a lot of time talking about the impact on families, but I believe that the debate is clearly about the economy: it is about the impact of the lack of flexible working and of childcare opportunities on families' ability to engage economically. I think that all of us here in the Scottish Parliament aspire to see families do that.

In the past couple of weeks, we have had debates on the living wage and on in-work poverty, and in almost every contribution in those debates affordable childcare, flexible working or high-quality employment came to the fore. The

debate today is one of many that we need to have about the type of work and employment opportunities that we want, so that our young people and their families are given the best possible chances.

I declare an interest as someone who has been a working parent, and I remember some of the real challenges that I faced. When my first daughter was born I was not able to drive, which is an indication of how many times I have failed my driving test rather than how young I was at that time. Finding suitable childcare when I had a very rigid working pattern was a real issue. I know that that is a challenge that a number of people face, particularly those who are in blue-collar employment who go into the workplace at a set time and are expected to perform until a set time while trying to balance all the other things that go on in their lives.

It is not just people in blue-collar employment who face difficulties. A constituent of mine in west Fife, Alison Johnstone, sent me an e-mail in October. She is a working mum with a six-year-old son. She has a masters degree in chemical engineering and is studying part time for a masters degree in managerial leadership, and she works in the public sector. Along with her husband, she wants to put in place flexible arrangements so that they can jointly bring up their kids and spend valuable and meaningful time with them, while also keeping their careers going. That is difficult, and involves negotiation and discussion that even someone on that career path with those qualifications is finding very difficult. Childcare is a key issue that affects every part of the economy. It affects those who are trying to get into work, and it affects blue-collar workers and professionals. We must bear that in mind.

I am sure that other MSPs received yesterday a copy of a Joseph Rowntree Foundation report that clarifies some of the issues in a sophisticated way. Flexible working is an issue for employers because of the wider economic pressures that they face. The reality of flexible working for smaller businesses in Scotland—95 per cent are small or micro—can be difficult if they do not have the capacity to deal with it, so that is another challenge.

I was pleased to hear the minister say that she is intending to bring people together to talk about childcare opportunities, particularly in the private sector. I believe that there is a role for the public sector in that regard: the Scottish Government, the national health service and other public bodies must take the lead by saying, “Here's how we'd like to do things with our employees”. It is important that the private sector follows that lead.

I reiterate that childcare is a key economic issue, and I am pleased that we are debating it today. I hope that we get a positive outcome.

09:52

Mark McDonald (North East Scotland) (SNP):

It takes a brass neck for the Lib Dems to come to the chamber to complain about the affordability of childcare while they vote in coalition with the Tories at Westminster to remove tax credits from more than 73,000 families in Scotland and, as Malcolm Chisholm rightly pointed out, to decrease the amount that can be received for childcare costs from 80 to 70 per cent. That will have a detrimental impact on working families and single-parent families in Scotland.

Liz Smith said in reply to the cabinet secretary's intervention that it is better to be in work than on benefits. These people are in work: they receive tax credits because they are in work. The policy that is being pursued by Liz Smith's party—the Conservative Party—and the Liberal Democrats in government at Westminster is harming working families. These are not well-off working families; there is often a misconception that only the well-off will be affected by the changes. We are talking about any lone-parent family that earns more than £26,000 per year, and any two-parent family that earns more than £32,000 per year, which would be two people earning around £16,500 each—that is well below the national average. Those are the people who will be harmed by that policy and who will find it all the more difficult to afford childcare as a result.

I class myself as a parent first and a politician second, and the issue of affordable childcare is close to my heart. I have often spoken to other parents about it when I have been picking my son up from nursery or playgroup. I am well aware of the pressures that people face in finding affordable childcare. The difficulty is often not with the childcare that councils provide but with private sector childcare, and I think that the Government recognises that that must be addressed. We have to try to work with private sector partners wherever possible to ensure that they are delivering affordable and accessible childcare.

Although no one will deny that we need to consider such issues, I think that it is excellent news that the Scottish Government is increasing funded nursery provision for three and four-year olds and looked-after two-year-olds to 600 hours per week. I am pleased that Mr Bibby welcomed the announcement in his usual charitable fashion, neglecting to mention that, in the previous session, this Government increased provision 20 per cent and in doing so benefited 100,000 children in Scotland.

That is not the only area in which we have a positive story to tell. We have not only delivered increased provision in free nursery education but invested £10 million in the early years early action fund and the child poverty strategy, which sets out how we will tackle child poverty; developed the BA course in childhood practice, which 1,000 students are taking; and supported local implementation of the early years framework. In my home city of Aberdeen, through the 3Rs—or reorganise, renovate, rebuild—schools project, we have developed state-of-the-art facilities, including the fantastic developmental nursery at Seaton, which is delivering for some of the most vulnerable youngsters in our city. That is a positive story that we can tell.

Mr McArthur should not stand up and say, “All you get from the SNP is negative, negative, negative.” We have an extremely positive story to tell and we will continue to tell it to the people of Scotland, who have recognised as much. After all, we have 68 MSPs and the Liberal Democrats five—or should I say four? Clearly, having to stay for the entire debate and hear exactly what his party is delivering was just a little bit too much for Mr Scott.

We have a positive story to tell, which we will continue to tell, and the people of Scotland will respect that.

09:56

Anne McTaggart (Glasgow) (Lab): All I can say is that the SNP has had a long time to tell that story. We are still waiting and, given what its partners in England are doing, we will still be behind.

As a working mother with three children, I sincerely welcome the debate. I know all too well how difficult it is to find high-quality, affordable childcare and certainly realise how important it is not just for the kids but for their parents. Our children benefit from the early socialisation and learning that often come from being in childcare, as they can start to form relationships and have new experiences there. Parents, too, benefit from being able to allocate time for work or education.

I am pleased that Liam McArthur's motion calls on both the Scottish Government and local authorities to work to provide more access to affordable childcare. In Glasgow, where the Labour council was the first in Scotland to provide funded childcare for three-year-olds, work on that can already be seen. At the moment, children get 15 hours of such childcare a week, starting at the beginning of the term after their third birthday, and the city's Labour council has pledged that, if—I mean, when—re-elected in May, it will expand provision to ensure a funded childcare place for

every child at the start of the term in which they turn three. That move will benefit an additional 7,000 children.

Such positive and progressive policies are needed more than ever, given that the cuts that are being pushed through by the coalition Government at Westminster will take thousands of pounds from working families. We are moving closer to the changes in working tax credits, and I am sure that we will all have heard the concerns that were expressed this week by Save the Children about the effect of the changes on working parents. There is no doubt that, for those families, the already difficult task of securing quality childcare will be all the more challenging. I was concerned by the comment of one Glasgow parent, who said that, as a result of the changes,

“It’s a case of either heating or food—one or the other”.

I find that worrying, because it shows that some families are being squeezed so much that childcare does not even feature among their priorities. Worse still, it is not only one Glasgow parent who should be concerned about these changes; in that city alone, they will directly impact on almost 4,500 children. The changes might leave working families with only two options—work more or incur debt—and I fail to see how either will help them to deal with the childcare situation.

I am glad that Liam McArthur’s motion recognises a number of the issues that working families in Scotland face when it comes to childcare acquisition. Those issues need to be addressed now. However, we also need to realise the impact that benefit changes will have on our hard-working families, so I ask members to support the amendment in the name of Neil Bibby.

10:00

Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): In welcoming today’s debate, I declare an interest, in that I am a father of a pre-school-age daughter.

I thank the Liberal Democrats for bringing the debate to the chamber. I can tell them that ensuring more affordable childcare is an issue of cross-party concern. I secured a members’ business debate on the subject last year, to which Neil Bibby referred earlier. It would be churlish of me to begin my speech by pointing out that no Liberal Democrat members took the time to take part in that debate. People might conclude from that that their interest is not as sincere as they claim. However, in the interests of consensus, I will not make that point.

Mark McDonald made a point that I want to reiterate. The record of the SNP Administration is a good one. We heard the announcement at the

weekend about the increase in nursery provision for three and four-year-olds and looked-after two-year-olds. That builds on the increases that there have been in free nursery provision over the past few years. We have an Administration that is determined to focus on the very early years. Through the early years change fund, which is overseen by the early years task force, the Scottish Government will contribute £50 million to a total fund of £270 million over the next four years, which will strengthen support for children and their families. The record of the SNP in government is a good one.

Liam McArthur: Will Jamie Hepburn acknowledge that I have welcomed the announcement that the First Minister made at the weekend? Will he also acknowledge that there is concern in the chamber that a similar announcement and pledge was made by John Swinney in 2007—it concerned a rise to 570 hours of nursery provision—but there has been no progress on that over the past four years?

Jamie Hepburn: That is not the case. There has been an increase in nursery provision over the past four years of this SNP Government. Free nursery provision has risen by 20 per cent, benefiting 100,000 children. Perhaps Mr McArthur would like to get his facts correct.

I welcome the publication of “The Scottish Childcare Lottery”, to which the motion refers. It is always useful to have that type of inquiry casting more light on to the circumstances around childcare. I know that some concern has been expressed about the higher cost of childcare in Scotland, and I accept that there is legitimate concern. I know the difficulties that many families face when trying to bear the burden of childcare—I can speak to that from my own experience, and I can only imagine the difficulty that some other families have. However, saying that childcare costs are higher in Scotland than they are elsewhere in the UK is not telling the whole story. I am sure that Liam McArthur has read “The Scottish Childcare Lottery” carefully and has noticed that table 1 says that nursery costs are lower in Scotland than they are in England. Table 2 shows that, in the past year, the average cost of nursery provision for under-twos in England went up by 6.7 per cent while, in Scotland, it went up by only 1.9 per cent and that the average cost for nursery care for over-twos went down in Scotland while it rose 5.1 per cent in England. It is important to put that on the record, as that tells more of the story about childcare costs.

Alison McInnes (North East Scotland) (LD): Will the member give way?

Jamie Hepburn: Do I have time to give way, Presiding Officer?

The Deputy Presiding Officer (John Scott): You do not.

Jamie Hepburn: I would have gladly done so otherwise.

It is a bit rich of the Liberal Democrats to bring this debate to the chamber. I am glad that they have done so, as it enables us to put some facts on the record. However, in my constituency, Cumbernauld and Kilsyth, which is in North Lanarkshire, HM Revenue and Customs has sent out notices informing 6,000 families that they are losing child tax credits. How will that make childcare more affordable?

10:04

Liz Smith: This has been a helpful—if rather short—debate because it is perhaps more focused than our debate on early years last September, not least because each party is beginning to put more beef on the bones of its policies and, no doubt, because the debate down south about the discrepancies between north and south of the border, whether or not that is controversial, has sharpened our awareness of exactly what needs to be done in other policy areas as well as in this one.

Liam McArthur was right to refer to the interesting contribution by Bronwen Cohen, the chief executive of Children in Scotland, in *The Scotsman* yesterday, in which she argued for a more articulated approach to be taken to care services and education, as keeping them separate, she believed, has been one reason for inequalities developing in access to care. In turn, she argued, that has led to increased costs and to more parents opting out.

Bronwen Cohen had the interesting and perhaps challenging message for the Scottish Government that its current policy is not sufficiently ambitious when it comes to the overall perspective. I am sure that the minister would be interested in pursuing further discussions on that.

Most important, Bronwen Cohen argued that the promise of 600 hours a year—which, obviously, is more than the 570 hours in England—is all well and good but does not do as much as it should to provide greater choice for parents. That is why we, the Conservatives, are arguing strongly that the choice factor is just as important as the number of hours.

Aileen Campbell: On that point, I made it clear in my opening remarks that we recognise that this is not just about numbers and hours but is about transforming the provision of childcare services and offering flexibility to parents. That is why we want to think carefully about how we approach the delivery of 600 hours.

Liz Smith: That is good to hear. However, I return to what Bronwen Cohen and others are saying. It is not so much about the quantity of care as it is about its quality and flexibility.

Like all the other parties, Conservatives believe that investing in a child's early years is pivotal. It is beneficial for their future emotional, intellectual and social development. We look forward to hearing many more details from the Scottish Government about the timing and content of the legislative process and about how it will engage with local authorities, private providers and the stakeholders who use childcare services. It is good to hear that the minister will soon convene a conference with business about some of that provision.

I am more than happy to welcome the 600 hours, even if it is a recycled manifesto commitment. Some would say that it did not succeed the first time because of costs within local authorities. Some uncharitable commentators would even say that it was because of the cost of class size policy. Notwithstanding that, I welcome it. Again, though, I come back to the fact that it is about not just the quantity but the quality. Such is the overwhelming evidence of the benefits of a good start in life that we probably all agree about the priority that should be afforded to this policy area. Again, that is why we welcome the Liberals' decision to use their business time to debate the issue.

10:08

Neil Bibby: As I said in my opening remarks, Labour is committed to high-quality childcare and early education. That was evident in our expansion and development of nursery education and childcare, in our introduction of a robust regulation and inspection regime, in our support for workforce development, in our introduction of a graduate level profession and in our initiatives of the working families tax credit and the minimum wage.

Scottish Labour saw and continues to see childcare as a major priority policy area because we believe that it is a major issue of equality and fairness—equality and fairness for hard-pressed families and for women who want to or need to work but who rely on the support of good-quality childcare to do so. John Park made a number of good points about that.

For parents who need assistance in caring for children, some with additional needs, and for children themselves, it is important to provide a safe place and a stimulating environment in which children can grow and learn and experience opportunities and events that they otherwise might not have.

As Anne McTaggart said, Labour-led Glasgow City Council is already showing the way on this by offering 15 hours a week of nursery provision and pledging to expand its provision to children before they turn three. That will benefit thousands of young children in Glasgow. Glasgow City Council is showing what can be done and should be commended for doing so.

We recognise—as many members have done this morning—that early education and care are inseparable. That is why we moved to give pre-school education grants to childcare services providing early education and care as part of our commitment to children and families. It is not just in the early years that childcare has expanded; out-of-school care for older children is essential for working parents. That, too, grew under Labour but, as the Daycare Trust and Children in Scotland highlight in their recent report, we need to do more to increase the availability of that care, particularly for children with additional needs.

We need action that will support children and their families, not make it harder for them. I therefore hope that the Conservative-Lib Dem UK Government will reverse its cuts to working tax credits, which are wrong and shameful, as they will have a devastating effect on thousands of low-income families. I also hope that the SNP will meet its pledge to increase nursery provision to 600 hours.

The SNP stated:

“We will increase the provision of free nursery education for 3 and 4 year olds by 50 per cent. That means increasing the entitlement from 400 hours a year to 600 hours a year.”

That is on page 51 of the 2007 SNP manifesto. Despite Mark McDonald's suggestion that a 20 per cent increase is a great achievement, what the SNP promised was a 50 per cent increase. I hope that we have a 100 per cent implementation of the SNP's latest announcement and do not deem a 20 per cent increase to be acceptable. I also hope that we receive more details from the minister about how the SNP will deliver on its pledge, how much resource will be given to local authorities and whether there will be consistent, teacher-led input across the country.

I hope that the Government will look again at childcare and nursery provision for babies and children under the age of three. Under Labour, the surestart scheme provided nursery places for vulnerable two-year-olds, but the SNP scrapped that in 2007 and has taken five years to announce a new initiative. We welcome the support for places for looked-after two-year-olds, but we also need support for other vulnerable two-year-olds who are not looked after and support for vulnerable children under the age of two.

As I said earlier, I welcome children's charities and childcare providers looking to innovations in childcare regimes elsewhere to see how we can further improve childcare provision in Scotland. We need a Scottish model of childcare that supports the different needs of children and families and which ensures that every child has access to care, no matter where they live. We need a Scottish model in which parents will know that their child is receiving care of a high quality. We also need a Scottish model that celebrates and learns from the excellent work that is done in our childcare centres and which learns from other countries but does not follow slavishly practice in countries and contexts that are far removed from the reality in Scotland.

The Deputy Presiding Officer: The member must close, please.

Neil Bibby: We need a Scottish model of continued regulation of services and staff. Urgent action is needed to help families by providing childcare across Scotland for children of all ages.

10:12

The Cabinet Secretary for Education and Lifelong Learning (Michael Russell): I welcome the overall tenor of the debate, even if parts of it have been disappointing. I got a slight shock when I turned round in my seat and saw the four Liberal Democrats present. I was reminded of the remark by Donnie Stewart about the Tories in Scotland. He compared them to the buffalo—gone are the days when they roamed the landscape in great herds, but there will always be one or two dotted about. There the Liberal Democrats were—four of them together. Tavish Scott could not stay, however. He had to go away and tweet about the debate from outside the chamber, which seems a strange way of contributing to the Liberal Democrats' business, but there we are. I am sorry that we are down to a single Tory. The buffalo analogy applies again, although I would never be so ungallant as to refer to Liz Smith in that way.

I will inject a sense of reality into the debate and ask one or two questions that need to be answered. When the SNP came to office in 2007, only 400 hours of childcare a year per child was being delivered in Scotland. Who had been in government at that time? It had been the Lib Dems and Labour. Who then increased the number of hours from 402.5 to 475 almost immediately? It was the incoming Government, the SNP. Who has been faced with unprecedented cuts from Westminster, first from Labour and then from the Tories and Liberals? It is again the SNP Government. But who still has the ambition to go further? Who, despite those difficulties, is planning ahead and is going to put it in legislation? It is the SNP Government.

No one could doubt that we need to do more; no member has disputed that. However, I have listened to the debate for the past hour and a half and have heard only one set of proposals or costed plan, and that has come from the SNP. Therefore, I hope that, when people listen to this debate, they realise that the people who have the commitment, the intention and the purpose, and who are in government, are the people who are serious about the issue.

Other members are concerned, and I respect that. Liz Smith's contribution was important; we should absolutely deliver the flexibility that she asked for. John Park also made a good contribution. It is not just about flexibility in terms of the delivery of a number of hours in blocks; it is about responding in a transformational way to changes in the world of work and to the differences in the ways that families live their lives, and ensuring that we underpin that. We will certainly do so. I say to John Park that Aileen Campbell's announcement about PSP trialling is an important one. It will look at, for example, rurality and shift work and develop a pattern of activity that will suit Scotland.

John Park: I welcome that approach, which is the right one to take. The experts on the ground should give us ideas on how to proceed. Will the trial results be published? Will there be an opportunity to debate them in the Scottish Parliament?

Michael Russell: Absolutely. Mr Park knows that I am a great fan of transparency. There is a need to publish the trial and to involve others. I say, quite genuinely, that we need to engage others who have an interest in the subject. Mr Chisholm is serving on the early years task force, and I thank him for that. I would genuinely welcome the constructive input of others.

I do not welcome the type of contribution that we had at the beginning of the debate from Liam McArthur. He started off by making some assumptions about what everyone was going to say and then said that all the problems were due to the evil SNP. We will not get progress that way. We will make progress if we accept that, at a time of extraordinary financial difficulty, which has been made considerably worse by the Westminster Government's actions, we can still have aspirations, intentions and plans to deliver.

I will finish by talking about the brass-neck award. It has already been given but I want to endorse my colleagues' view that it should go to the Liberal Democrats, particularly to Liam McArthur. On 22 December 2011, Liam McArthur said of welfare reform:

"the notion that we can simplify without creating winners and losers is ridiculous."—[*Official Report*, 22 December 2011; c 4955.]

He comes here today and argues that we should simply carry on as if nothing that the coalition has done has happened. I will tell him the truth. The proposed changes to child tax credits mean that 84,900 families with children in Scotland will no longer be eligible for child tax credit as of 6 April 2012. That is happening because the Liberal Democrats are supporting the Tories at Westminster. Those are the families who are claiming at or below the family element of the child tax credit, which is worth £545 per family. That will affect 118,700 children across Scotland.

Liam McArthur: Will the cabinet secretary give way?

Michael Russell: I ask—and I will be happy if he answers in a single word—whether Mr McArthur is happy that 118,700 children will be among the losers.

Liam McArthur: I am grateful to the cabinet secretary for taking an intervention. It might well be that I can make a further nomination for the brass-neck award. We have heard that all SNP ministers are in favour of reform, but they have never set out the detail of the reforms that they wish to see. Perhaps, in his closing minute, the cabinet secretary could articulate that.

Michael Russell: Answer came there none, so let me give the answer. Mr McArthur is happy that 118,700 children will be among the losers. It takes a brass neck to come to the chamber and lecture another party that is delivering on childcare and then fail to recognise the damage that he and his party are doing. That is a brass neck; everyone heard it here today.

10:19

Willie Rennie (Mid Scotland and Fife) (LD): That was a bit of exercise for Mike Russell.

The debate has been a bit disappointing. We tried to focus on a serious report that the Daycare Trust and Children in Scotland have produced. The report is very authoritative and it looked at the contrasts between parts of the UK as well as within Scotland. I was disappointed that the debate turned into a bit of a partisan rammy.

Aileen Campbell: Will the member give way?

Willie Rennie: No, I have only just started.

John Park made a good speech. He said that this is an economic issue and talked about it from a personal perspective by considering the costs and the rigid work schedules that he has had to endure while trying to meet the childcare needs of his family. I have a similar personal experience, because I, too, have had difficulties finding flexible, integrated childcare through the hours provided by the state, supplemented by those

available elsewhere. John Park's contribution was significant.

By contrast, others sought to focus on Westminster. I understand that there are anxieties about the tax credit system. Liam McArthur and Liz Smith alerted us to that and said that we need to review the reduction in the UK's contribution to childcare costs from 80 to 70 per cent. I am not sure what else we can say—we are prepared to consider the issue.

Mark McDonald: Will the member give way?

Willie Rennie: I am sorry, but I must make progress.

The SNP is encouraging us to look at some of the good things that it is doing, but it would serve SNP members well if they also considered some of the good things that the UK Government is doing. It is disappointing that not one SNP member mentioned the extra £300 million for childcare support under universal credit. The UK Government is also delivering 15 hours of care a week for three and four-year-olds down south, compared with the 12.5 hours delivered in Scotland. It is also providing for 40 per cent of the most disadvantaged two-year-olds, rather than just looked-after children, as is the case here. We are doing good things, such as developing shared parental leave throughout the UK. Moreover, the duty of sufficiency down south means that local authorities have a better understanding of the childcare needs in their areas, but that is not happening in Scotland. Those are good things, but not one SNP member mentioned them. They would be well advised to follow the John Park route and consider the issues in detail and how they affect people on the ground, rather than fire bullets at people.

On the 2007 and 2012 commitments, I welcome the commitment that the First Minister gave over the weekend for 2014. It would be good to provide more than 600 hours, which would be even better than the position in the rest of the UK. That would be progress and we should all welcome that. However, he also said that the SNP would not rest on its laurels, but there are no laurels to rest on. There has not been great progress. The promise was 570 hours, but Scotland has 100 hours fewer than that at present.

The SNP has power but, too often, it seems ready to criticise Westminster rather than scrutinise its own Government. Its back benchers have a responsibility to scrutinise their ministers on their delivery, but they rarely do that. They blame everybody else and look at faults in other parts of the UK. They would be well served to do their duty and scrutinise their ministers.

Aileen Campbell: Will the member give way?

Willie Rennie: Talking of scrutinising ministers, let us hear what the minister has to say.

Aileen Campbell: Does Willie Rennie propose to do more than just suggest a review of the UK Government's proposals for welfare reform? He should do more than just sit back and accept blindly that 118,000 children will be losers as a result of his Government's reforms.

Willie Rennie: I gave the minister the opportunity to set out what she would like to do, but all she has done is follow the example of her back benchers and criticise Westminster.

Annabelle Ewing: Will the member give way?

Willie Rennie: No, I am trying to answer the minister's question. Our ministers down south are making the case and we constantly challenge them, unlike the minister's back benchers, who are just toadies for her Government. That is the problem. *[Interruption.]*

The Deputy Presiding Officer: Order.

Willie Rennie: One of the serious issues that we need to consider relates to the integration and flexibility to which Liz Smith referred. How can working parents get fully comprehensive care? We should not think of childcare as just looking after kids; it is about education as well. How can we integrate those two aspects so that we have a comprehensive system that meets not only the needs of the kids but, as John Park has said, those of the parents.

Those are the things that we need to look at. There is also the issue of our knowledge of the provision of care in local authorities, because there are huge variations. I am not saying that all local authorities should provide the same type of care, but we need to find out what is happening and the local authorities themselves need a greater understanding of what is happening in their areas. That is why a duty of sufficiency would be helpful. Local authorities in England have a much better understanding of their needs and their provision, which is what we should look to have here.

It is disappointing that the Government was not able even to note "with concern" the report from the Daycare Trust and Children in Scotland. That smacks of complacency, which is something that the Government should be aware of.

Michael Russell: On a point of order, Presiding Officer. On behalf of SNP back benchers, will you reflect on parliamentary language and the use of the word "toady"? I think that that has been commented on before in the chamber and I am sure that, on reflection, Mr Rennie would not like that word to go down on the record.

The Deputy Presiding Officer: I will reflect on your point of order. You have made your point.

Offenders (Rehabilitation)

The Deputy Presiding Officer (John Scott): The next item of business is a debate on motion S4M-02337, in the name of Alison McInnes, on prisons.

10:26

Alison McInnes (North East Scotland) (LD): It is a pleasure to be able to move my motion. It is not often that we talk about reducing crime in the context of the services that are available for those who have committed a crime. I think that that is unfortunate. Scotland's prisons are overcrowded. Our prison population has increased by 25 per cent over the past 10 years. That is a worrying statistic in itself, but if we delve a little deeper we get to truly startling figures: 62 per cent of Scottish prisoners reoffend within two years of being released and more than one in 10 offenders who went to prison in 2010 had served 10 or more previous prison sentences.

Audit Scotland's recent report on the criminal justice system identified that the cost per prisoner place is £34,279 per year, which does not include the cost of processing the case through the courts. It is clear that it is time for us to take a new look at the rehabilitation services and programmes that we provide in prisons. That is what our motion is about: the opportunities that we provide for those who find themselves behind bars.

I use the word "opportunities" quite deliberately; of course we do not seek to reward people for committing a crime, but it is only right that we give them the chance to better themselves. It is our responsibility to give offenders the chance to address the issues that led them to prison in the first place and the chance to move past their crime and contribute positively to society. Frankly, if we are not giving offenders that chance, we are failing them and—just as bad—we are failing the society that they are being released back into. Indeed, it is only in giving offenders the chance to better themselves that prison can be said to be working.

At present, our prisons simply do not have the capacity or the facilities that are needed to support properly the rehabilitation of offenders, so what we get instead is a vicious cycle. Existing rehabilitation programmes cannot succeed, at least partly because prisoners have limited access to them in overcrowded prisons. That means that fewer offenders can successfully participate in the programmes, more offenders reoffend, the prison population grows still further and the rehabilitation programmes become still less able to cope.

I am happy to recognise that good progress is being made on the prison estate itself. HMP Low Moss opened its doors just this week, plans for the

new HMP Grampian at Peterhead are moving forward and the Government's recent budget included £20 million to be spent on much-needed improvements to the women's prison estate. Those are all positive steps. However, when all is said and done, there is only so much that can be achieved by modernising the prison estate. We must also address the rehabilitation programmes themselves. Audit Scotland concluded:

"Funding arrangements are complex and do not always provide a financial incentive to reduce reoffending."

As I said, the reconviction rate in Scotland is too high but, more worryingly, it is consistent. The reconviction rate today is more or less the same as it was 13 years ago when the Parliament first opened. In that time, the rate has never varied by more than a few percentage points either way, despite the Government having a national indicator to reduce offending.

How can we revolutionise prisoner rehabilitation and finally start to bring down the reconviction rate? We believe that we need help from specialists. The simple fact is that, when ex-offenders get a job after leaving prison, the likelihood of their reoffending is cut dramatically—by as much as 50 per cent. However, figures show that offenders are 13 times more likely to be unemployed than those in the rest of society. The Scottish Prison Service's latest survey reveals stark numbers on the problems that many offenders face. Forty per cent of prisoners reported that drug use was a problem for them on the outside; a quarter of prisoners reported that alcohol use had affected their ability to hold down a job; and one in five prisoners reported problems with literacy and numeracy.

Social enterprise is well placed to tackle holistically the range of needs of repeat offenders. In Scotland and throughout the United Kingdom, we are blessed with a wealth of voluntary organisations, social enterprises and charities that specialise in providing precisely the sort of support that those offenders need to push them back towards playing a positive role in society. Therefore, why not look to those bodies to do just that?

There are plenty of examples of innovative approaches to tackling reoffending, such as the Foundation Training Company, which is a not-for-profit organisation that provides a through-the-gate mentoring and resettlement service for prisoners. The organisation leads programmes and workshops in prisons that are aimed at equipping offenders with computer skills and which provide literacy and job application training. To date, the Foundation Training Company has helped more than 11,000 prisoners, 95 per cent of whom have achieved at least one nationally recognised award. Research from the Home Office has shown that

the likelihood of reoffending is reduced by 7 per cent among those who have completed one of the Foundation Training Company's courses.

Those are the sort of positive and innovative interventions that we should do everything possible to encourage. The Liberal Democrats believe that using the social impact bond model is the perfect way to do just that.

Chic Brodie (South Scotland) (SNP): The member refers to social impact bonds. The RAND Europe report on planning and implementation of the social impact bond at Peterborough prison highlighted the need to understand better the risks of financial transfer, the need for new money, the scalability and the monetised benefit. Although I accept that SIBs might have a place in successful rehabilitation programmes, does the member accept that it might be better to await the further report on the Peterborough project before we proceed to a pilot of our own?

Alison McInnes: No, I do not accept that. There is good reason to proceed with further pilots to assess the model. The Finance Committee has considered the issue and Audit Scotland has recommended that we have a look at the model. Therefore, we should push forward with it.

I will outline how social impact bonds work and explain why I think that they are a good idea. They are contracts with Government or local authorities, with a commitment to pay for agreed social outcomes. In the case of offenders, that would be lower rates of reoffending. On that basis, investment is raised and used to fund interventions, such as rehabilitation or work programmes. If the interventions succeed, the investors' initial outlay is repaid by the Government, along with a financial return that is scaled in relation to the degree of success, which in the case of offenders would be exactly how much reoffending has reduced. That contrasts with Audit Scotland's conclusion that

"The way criminal justice social work services are currently funded does not provide a financial incentive to change offenders' behaviour".

That is a reason why social impact bonds are a good way forward.

The payment-by-results approach has a couple of other benefits. First, there is no cost to the public purse unless reoffending is reduced. The Government pays only for the finished painting, rather than simply buying a canvas and a brush and hoping for the best. By bringing new money into the criminal justice system on the basis of repayment that is based on results, the Government can introduce a solid preventative spending initiative even at a time when the budget is stretched.

That leads directly to the second and more important reason why we believe that social impact bonds should be piloted in Scotland. Because the investment risk is kept squarely on private sector investors, there is a motivation for operators of the schemes to ensure that they succeed. That means that high standards are maintained and innovation is encouraged. In turn, that provides us with a further opportunity. As innovative new ideas are developed, spurred on by the payment-by-results model, the Government can monitor progress and, ultimately, adopt the most successful initiatives as examples of future best practice.

The use of social impact bonds can also help to shift the focus for the expert organisations. Rather than jump through bureaucratic red tape to secure grant funding, they can work co-operatively and move the focus of their efforts much more on to the social impact of their work.

Members might be aware of the pilot that is under way at Peterborough prison in which a number of organisations, including the YMCA and Supporting Others through Volunteer Action—SOVA—are using their expertise to provide support to short-term prisoners. The scheme still has a while left to run, as Chic Brodie said, before we see quantifiable evidence on its success, but the initial reports are largely positive. The report “Social Impact Bonds. The One Service. One year on”, which reflects on the first 12 months of the scheme, is a fascinating read and it highlights another benefit of the social impact bond model—the ability for service providers to identify and target individual needs in a far greater way than the existing programmes. The initial figures in the report suggest that 88 per cent of prisoners who were part of the programme in the first year underwent a successful assignment.

Given the current financial climate, which means that we must carefully evaluate our spending commitments, and the continuing high levels of reoffending in Scotland, this is surely an ideal time to move ahead with our own pilot schemes. Truth be told, I hoped that our motion would receive support from the Government benches, but Kenny MacAskill’s amendment suggests that that will not be the case. That is disappointing, not least because, as recently as last May, we seemed to be in agreement on the issue. Indeed, the following line was in the Scottish National Party’s manifesto:

“We will identify and commence three projects through which we can pilot Social Impact Bonds.”

That commitment is echoed in our motion, yet by lodging his amendment, the cabinet secretary seems to be pulling back from that position. When will he introduce a pilot scheme, and why will he

not commit to the use of social impact bonds in prisons?

The use of social impact bonds would encourage greater innovation in our offender rehabilitation programmes. We should not miss this important opportunity finally to make some real progress on reducing reoffending. I hope that the Parliament will support our motion.

I move,

That the Parliament recognises that successful rehabilitation is vital in order to reduce reoffending rates and support ex-offenders to turn their lives around; further recognises the role that voluntary organisations and social enterprises can play in delivering innovative and high quality programmes to address offending behaviour; believes that Social Impact Bonds have the potential to deliver a new approach to investment in rehabilitation, which incentivises innovation and rewards positive outcomes, and calls on the Scottish Government to pilot the Social Impact Bond model as a new approach to prison rehabilitation and reducing reoffending.

10:36

The Cabinet Secretary for Justice (Kenny MacAskill): I thank Alison McInnes and my other Liberal Democrat colleagues for highlighting reoffending. I welcome their shared commitment to tackling this difficult issue. As Alison McInnes eloquently narrated, reoffending creates victims, damages communities and wastes the potential of offenders themselves. It comes at a significant cost, it is a waste of talent and it damages our communities. It is something that we must tackle if we are to have the safer and stronger communities that we all want to have.

I will try to say more on this if I have time, but the purpose of our amendment is not to detract in any way from the ethos of what Alison McInnes is proposing. Indeed, we are happy to look at matters, and I give her that undertaking.

Prison will always be the right place for some offenders. Those who have committed the most serious crimes and who present the greatest threat to the public must always go to jail. However, it is the wrong place for many of those who are in our jails today—the low-level, repeat offenders. They are a nuisance in our communities and they are frequently destructive, but they are not necessarily a danger. They need alcohol and drug services and, as Alison McInnes pointed out, they need mentors to show them a better way of life and services that actively address their offending behaviour. Such services need to be available both within prisons, for those who are serving a custodial sentence, and in the community, for those who have been released and those who have been given a community sentence as a direct alternative.

Since we came into government in 2007, we have been working to tackle reoffending, which is probably the single biggest challenge that we face. We introduced the presumption against prison sentences of less than three months and we were grateful for the support that the Liberal Democrats gave at that time. We introduced the presumption for the reason that Alison McNnes articulated in her speech—because such sentences simply do not work. Three quarters of those who are given a custodial sentence of six months or less reoffend within two years, whereas two thirds of those who are given a tough community sentence do not. Given the cost of such custodial sentences, they are simply not economic, and moreover they do not work. They simply produce the churn and cycle of reoffending that harms so many communities.

On that basis, we created the community payback order, which is an effective alternative to short-term prison sentences. We are rolling out nationwide the award-winning whole system approach for young people who offend, and we have improved the information that those who sentence offenders require in order to impose the most appropriate sentence for the individual and the community in which they reside.

Alongside those measures, we have invested in the prison service and, of course, in work to reduce reoffending. Since 2007, we have invested £368 million in the prison infrastructure. As Alison McNnes pointed out, this week sees the first prisoners move into the new, state-of-the-art Low Moss prison, which has been delivered on time and on budget. It is run by the Scottish Prison Service and its staff.

Offenders in the prison will be expected to work or to be involved in other purposeful activity for 35 hours a week. When offenders are expected to be working or to be engaged in another useful activity, power in their cells will be switched off. Prison staff will work with those who are in custody for the first time and those who are persistent offenders to help them to stop offending.

In the spending review, we announced a reducing reoffending change fund of £7.5 million. We intend to use the fund to bring about changes so that services that are effective in reducing reoffending are supported sustainably, are expanded and are embedded in mainstream provision. I do not know the precise detail of the matter that Alison McNnes referred to, but I am happy to look at it. We recognise that much of the work in this area is provided by the third sector, whether by Routes Out of Prostitution, the agency that she referred to, Sacro or others. They provide an outstanding service.

As I said, I welcome the fact that the Liberal Democrats have a shared commitment to tackling

reoffending. I agree that we need to be open to looking at all fresh approaches to funding in this area, whether social impact bonds, public-social partnerships or other options. We are working actively with partners, including the Convention of Scottish Local Authorities, voluntary organisations and others with relevant expertise, to develop options for a new system of community justice funding. As the First Minister has said, we do not claim to be the fount of all wisdom. We recognise that not everything can be delivered by community justice authorities, local authorities, social work departments or even the SPS. The involvement of other agencies is required. I put on record our gratitude to faith groups, which contribute greatly on a voluntary basis.

The result of all that work is that reoffending has been falling—one-year reconviction rates are at their lowest in 11 years. That is a tribute to the hard work of the people who work with offenders every day and the measures that we have taken. We are looking to build on those achievements, which is why we have set up the commission on women offenders, which is chaired by Dame Elish Angiolini. The commission is due to report in the next few weeks. I look forward to receiving its recommendations and am hopeful that we can achieve cross-party support in implementing them.

In addition, we are entering a new phase of our programme to reduce reoffending. It will build on the work in phase 1, to ensure that good practice is embedded everywhere and that services that work to reduce reoffending are available across Scotland.

At the start of this Government's first term in office, Henry McLeish's Scottish Prisons Commission starkly set out the choice that the Government had to make. With the support of the Liberal Democrats, we chose to build a system of effective community justice. Reoffending has fallen, but we believe that it can fall further.

Let me be clear that the Government is as committed in our second term as we were in our first to reducing reoffending. I welcome the Liberal Democrats' motion. I am happy to give an undertaking to look at the matters that Alison McNnes raised and to get back to her. I believe that, together, we can continue to make progress, and I look forward to continuing to receive cross-party support when we receive the Angiolini report.

I move amendment S4M-02337.1, to leave out from “; believes” to end and insert:

“, and welcomes that the Scottish Government will explore the potential of innovative approaches to funding, including the piloting of Social Impact Bonds and public social partnerships, to support preventative spend measures.”

10:44

Lewis Macdonald (North East Scotland) (Lab): As has been said, an effective justice system must protect communities, support victims and seek to rehabilitate offenders. That means that those who have been imprisoned should be supported to change their behaviour, when they are willing to do so, so that when they come out of prison they can lead better lives and no longer pose a threat to the communities in which they live. That is the focus of the debate, which we welcome. The question is whether new models of support can help to deliver real change in levels of reoffending and how their success in changing behaviours can be measured.

There is cross-party support for exploring the potential of social impact bonds, for example—there was a commitment on that in our manifesto and in other manifestos for last year's elections—even if it is too early to come to firm conclusions about the longer-term impact of that approach. However, it is important to put new models into the context of what we already know about what makes for the effective rehabilitation of offenders. We know, for example, that prisoners' ability to access their families can help to reduce reoffending by giving purpose and focus to prisoners' lives. That is why we believe that local prisons are important and why, for example, we opposed the Scottish Government's plans to close Aberdeen prison and replace it with HMP Grampian, an hour's bus journey away in Peterhead.

If families can help with the rehabilitation of offenders, those families will need support as they deal with a wide range of emotional and practical pressures, quite apart from the challenge of keeping in touch with the imprisoned person. That is why organisations that work with prisoners' families, such as Families Outside, have an important role to play. Whatever new models are developed must recognise and support the good work that is already being done that indirectly supports the rehabilitation of offenders as well as the work that is directly engaged in that task.

We have prison education services in place that can and should make a difference to prisoners' lives. The basis on which those services are provided in a number of prisons in the east of Scotland has changed recently, and concerns have been raised about the range and quality of education that will be available to prisoners in future. I would welcome the cabinet secretary's comments on how the standards of prison education services are to be assessed and maintained both under the current arrangements and under any new models for providing rehabilitation.

Working and learning should not be incidental to periods of imprisonment; they should define everyday life in Scotland's prisons. It is in the classroom and the workroom that prisoners can learn the skills that they need to make real and meaningful changes to their lives. That is why it is disappointing that, even in our most modern and well-resourced jails, too many prisoners are not able to engage regularly in constructive activities. Repeat offenders on shorter sentences—the very people who should be given the chance to change their ways before they go back into our communities—often have no access to work programmes. It is worth saying that people are sent to jail by sheriffs rather than put on community service orders for a reason, and the challenge of rehabilitation applies whatever the length of the sentence.

Too many people come out of our jails with a drugs habit that they did not have when they went in. That is also a challenge for the system.

In that context, it is all the more important that ministers should think again about their proposals to scrap prison visiting committees. Plenty of ex-offenders will confirm that prison visitors were the mentors—the cabinet secretary referred to mentors—who helped to set them on the path to a life without crime.

We need more, not less, independent scrutiny in our prison system, particularly if new models of support for rehabilitation are to deliver better outcomes for local communities rather than simply lower costs for the Government. The evidence on new models is limited to date, but it is generally positive. The pilot project that uses social impact bonds to fund rehabilitation at HMP Peterborough was originally authorised by Labour ministers, and it has been running since September 2010. By definition, it is too early to measure the effectiveness of that approach in terms of the frequency or rates of reoffending. The model has succeeded in drawing in non-Government finance to support rehabilitation, but there are still issues to be resolved around the measurement of outcomes and avoiding very complex contractual arrangements. Those issues can be resolved, and we support further work on how to deliver new models of support for the rehabilitation of offenders.

It is critical that the whole range of Government policies on prisons supports rehabilitation, and we will continue to press ministers to ensure that they pursue the right range of policies for the benefit of those in prison and in the interests of the wider community.

10:49

David McLetchie (Lothian) (Con): I thank Alison McInnes for bringing the subject to the chamber and for highlighting an imaginative approach to rehabilitation that is being piloted by the Government down south.

In his last annual report, our chief inspector of prisons noted that, apart from

“punishment ... and the need to secure offenders during their sentence ... the most important reason for sending offenders to prison is to prepare them for release back in to the community; the foremost aim must be to reform and rehabilitate and so reduce the risks of re-offending.”

That view is admirable and was central to the great penal reform debates of the 19th century. We must believe that people are capable of redemption and of turning their lives around, and we must do what we can to assist that process, even if we are often disappointed and frustrated when good intentions come to naught.

As members know, the prisons inspectorate reviewed Cornton Vale prison and young offenders institution this year and concluded that there was not

“sufficient purposeful activity and rehabilitative work available”

for prisoners. I acknowledge that the Scottish Government and the Justice Committee have followed up that comment, but it is right to take the opportunity to examine the challenges and opportunities—we see them from that observation—that modernising the delivery of rehabilitation services presents in the prison estate and in the community.

As others have said, the prison population in Scotland has increased steadily. I whole-heartedly welcome that as a factor in the fall in the crime rate to a 30-year low, even if the Scottish Government refuses to acknowledge that connection. However, I would be the first to say that the debate is not about sentencing policy and that sentencing people to prison cannot be just about locking them up and public safety.

Rehabilitation and work programmes are essential, as is an integrated approach, so that no artificial barrier is placed between rehabilitation programmes in prison, rehabilitation’s role in community sentencing and its continuing function of dealing with offenders on completion of their sentences. We must also bear it in mind that an essential part of rehabilitation is assisting prisoners and those who are on community sentences to tackle their problems with addictions and their educational shortfalls in literacy and numeracy, as part of the road to redemption and rehabilitation.

Community payback schemes need to operate not just as an alternative to imprisonment in which the public can have confidence, but as a component that can be bolted on to an on-going programme of support and rehabilitation when a sentence has been completed. A significant number of charities and voluntary and private sector organisations already work on the rehabilitation of offenders, such as Apex Scotland and Sacro. Their contribution needs to be encouraged and supported when positive results are being achieved.

Effective rehabilitation not only benefits the offender and his family but is a sensible investment for society. We have often heard of the £40,000 per annum that providing bed and board for a prisoner costs the taxpayer, but equally disturbing is the cost of an unproductive lifetime that is spent on benefits if we do not help people to turn around their lives and engage meaningfully in our society.

The irony is that, although solid financial savings to society and us as taxpayers can be quantified from the rehabilitation of offenders, funding to achieve the objective is in short supply. That is why investment in social impact bonds is particularly important in financing the role that voluntary organisations and social enterprises can play in such work.

The bonds are flexible on delivery—they can be adjusted for a range of providers to co-operate to try to achieve outcomes and can encourage innovation in service delivery, so long as positive outcomes are met. That is more than just a modern interpretation of philanthropy; it is a vehicle to recognise the genuine benefits that can accrue from money that is injected into and invested in this important area. I will say more about that in my summation.

I support the motion in Alison McInnes’s name. I do not share her pessimistic view of the amendment that the cabinet secretary lodged; I am prepared to accept in good faith his assurances and to support his amendment, too.

10:54

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): I, too, very much welcome the debate and the consensus across the chamber about reoffending. I will not reprise the figures and percentages, which have been cited. The costs of a prisoner are in the tens of thousands per annum, yet most of that is wasted funding. The prison population has been rising and, if it goes on as it has done, it is predicted to rise to 9,500 by 2019-20. The population has been rising over my entire 12 years—almost 13—in the Parliament. We must

look to reduce the waste of public funding and human potential yet retain the element of punishment and, most certainly, public protection. There remains the conundrum of how to deliver those elements along with effective rehabilitation, effective early interventions, diversions from prosecution and alternatives to custody.

We have trod this path before. I take members back to February 2003, when the Justice 1 Committee—I think that Richard Simpson was there, I was a member of the committee and Jim Wallace was the Minister for Justice—held an inquiry into alternatives to custody. It is regrettable that everything that we said then is still valid now.

I even recall a proposal that local alternatives to custody should be available at the touch of the sheriff clerk's fingertips on a computer, so that the sheriff would have up-to-date information at his or her disposal should he or she be considering options other than custody. I do not know whether that is now the case. I hope to be enlightened later in the debate.

We have talked about the social impact bond that is being piloted in Peterborough. I note that the cabinet secretary is not setting social impact bonds to the side and is prepared to consider them. I think that the Liberal Democrats should therefore be able to accept his amendment.

Programmes are, of course, already funded by a mix of central Government, local government, charitable and corporate funding. For instance, Turning Point is funded by Lloyds TSB, the Robertson Trust, the KPMG Foundation, the Tudor Trust and the lottery. That brings me to a Turning Point programme that I believe is exceptional: the 218 service in Glasgow. Some members of the Health and Sport Committee visited the service earlier this year as part of a preliminary fact-finding task on women in prison. Others went to Cornton Vale and HMP Saughton, where some of the women are held.

Many of the women are, like many prisoners, damaged. I think that it was a senior procurator fiscal who said many years ago—I paraphrase—that in prison there are the bad, the mad and the sad. Indeed, a high proportion of those who are incarcerated have mental health issues. Many have been victims themselves, which may be part of the genesis of their criminality. However, to take that on board does not mean that we are going soft on crime: we are looking to break the cycle.

The 218 service has 12 beds. The women must have a commitment to turn around their lives. Some had been in before, had failed and had come back. We had time to speak to the residents and the discussions were very enlightening. Many of the residents had been in care and, sadly, because of their offending, their children are now

in care. That is another cycle that requires to be broken. I observe that that might be one of the factors that contributed—I am not saying that it is, but it might have been—to their criminality. Another contributing factor that surprised me was not drugs but alcohol. Many of the women were in there as a result of excessive abuse of alcohol. That issue was touched on in yesterday's debate; as I said, that debate could well have been a justice debate rather than a health debate.

Across the chamber, the task is to reassure the public that diversions from prosecution, alternatives to custody and putting money into rehabilitation are not soft options. Those options must be tough and we know that if they are tough, they work. That does not always require public funding and it does not always take funding from the justice portfolio; it must take funding from education, health, housing and employment, which all have a part to play in breaking the cycle.

10:58

Mary Fee (West Scotland) (Lab): I thank the Liberal Democrats for bringing the issue to the chamber so that we can have a serious debate on how we address reoffending in Scotland. Reducing reoffending is a major issue in all countries throughout the world and there have many been many attempts to tackle it.

I will touch on the innocent victims of imprisonment: children. Children of prisoners are a very vulnerable group in society and the facts show that more children in Scotland experience a parent's imprisonment than a parent's divorce.

Ensuring that children have the rights that they are entitled to while a parent is in prison can be an effective tool in tackling reoffending among the parents. Brigadier Hugh Monro said that if good contact is maintained between prisoners and families, the risk of reoffending is dramatically lowered. Maintaining good contact between a child and their parent can be good for the child's development as well as the level of recidivism among parents.

There are no definitive statistics on the number of children who have a parent in prison. However, in the UK alone, there are 17,000 children with mothers sent to prison each year; the total of incarcerated parents is estimated to be two and a half times the number of children in care and six times the number on the child protection register.

The time from the principal arrest of a parent to the court case and subsequent imprisonment can be traumatic for a child, who often does not understand what is happening in the judicial system. The effects are often many and varied, and each child is uniquely affected. Children can suffer a range of emotional, behavioural,

educational and financial problems, many of which the average adult would be unable to cope with, and which lead to developmental problems and antisocial behaviour later in life. If such children are not supported, they are left standing outside the revolving door of reoffending, just as many parents are.

Prison visits by children are limited, for a number of reasons, and we need to encourage the use of family visits, but there are also opportunities for video and telephone calls. Those things do not, however, replace the relationship that a parent can have with her children or the relationship that children need if they are to grow and develop.

Before Christmas I had the pleasure of visiting HMP Perth, and was given a tour of the refurbished visiting centre and also the external visitors centre that provides support and advice to families who have a relative in jail. The external centre, which is run by CrossReach, provides emotional support and advice on benefits, health and care. External visitors centres are valuable, and they should be mandatory in Scotland, as they are in England. I commend the Government's guarantee that all new prisons will have improved centres for family visits.

Yesterday was the most recent meeting of the cross-party group in the Scottish Parliament on families affected by imprisonment, which works closely with Families Outside. The speaker, Oliver Robertson from the Quaker United Nations Office, gave a fantastic update on the recent day of general discussion with the UN children's rights committee. The day provided many recommendations for a set of international guidelines on how to handle children with incarcerated parents, with much focus on reoffending. A few examples of good practice were discussed, from countries that are less developed than Scotland. One example from Jamaica was the creation of PrisonBook, a heavily regulated form of Facebook, through which parents and children can have regular contact. In Poland, the police are given guidelines and protocols on how to handle children, and when they arrest a parent they take the child into a separate room. Those are just some of the examples of good practice that were discussed during the UN's day of general discussion and then raised in the cross-party group.

While we are looking at our justice system and assessing reoffending in Scotland, we must also look at good practice internationally to keep people, especially parents, out of prison and away from a life of crime. If we keep parents out of prison, we have a better chance of keeping future generations out too.

11:03

Dennis Robertson (Aberdeenshire West) (SNP): I thank Alison McInnes for bringing this debate to the chamber, and I hope that she is less disappointed after hearing the cabinet secretary's reassurances that he is not dismissing the social impact bonds but has an open mind on many of the suggestions and is looking at many different ways of resolving some of the problems of reoffending.

Rehabilitation is extremely important, but so is understanding why people offend in the first instance. Members across the chamber acknowledge, I think, that there are far too many people in the criminal justice system and in prison who, because of the type of offence that they have committed, probably should not be there. Christine Grahame made a valid point about how often it is a cycle that needs to be broken. Too often families engage in the cycle because their parents did, and perhaps their parents before them—it is a life of crime. We need to look at the social impact of crime in our society and to afford people who enter into crime new opportunities to move away from it. That is about giving them self-belief, self-worth and self-respect.

People need to respect not only themselves and the wellbeing of their families, but their communities too. We are some way along that journey thanks to the community payback option, which has led to a reduction in reoffending. Communities are benefiting from that model because they engage with the community payback orders that local authorities implement.

Like others, I extend my gratitude to all the third sector parties involved in tackling reoffending. There are so many organisations that afford people various opportunities through their programmes. Turning Point, which has been mentioned, is a valuable organisation that works throughout Scotland.

If there was an easy fix, we would not have this problem, but there is not. We must consider every aspect of reoffending and look at why people get into the offending mode in the first place. As I have mentioned, that often relates to where people are in their lives, whether they are in employment, their family status and their place in society.

We can point the finger at drugs, alcohol and so many other social problems that occur in communities, but many people do not enter into crime, so we must look at the facts that are before us and ask what makes some people go into crime. The majority of crimes are low level, and prison is certainly not the place for those offenders.

With regard to rehabilitation and prisoners' visiting rights, Mary Fee made the exceptionally

good point that prisoners should be in an environment that is conducive to the rehabilitation programme. There is consensus among members from all parties, I think, that we need not only affordable but effective rehabilitation. I look forward to engaging in a further debate, I hope, once we have seen the results from the Angiolini commission later this year.

11:07

Graeme Pearson (South Scotland) (Lab):

Unfortunately, I must begin my contribution by agreeing with Christine Grahame and acknowledging all that she said about the 218 project in Glasgow. It is an excellent project that tackles reoffending, and it is well worth supporting.

Today's debate is rightly concerned with rehabilitation. I welcome Alison McInnes's interest in that area and in particular her efforts in respect of the women's prison at Cornton Vale. As other members have acknowledged, the purpose of a prison service is to hold prisoners safely in a secure environment, to punish them, to ensure the public's safety, and—just as important—to address reoffending through education and other programmes.

I have already stated in the chamber my admiration for the work that is carried out across the prison sector in delivering the first two elements of a prison service's duties. Unfortunately, however, evidence of success in addressing reoffending is thin on the ground and, despite regular pronouncements to the contrary, a great deal of effort is required in that regard.

At the Justice Committee we have heard much about the management of overcrowded prison facilities and the introduction to the system of additional capacity, including the new prison at Low Moss, which is to be welcomed. However, questions on the literacy and numeracy courses that are delivered received broad-brush responses that lacked detail on precisely how the Scottish Prison Service intends to deliver satisfactory courses against achievable targets and to publish results.

The most recent figures show that the rate of reoffending within two years of liberation stands at 42.4 per cent, yet Her Majesty's chief inspector of Prisons, Hugh Monro, has regularly commented on the significant amount of time that prisoners of all ages spend inactive in their cells, avoiding opportunities for improvement. The challenge for the authorities is to tackle that and to provide the kinds of courses that deliver success. As members have pointed out, that will be no easy task, but it is a prize worth winning. Literacy and numeracy levels across the prison population remain stubbornly low, leaving the majority of prisoners

incapable of filling in application forms or dealing with job interviews after release. That is not a good outcome in what is an already depressed employment market.

Much has been said about social impact bonds. If the model can be shown to deliver success while maintaining the necessary security within prisons, why should it not be used? However, that will be a matter for the authorities and I hope that the cabinet secretary will tell us how he intends to encourage results from the initiatives that he announced today and outlined in his speech.

The key demand is that the authorities focus and take steps to deliver on reoffending rates. Prisoner release dates should be linked to successful prisoner participation in education and behaviour improvement courses. Moreover, prisons should be empowered to reduce methadone programmes for each prisoner over the period of their sentence. The return of men and women to our communities with little home support or little evidence of educational improvement and without a new-found independence from methadone creates the fertile circumstances that prepare them for reoffending.

In her motion, Alison McInnes draws proper attention to the issues and challenges that the authorities must respond to. I support the motion and welcome the cabinet secretary's positive approach in his opening speech.

11:11

Roderick Campbell (North East Fife) (SNP):

First of all, I thank Alison McInnes for lodging a motion on what is an important issue.

When we think about offenders, we find it all too easy to think purely in terms of punishment, public safety and deterrence. However, as far as the individual in question and society are concerned, in this era of preventative spending, rehabilitation in all its forms and reducing reoffending must be priorities. With regard to rehabilitation, I am pleased to note the terms of the Government's press release on Low Moss.

As we all know, cutting reoffending is a long-term business and, as with minimum pricing, there is no silver bullet for it. As a result, I believe that we should consider the use of social impact bonds. Although they have been welcomed by Conservative proponents of the big society, the idea was embraced initially by the former Labour Home Secretary, Jack Straw, as Lewis Macdonald made clear. The Peterborough pilot raised £5 million from 17 social investors and is expected to involve 3,000 short-term prisoners set to leave Peterborough prison over a six-year period. The voluntary organisations involved, including YMCA and various trusts, aim to concentrate on

improving the education skills and confidence of short-term prisoners in jail to make them better able to integrate into the community. Support organisations will provide intensive assistance after prisoner release to help individuals to settle into the community. Early indications are that participation is high; indeed, a key factor of the Peterborough trial is that its participants are volunteers. The fact that prisoners have expressed the desire to seek help and avoid reoffending is welcome and the Scottish Government should certainly be open to innovative schemes that help former prisoners to readjust.

However, the only report so far on the Peterborough project was commissioned by the Ministry of Justice 10 months ago. It states:

“given the early stage of development of the Peterborough SIB, we are unable to draw conclusions about or comment on outcomes.”

My understanding is that the minimum possible period for assessing reoffending rates is two years and nine months from the project's start and that investors can look forward to a return only after the project's fourth year. Whatever the merits of the Peterborough project, it is really too early for the Scottish Government to reach a considered view on it.

Moreover, how likely is it that SIBs will attract funding entirely additional to that for the third sector? After all, we might well need a high rate of return in order to attract investors. In addition, to make real savings in cash, significant scale will be required. From the Government's point of view, savings might not be great, and set-up costs might be high.

Therefore, we should not assume that social impact bonds are a panacea. A more straightforward public-social partnership might have something to teach us, too.

Alison McInnes: Will the member give way?

Roderick Campbell: I have limited time, so I cannot.

When the Justice Committee was taking evidence on the Scottish Government's budget, we highlighted the fact that the obligation to produce throughcare plans for offenders was restricted to those offenders serving sentences of four years or more. The committee was keen for consideration to be given to extending that to short-term prisoners. In its evidence to the committee, Sacro welcomed the positive steps that are already being taken to address reoffending and reduce the reliance on short-term custodial sentences. Therefore, when we consider reoffending, we should bear in mind that the SNP Government is already committed to the reducing reoffending change fund and that, although

reoffending rates are still way too high, they are dropping, albeit modestly.

In addition, as the cabinet secretary has said, the whole-system approach specifically targets young people who offend.

As I have said, we should be open to new ideas in relation to reoffending. I hope that, when the time is right, the Government will give full consideration to at least one social impact bond pilot project; it should certainly not dismiss the idea out of hand.

11:16

David McLetchie: This has been an interesting and useful debate with some excellent contributions. I thank Lewis Macdonald for pointing out that the social impact bond model was conceived by his Government and is now being implemented by mine. It is only fair that credit is given where it is due and that we acknowledge the cross-party interest in the use of the tool as a weapon to tackle a problem that is of concern to us all.

I was impressed by what Mary Fee said about the impact of prison on children and families and the need to address some of the problems that arise in that context if we are to break the cycle that she described. There was a great deal of truth in what she said. It was also instructive to hear from her of the international examples of ways of dealing with that particular problem.

Graeme Pearson was right to highlight the problem of tackling the poor literacy and numeracy levels among prisoners. There is far too much inactivity in our prisons. There needs to be more purposeful direction. There is no shortage of time to devote to tackling the underlying educational deficiencies; what there seems to be a shortage of are the necessary programmes. That needs to be addressed. We need to be able to lever in additional funding to support programmes of that nature. A social impact bond may be the sort of project that can be of benefit to us in helping to tackle that fundamental problem. If that problem is not tackled, there will be no rehabilitation of people once they are out of prison and back in society.

From the discussion, we have seen that investment in social impact bonds can fund the role that voluntary organisations and social enterprises can play in rehabilitation. It is a form of venture capitalism, as it were, with an added social purpose. Depending on how the programmes perform against set targets, Government can pay out to investors on the basis of the economic value to the Government and the taxpayer of the progress that has been made.

Roderick Campbell gave us some additional information and highlighted some fair warnings about how one might assess the value and outcomes of the Peterborough project. He was right to do that because a multitude of factors are involved, and sometimes results can be skewed by factors that are not directly related to the programme, such as the fact that participation is voluntary. On the other hand, I think that the initiative is worth trying. That was the message that came out of today's debate. There is no magic bullet, but we must try to do something, because we believe in the value of redemption and of turning people's lives around, as I said in my opening speech. We might be frustrated and sometimes disappointed at the outcome, but that is no reason to write ideas off or to write people off. We all have a moral purpose in government to try to do something.

As we have heard, this is an area in which there can be a great deal of co-operation between Her Majesty's Government and Scotland in relation to programmes down south and what we are trying to do here. We can learn from one another and I welcome the cabinet secretary's comments in that respect. We look forward to learning more from him about the innovative approaches to funding that he intends to pursue in the area of rehabilitation.

11:20

Dr Richard Simpson (Mid Scotland and Fife)

(Lab): Alison McInnes reminded us of the poor outcomes: 62 per cent of prisoners reoffend, and the figure is even higher for young prisoners. Although there has been a little progress, we have a long way to go.

Christine Grahame reminded us eloquently that we debated the issue back in the first session of Parliament. Indeed, one of the initiatives of which I was most proud as justice minister was the 218 centre for which we got funding. It is a matter of some regret that that unique and successful Scottish centre has not been replicated for men, or for other women. The cabinet secretary might like to take another look at that. We will see what the Angiolini commission comes up with—I hope that it supports the centre.

As Dennis Robertson from the SNP and my colleague Lewis Macdonald indicated, reoffending is a complex issue. We must begin by understanding the needs of each individual prisoner and the barriers that they face in addressing their reoffending. As Lewis Macdonald said, it is clear that being close to home and family is important, as is tackling problems such as drugs and alcohol. We need to address not only illiteracy, which Graeme Pearson mentioned, but communication difficulties more generally. Areas

such as education and the acquisition of skills need improvement, and we need to address all the barriers to effective reintegration into the community.

Scotland's futures forum held a seminar on the innovative impact of social impact bonds, which, as Lewis Macdonald reminded us, was a pilot initiated by Labour at Westminster and continued by the coalition Government. The futures forum noted that prevention was often the first to suffer cuts in times of austerity, so SIBs were a way in which we might leverage in funds. However, it urged caution in that if there is to be a return to investors of between 3 and 13 per cent depending on the outcomes, we need to be very clear about those outcomes. It called for clarity on the goals.

One perceived advantage of the social impact bond is that it can bring together multiple agencies. An individual who has not only the core problems caused by drug or alcohol but literacy and communication problems, housing problems and employment problems can be treated holistically. Under the recovery framework, drug services should really be providing that holistic care, but I accept that the links are not easy to make, particularly in aftercare, out of prison.

Meaningful educational activity in prison is still far too sparse. Hugh Monro said in his annual report that a common theme was

"poor access to activities such as education, employability training, work, PE and programmes."

David McLetchie reminded us that at Cornton Vale, 65 per cent of prisoners are locked in their cells and that only 35 per cent engage in meaningful activity. Although something has been done to deal with that, we do not go far enough. Glenochil is just as bad. It is unacceptable because we all pay the price when prisoners reoffend. The inspector has said:

"I would like to see increased opportunities and encouragement for prisoners to access alcohol reduction programmes. Too often I see addressing alcohol issues as being ... less important".

He said that we needed to do more about that, perhaps particularly in Polmont.

Graeme Pearson called for tighter key performance indicators on activity in prisons. I support that call. Mary Fee talked about her commitment to families affected by imprisonment and mentioned the cross-party group on families affected by imprisonment.

We need to consider a charter of rights for the children of those in prison, like the one in the United States, perhaps as part of the children's rights bill. Families are an important area.

Visitor committees are important. We do not have a programme for those. We need to have

one in every prison, and not just Saughton and Perth. I hope that the Barlinnie one opening next month will receive support from the Government.

The Government's amendment is interesting but I hope that, when he sums up, the cabinet secretary will go a little further in justifying it. As Roderick Campbell said, we should be cautious. However, we also need to be fairly detailed in our approach to the issue.

11:25

Kenny MacAskill: Justice debates in the chamber are frequently rumbustious and confrontational, and it is fair to say that, sometimes, they generate more heat than light. However, this has been a remarkably consensual debate. I pay tribute to the Liberal Democrats for bringing the issue to the chamber and to Alison McInnes for setting the tenor of the debate, in which there has been cross-party consensus. Whether it is what Mary Fee said about the specific needs of children or what Dennis Robertson said about the underlying causes of a lack of self-worth among individuals, we recognise that there is an issue. I hope that the Liberals accept that our amendment was lodged not as a wrecking amendment, but in the spirit of seeking to work together.

Alison McInnes: I do, indeed, welcome the cabinet secretary's positive comments this morning, but I will press him a little on timescale. In 2009-10, the Scottish Prison Service delivered only 56 minutes of developmental activity per prisoner per day. We need to do better, and SIBs are one way of drawing ethical finance in when times are tight. Can the cabinet secretary give me some reassurance on the timescale?

Kenny MacAskill: As Roderick Campbell eloquently said, we must build on the evidence. The only scheme of which we are aware is in Peterborough and I am happy to look at it, although it is fair to say—especially in a justice debate—that the jury is out. I give the member a commitment to look at the scheme with an open mind. I do not want to give a commitment on the timescale, but I am happy to look at the scheme. Given that it was started by Labour and supported by the coalition, we take no ideological view of it; we will look at what has worked, which is why we will also consider the concept of public-social partnerships.

The fundamental ethos of the debate has been about recognising the good reasons for tackling reoffending. There are financial challenges and questions about how best to use our public funds, as the cost of keeping someone in prison is significant and the cost of constructing prisons is even greater. However, as members have pointed

out, there is also a moral obligation to deal with people with fundamental problems, whether with dyslexia and literacy, which Graeme Pearson and other members mentioned, or with drugs and alcohol, which Christine Grahame mentioned. We have a moral duty to help people who face challenges, although it is accepted by members around the chamber—perhaps more by some than by others—that prison will always be the right place for some people. Those who pose a danger to our communities must go there, and there must be imprisonment for serious offending. In other cases, however, we must consider other ways.

This is a common cause and there are good schemes out there, which have been commented on. The 218 centre was mentioned, first by Christine Grahame and then by Dr Richard Simpson. I visited the centre a few weeks back and had a cup of coffee with 15 or 18 of the women there. It was quite challenging but very thought provoking. I look forward to Elish Angiolini's report but, having not seen it, I am not in a position to comment on it. Nevertheless, the Government looks forward to building on it. I have no doubt that Elish Angiolini, Dr Linda de Caestecker and Sheriff Danny Scullion will have given great thought to it. That may mean building on the 218 centre, as I cannot believe that they would take anything other than the same supportive view of it. When I visited the centre, I was told that Elish Angiolini had been there in her role as chair of the commission.

There is a need to reduce reoffending and, as Roderick Campbell said, the reducing reoffending change fund is about working together to do what we can. Some of the work must be in other portfolios, as it is not just prison officers, prison governors and criminal justice social workers who have a role. There is recognition from members around the chamber of the outstanding contribution that the third sector makes—whether through Sacro, the 218 centre or Turning Point, all of which play a great role.

Equally, we must make common cause across portfolios and we seek to do that at a governmental level. Some of the problems are to do with the lack of educational or work opportunities for individuals, and there are health issues, such as low-level mental ill health, for example. We must tackle those problems.

We know what works in reducing reoffending and getting people back on the straight and narrow. They need a home to go to and some contact with family, whether it be mum, a granny, an auntie or whatever. They need someone who takes an interest in them when they are in prison and when they come out. There should also be, I would hope, some opportunity for employment and, if not, something participatory and

constructive that they can do during the day. We have to put in more resources for those things. Questions have been asked and we must check against delivery on literacy, for example. The SPS is putting in place appropriate monitoring of that.

I am grateful to Alison McInnes for raising the issue. I hope that the Liberal Democrats will accept the spirit of the amendment. I am more than happy to undertake to look at the good work that is being tried in Peterborough. If it works and can be replicated here, we will be more than happy to use it. In the interim, whether we are talking about public-social partnerships or the on-going good work that is being done the length and breadth of Scotland, it has the Government's full support.

11:31

Jim Hume (South Scotland) (LD): I welcome the opportunity to sum up what has been an important debate that was led very ably by Alison McInnes on behalf of the Liberal Democrats. The debate has been quite consensual. There can be little doubt that we are dealing with a highly important subject. Tackling reoffending is about offering second chances and it is clear that members on all sides think that we are not offering enough of those second chances to the people who need them.

A quick glance at the statistics on reoffending that Alison McInnes highlighted is enough to make the eyes water. The simple fact is that most people who are convicted in a Scottish court have offended before and 62 per cent of Scottish prisoners will reoffend within two years of their release from prison. That is a deeply unhelpful statistic when we consider that Scotland's prison population has increased by more than 25 per cent in the past decade.

Even more concerning is the fact that more than two thirds of the 9,372 people who received a prison sentence in 2009-10 already had five or more previous convictions. There is clearly a problem there and the Government is simply not getting a grip on it. "An overview of Scotland's criminal justice system", a report published last year by Audit Scotland, stated:

"Reoffending is a continuing problem in Scotland. There has been little progress towards the Scottish Government's national indicator to reduce reconviction rates, which have fallen by less than one per cent in the last three years."

The cabinet secretary and Mary Fee concentrated on talking about families. Each statistic represents not just a reoffender, but a personal tragedy for friends, family and other concerned individuals. The reoffender might have been brought up in a turbulent environment, might not have been able to enjoy the same educational

opportunities as the rest of us, or might have had problematic drug addictions, which Lewis Macdonald addressed.

There are societal consequences from failing to tackle reoffending effectively. Just ask the 825,000 victims of criminal activity in Scotland in 2009-10, many of whom were victims at the hands of reoffenders. Many members, including Christine Grahame, mentioned the cost to society. Although there are no estimates of the cost to the Scottish criminal justice system, the Audit Scotland report highlights UK Government research, which estimates that every prisoner who reoffends costs the taxpayer around £80,000. Interestingly, research commissioned by the Wise Group, a social enterprise that helps unemployed people to move into employment, established that, by factoring in the costs of welfare payments, unemployment benefits and the cost to the criminal justice system, moving one unemployed reoffender into employment could deliver savings to Scotland of £940,000 over a five-year period.

Graeme Pearson mentioned how a reduction in reoffending would deliver significant savings to the criminal justice system. It would result in fewer cases heading into the in-trays of fiscals throughout the country, fewer court cases and fewer recipients of legal aid. A reduction in the case load for fiscals should be a pressing concern for the cabinet secretary in light of the Procurators Fiscal Society's written submission to the Justice Committee. It revealed that fiscals had 14,000 unmarked cases in October, which was an increase of 7,000 cases in just six months. There would also be a reduction in the costs to the courts and the police of supporting the courts system.

The Management of Offenders etc (Scotland) Act 2005 established Scotland's eight community justice authorities while we were in government. The intention behind the CJAs was to enable a more co-ordinated approach to the delivery of offender services and to target those services towards the reduction of reoffending.

We established both a framework to tackle reoffending and some outstanding projects, such as the Women in Focus service in the south-west of Scotland, which I will touch on later. Sadly, however, no progress has been made and the Government failed to achieve its own national indicator on reducing reconviction rates.

I have spoken of the reasons why we require a new approach to prison rehabilitation in order to reduce reoffending rates in Scotland, and Audit Scotland has stated that there needs to be significant improvement in how services for offenders are delivered throughout the country. As with everything in life, there is no silver bullet, as David McLetchie, Dennis Robertson and others have mentioned, but social impact bonds present

an attractive option for policy makers, and the evidence from the pilot in Peterborough seems encouraging, as Roderick Campbell mentioned.

Despite not operating on the basis of a social impact bond, the Women in Focus service, which is being delivered across the south-west of Scotland by Barnardo's Scotland, is a useful illustration of how such a model could work here. The service works with women offenders who are serving community-based orders in Ayrshire and Dumfries and Galloway to reduce their levels of reoffending and reconviction, reduce the number of community-based orders and help the women to make positive contributions to their local communities.

The service was commissioned following a highly successful pilot in Ayrshire, the outcomes from which showed that the number of successfully completed community orders among women engaging with the service more than doubled, with significantly lower reoffending levels. Early indicators show that the service is achieving similar results to those the pilot achieved.

Driving down levels of reoffending in Scotland is in all our best interests. As a party, we wish to engage with the Government on the issue, which is why we suggested this debate. To be successful at reducing reoffending, we need to know what does and does not work and what is and is not cost-effective. Audit Scotland states:

"Performance information on both the level of reoffending and the effectiveness of services to reduce offending is limited and inconsistent."

We need to remedy that and I would be keen to discuss with the cabinet secretary how the Government will assess the effectiveness of the preventative spend measures that he plans to explore, as detailed in his amendment.

As my colleague Alison McInnes mentioned, it is a matter of regret that the Government does not fully support our motion. We appreciate that this has been a consensual debate and will take the cabinet secretary's words in good faith. However, we are disappointed: the amendment welcomes the fact that the Scottish Government will "explore the potential" of social impact bonds, but we would rather see a pilot set up.

Thank you for this opportunity, Presiding Officer, and I look forward to the rest of the chamber supporting our motion at the end of the day.

Scottish Executive Question Time

General Questions

11:39

Dogs (Compulsory Microchipping)

1. Dennis Robertson (Aberdeenshire West) (SNP): To ask the Scottish Government what its position is on the compulsory microchipping of dogs. (S4O-00789)

The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead): The Scottish Government recognises the benefits of microchipping in helping to reunite dogs with owners when dogs have been lost or stolen, which is why it is recommended as best practice in the "Code of Practice for the Welfare of Dogs", which was published in 2010. In addition, we have ensured that the owners of dangerous or out-of-control dogs can be required to microchip their dogs by the issue of a dog control notice under the relevant legislation. However, there are currently no plans to introduce compulsory microchipping more widely.

Dennis Robertson: The cabinet secretary is probably aware that Northern Ireland will introduce compulsory microchipping in April and that the National Assembly for Wales is considering the issue. Would he welcome dialogue with the Kennel Club on how we can best progress such a scheme in Scotland?

Richard Lochhead: Yes. I am always happy to have dialogue with the Kennel Club and, indeed, with Dennis Robertson. If he wishes to put a case to me, I will certainly sit down with him and discuss the relevant issues. If he wished to contact me to set up a meeting with the Kennel Club and himself, I would be happy to take that forward.

There are a number of issues that we should be conscious of. Enforcing a widespread requirement for compulsory microchipping could be costly for local authorities, and a scheme could of course be costly for owners, since any registration system and database would have to be self-sustaining financially. We are concerned about a number of issues, but I would be happy to sit down with Dennis Robertson and the Kennel Club, if that is what he desires.

Roderick Campbell (North East Fife) (SNP): Does the Scottish Government believe that the Control of Dogs (Scotland) Act 2010 is strong enough to ensure responsible dog ownership?

Richard Lochhead: We supported the Control of Dogs (Scotland) Bill, which Christine Grahame

introduced. Indeed, I believe that all parties in the Parliament supported it. The new powers for local authorities under the 2010 act have been in force since February 2011 and, since then, local authorities have undertaken more than 1,000 investigations and issued 92 dog control notices to irresponsible dog owners. That means, of course, that 92 dogs have been microchipped and that local authorities are monitoring under the 2010 act those dogs' behaviour and that of their owners. I hope that the legislation is making a good difference. We will of course continue to monitor it to ensure that that is the case.

Nanette Milne (North East Scotland) (Con):

Has the minister had any discussions with his United Kingdom counterparts on the compulsory microchipping of dogs? Does he agree that any consultation on the issue should be UK-wide?

Richard Lochhead: I have had no direct conversations on the issue with UK counterparts. I indicated in my previous answer that we will pay close attention to developments in Northern Ireland and in England and Wales, should they, too, decide to proceed with compulsory microchipping.

On consultation, clearly Northern Ireland has taken its own decision and England and Wales will take their own decision, so here in Scotland we will take our own decision. However, I assure the member that we will pay close attention to what happens elsewhere in these islands.

Northern Isles Ferry Contract

2. Liam McArthur (Orkney Islands) (LD): To ask the Scottish Executive when it will announce the preferred bidder for the northern isles ferry contract. (S4O-00790)

The Minister for Housing and Transport (Keith Brown): We expect an announcement on the preferred bidder for the next northern isles ferry services contract to be made in April 2012.

Liam McArthur: I thank the minister for his answer and for his answers to the written questions on the issue that I lodged earlier this month. He will be aware from those questions of my concerns about the scope for the communities that rely on the services to shape the way in which they are developed. Will he assure my constituents that the quality, reliability and affordability of passenger and freight services across the northern isles network will be safeguarded? Will he guarantee that the new contract will not adversely impact on the local economy and my constituents? Specifically, will he offer an opportunity for the regional transport partnerships or the local councils to review the contract specification before it is finally agreed and published next month?

Keith Brown: It is probably worth underlining the extent to which what Liam McArthur has asked for has already happened. Over the past two years, in preparation for the contract, we have taken the views of the Orkney and Shetland communities. There was a consultation exercise in summer 2010, which had more than 400 responses from individuals and organisations. We also held a series of public meetings. During the initial phases of the contract a key stakeholder group was involved, with relevant local authorities and RTPs. External organisations have been involved in the tender, even up to the latter stages of the tender being let, which is obviously not entirely risk free. For that reason, some RTP representatives had to sign confidentiality agreements to protect the integrity of the process. It is my view that such people have been completely involved as far as is possible in a tender process.

Our intention is that the new contract will mirror all the best aspects of the current contract, which attracts support of about £42.2 million from the Scottish Government. That is a commitment to support the economy of the northern isles. Would that commitment be mirrored by the United Kingdom Government, which is bleeding the Scottish economy dry through the fuel duties that it imposes? That would be a very good thing for the member to take forward with his colleagues in that Government.

We will continue to provide our support. I have tried to reassure the member before about the extent to which we are involving local communities in the tender process, which we are doing as far as we can.

Jamie McGrigor (Highlands and Islands) (Con): Will the minister update the Parliament on recent discussions with Shetland Islands Council and Orkney Islands Council about this year's extended dry-dock period for vessels?

Keith Brown: The island authorities have raised a number of concerns, not least about the extended nine-week dry-dock period that the member mentions. Unfortunately, I had no part in the current contract, which has led to that situation. However, I have said to the northern isles authorities that we will ensure that the next tender process does not allow such a situation to arise again.

The Presiding Officer (Tricia Marwick): Question number 3 by Annabel Goldie has been withdrawn, but she has provided a satisfactory explanation.

Question 4 was not lodged by Mary Fee.

Landlords (Registration and Appointment of Agents)

5. John Pentland (Motherwell and Wishaw) (Lab): To ask the Scottish Executive how many landlords have been fined for (a) failing to register and (b) not notifying local authorities of the appointment of an agent since 31 August 2011 and how much has been imposed in fines. (S4O-00793)

The Minister for Housing and Transport (Keith Brown): Local authorities have not informed the Scottish Government of any landlords who have been fined by the courts for failing to register since 31 August 2011, when the maximum fine for that was increased to £50,000. Similarly, local authorities have not made us aware of any landlords who have been fined by the courts for not notifying their local authority of the appointment of an agent.

John Pentland: Many of my constituents are concerned about the difficulties that are caused by landlords who allow their properties, grounds and tenants to blight the community. Unregistered landlords make the situation worse. At present, housing benefit rules do not require their registration. Will the Scottish Government consider measures in the housing benefit system to ensure registration of landlords?

Keith Brown: The housing benefit system is under substantial review and is undergoing changes at the behest of the United Kingdom Government, which controls it. At least currently, this Parliament does not control it.

In relation to unregistered landlords, it is hard to say whether the absence of referrals is because the increased fine of £50,000 is having a deterrent effect. The measure was introduced only in August last year, so we will have to give it a bit more time.

The member makes a fair point about landlord registration and behaviour. We have set up a short-life working group to consider the issue and what more we can do.

John Mason (Glasgow Shettleston) (SNP): Another way in which private tenants could be protected is through tenancy agreements, which we already have in the registered social landlord sector. Could they be rolled out into the private sector?

Keith Brown: At the risk of repeating myself, I point out that we are working with members of the Scottish private rented sector strategy group on a consultative strategy for the sector, which is due for publication next month. As part of that work, we aim to seek views on the current tenancy regime that governs private sector lets and to consider what more can be done about the issue that the member raises.

Public Entertainment Licensing

6. Rob Gibson (Caithness, Sutherland and Ross) (SNP): To ask the Scottish Government whether local authorities are keeping to the spirit of the order that allows charging for free events held under public entertainment licences. (S4O-00794)

The Cabinet Secretary for Justice (Kenny MacAskill): The Criminal Justice and Licensing (Scotland) Act 2010 amended the licensing regime for public entertainment in the Civic Government (Scotland) Act 1982 to remove the automatic exemption for free-to-enter events. The amendment, which removes the previous anomaly whereby large-scale free raves did not require a licence, will come into effect on 1 April 2012.

Local authorities have complete discretion over which types of entertainment they wish to license. Highland Council has confirmed that its existing resolution already exempts free-to-enter events and that it will review which events require a licence. Similarly, Glasgow City Council and the City of Edinburgh Council are reviewing their resolutions. I have written to all licensing conveners setting out the issues.

Rob Gibson: We expect local authorities to take decisions that fit their local conditions. Glasgow City Council, Highland Council and the City of Edinburgh Council have been forced to suspend public entertainment licences for free events. Will the Scottish Government monitor the application of public entertainment licences to free events in all local authority areas after one year?

Kenny MacAskill: We are more than happy to work with the Convention of Scottish Local Authorities to review matters. Fundamentally, we want to ensure that local authorities, which are best placed to know which events should be dealt with and which should be exempt, have discretion. It has always been the intention to ensure that relatively small-scale events that are not a risk should not be charged. That approach is replicated in Highland Council and the City of Edinburgh Council. Equally, for events such as the recent one in Kelvingrove park, local authorities should have the opportunity to take the appropriate action to ensure public safety.

Police Support Staff

7. Graeme Pearson (South Scotland) (Lab): To ask the Scottish Executive how many police support staff are employed across the country. (S4O-00795)

The Cabinet Secretary for Justice (Kenny MacAskill): On 31 December 2011, there were 6,957 police support staff across Scotland. Operational decisions about levels of police support staff are a matter for chief constables, the

Scottish Police Services Authority and the Scottish Crime and Drug Enforcement Agency.

Graeme Pearson: The cabinet secretary will know that that is nearly 1,000 fewer staff than were in post two years previously. Will he take steps to ensure that the police service is not damaged by a significant loss of skills and experience in an effort to deliver Government efficiency savings?

Kenny MacAskill: Absolutely. When I went to the Unison conference earlier this week, I confirmed that we welcome the contribution that is made to policing in Scotland not simply by those who have the office of constable and wear a uniform or otherwise work as a member of the constabulary but by those who do a variety of other tasks that make the life of a policeman easier or are of such a specialist nature that police officers cannot be expected to do them.

As we move to ensure that Scotland remains safe from crime and we continue to build on the 35-year low in crime, we have to move towards a single service and, in doing so, we have to ensure that there is no duplication. However, we have given a commitment to Unison that there will be no compulsory redundancies.

Union Terrace Gardens Project (Business Plan)

8. Richard Baker (North East Scotland) (Lab): To ask the Scottish Executive when it received the business case for the Union Terrace gardens project in Aberdeen and when it will decide whether to approve it. (S4O-00796)

The Cabinet Secretary for Infrastructure and Capital Investment (Alex Neil): Scottish ministers have not yet received Aberdeen City Council's tax increment financing business case for its city centre regeneration plans, which include the city garden project. Aberdeen City Council is working with the Scottish Futures Trust to develop the business case, which will be considered by Scottish ministers in due course.

Richard Baker: Given that the business case was published in the Aberdeen press some weeks ago and the referendum has passed, I am somewhat surprised that the cabinet secretary has still not received the business case for this vital project. When does he expect to make a decision on whether he will approve it, given that there is so much controversy about whether the business case for the Union Terrace gardens proposal stacks up? If there is a shortfall in the ambitious plans to raise additional revenue from business rates, will the Scottish Government assist in plugging any funding gap that may emerge in the project?

Alex Neil: I repeat that we have not received the business case. It is difficult for me to comment on something that I have not received. However, I am sure that Aberdeen City Council, under the excellent management of some of my colleagues, will submit a robust business case and ensure that the council's finances remain in a robust position. I am sure that Richard Baker will be glad to join me in wishing that that happens.

Mark McDonald (North East Scotland) (SNP): I put on the record my membership of Aberdeen City Council. I welcome Richard Baker's acknowledgment that this is a "vital project".

The cabinet secretary will be aware that, the more private sector financial backing is secured for the city garden project, the less money will require to be borrowed under tax increment financing. Will he join me in calling for further private sector donors to come forward and add to the £55 million that has been leveraged thus far from private sector donors—the majority from Sir Ian Wood—and pledged towards the project?

Alex Neil: When we receive the business case, one of the issues that we will look at is the private sector leverage. Indeed, one reason why we asked for the business case to be submitted was that the projected private sector leverage in the proposal, as opposed to the business case, was very attractive. However, I will not be in a position to make a detailed comment on the business case until I receive it from the city council.

Cardiology Services

9. Mary Scanlon (Highlands and Islands) (Con): To ask the Scottish Executive what action it will take following the recent Audit Scotland report on cardiology services. (S4O-00797)

The Deputy First Minister and Cabinet Secretary for Health, Wellbeing and Cities Strategy (Nicola Sturgeon): I very much welcome the Audit Scotland report, which shows that

"More patients are getting more effective treatment, death rates have reduced, people are living longer after treatment and waiting times have fallen."

We are already taking forward many of the report's recommendations through our work on the better heart disease and stroke care action plan and Healthcare Improvement Scotland's heart disease improvement programme. The national advisory committee on heart disease continues to monitor progress.

Mary Scanlon: I thank the cabinet secretary for that very helpful response, but I suggest that further work needs to be done in relation to patients in remote and rural areas and the islands,

given the specified time for the most effective treatment and recovery of cardiac patients.

Nicola Sturgeon: I fully agree with Mary Scanlon that it is vital that we ensure that someone who suffers a stroke or a heart attack has access to good care, regardless of where in the country they live. As we have discussed previously in many different contexts, the challenges are different and often greater when we are dealing with remote and rural areas, but there is no doubt about our commitment and determination to deliver access to such care. I will be happy to keep Mary Scanlon and others advised of progress.

Jackie Baillie (Dumbarton) (Lab): I agree that considerable progress has been made in tackling heart disease. National health service staff should be congratulated on their efforts.

However, the cabinet secretary will be aware that the recent Audit Scotland report on cardiology services showed that people in deprived communities

"are not always getting the same level of treatment as the rest of the population".

What action will she take to ensure equal access to services?

Nicola Sturgeon: It is a very important point and, because it is so important, it is vital that we do not misrepresent the position. Jackie Baillie will be aware, and I am sure that she will agree, that inequitable access to cardiac interventions for people in more deprived areas is a long-standing issue, but there are numerous reasons for that. ISD Scotland has suggested that, once people from deprived areas get into the system, they are just as likely to access care, so encouraging and supporting people in deprived areas to access care is the key challenge.

However, it is also important to remember that we have cut heart attack mortality rates faster in the most deprived areas than we have anywhere else. The latest figures show a 34.1 per cent reduction in mortality among people in the most deprived category, which is double the drop observed in the least deprived category.

I take the issue very seriously. There is no room for complacency. As with many other conditions, we face particular challenges in relation to people in deprived areas. That is why it is extremely important that we continue to take forward all this work through our heart disease and stroke strategy.

Modern Apprenticeship Vacancies (Advertising)

10. Margaret McCulloch (Central Scotland) (Lab): To ask the Scottish Executive how it

advertises vacancies for modern apprenticeships. (S4O-00798)

The Cabinet Secretary for Education and Lifelong Learning (Michael Russell): In Scotland, all apprentices must be employed, so apprenticeship opportunities are advertised and recruited for by employers in the same way as they advertise and recruit to fill other job opportunities in their organisations.

Margaret McCulloch: Is the cabinet secretary aware that there is no longer a central portal for advertising modern apprenticeship vacancies, as there was in the past? Will he ask Skills Development Scotland to consider including such a portal on the my world of work website, to help prospective apprentices access the opportunities that they need?

Michael Russell: We recognise the need to ensure that young people can access job adverts, but it is important that we do not duplicate existing services of one sort or another. Between 30 and 40 per cent of jobs are advertised through Jobcentre Plus and in a variety of other ways. I am glad that the Labour Party is now convinced of the worth of my world of work; its conversion from its previous hostility is welcome. The my world of work service includes a freephone helpline for young people. We are improving it constantly, and of course SDS will look to see how more progress can be made.

It is true that modern apprenticeship places are being filled and being filled well. The 25,000 places that are on offer are in considerable demand. That is a record number, which I am sure will be filled. In those circumstances, I encourage anyone who encourages young people to look for work to ensure that they look widely, that they always look at the advantages of modern apprenticeships and that they look on the my world of work website.

First Minister's Question Time

11:59

Engagements

1. Johann Lamont (Glasgow Pollok) (Lab): To ask the First Minister what engagements he has planned for the rest of the day. (S4F-00547)

The First Minister (Alex Salmond): I am sure that the whole chamber will wish to join me in congratulating Perth on achieving city status. *[Applause.]*

Later today, I will have meetings to take forward the Government's programme for Scotland.

Johann Lamont: Will the First Minister explain why Scottish families are facing some of the highest childcare costs in Europe while his Government offers less help than Nick Clegg?

The First Minister: As Johann Lamont knows, in our previous term of office, we took the free availability of childcare in Scotland from 425 hours, which we inherited, to 475 hours. I am sure that she will welcome the pledge to move that figure to 600 hours. That will go into legislation to ensure that that provision is available to everyone in all areas of Scotland, and that will give us the best package of childcare and pre-school facilities of any country in these islands.

Johann Lamont: I note that the First Minister did not answer the question why we are still in the place that we are in—but there is nothing new there.

On Saturday, the First Minister, who has, of course, never knowingly undersold his own position, promised

"The best package of free nursery education on offer anywhere in the UK",

but just not yet. Nothing new there, then. We saw the same pledge in the Scottish National Party's manifesto in 2007—remember that one? It is filed in the fiction section of a library near you. We know what happened with the pledge in 2007: Mike Russell dumped it in 2009. The First Minister repackaged it on Saturday, and we need to wait until after the referendum in 2014 before he delivers on it. Why has he failed to deliver on his own pledge? Why has he let Scottish families and Scottish children down?

The First Minister: Our ability to deliver on our programme was judged by the people of Scotland last year in an election.

I will correct Johann Lamont on the costs. She is wrong. She said that I did not answer her question directly. On the costs across these islands, the average weekly cost of nursery provision for

children aged two years and over is £103.19 in England and £101.49 in Scotland. The average weekly cost of nursery provision for children under two is £94.52 in Scotland and £98.75 in England. Those are substantial childcare costs. An argument that is persuasively put forward is that supply and affordability can drive up costs in certain instances. If there is more publicly funded childcare and pre-school provision on offer, that will have two great beneficial effects: it will help the families who get that childcare and nursery provision, and it will help to drive down the costs of other provision.

In the election last May, the people of Scotland judged the ability of a minority SNP Government over four years, and they also judged the Labour Party's attitude. I hope that, even if Johann Lamont cannot bring the Labour Party to a more positive position on many issues, at least she will now commit to supporting the legislation that will enshrine in law and make available 600 hours of childcare to families across Scotland.

Johann Lamont: If we had been in power in 2007, we would now be in a position that the rest are in. If the First Minister had worked out how important public provision was, he might have acted a little earlier than now. We worked out its importance a long time ago.

Families need action now—not a provision in a children's bill, and not a two-year delay. Families do not need legislation in the future; they need a Government that will provide funding now to deliver reliable and affordable childcare when people need it. The First Minister has the power to do that now. Why does he not exercise it?

On Saturday, the First Minister promised a bill. It might be news to him that working families throughout Scotland already have a bill—for childcare, and it is a pretty expensive one. Families need support now. Why do we have to wait another two years for the First Minister to put a provision in a bill, never mind delivering what people need?

The First Minister: If the Labour Party was so keen on the policy, why on earth did it not implement it in the eight years during which it was in power? Why did we inherit 425 hours, which we increased to 475 hours? If it was only after eight years, during which Johann Lamont was a minister, that Labour decided—*[Interruption.]*

The Presiding Officer (Tricia Marwick): Order. We will hear the First Minister, please.

The First Minister: I am not surprised that Labour members do not want to hear this. It is inconvenient for them to be reminded of the dreadful record of the Labour Party in government.

If, after eight years, there was a conversion, so that, if only the Labour Party had been re-elected in 2007, it would have implemented the policy, why did Labour not implement the policy south of the border, where it was still in government?

The record of the Labour Party in government up to 2007 was judged harshly by the Scottish people. The record of the Labour Party in opposition up to 2011 was judged even more harshly by the Scottish people. A key reason for that dramatic failure, when Johann Lamont was deputy leader of the party, was Labour's total, absolute negativity. Can Labour members please bring themselves at this stage to welcome our announcement to take childcare provision to 600 hours, to benefit every family in every area of Scotland?

Johann Lamont: If that is the First Minister being positive about me, God help me when he decides to turn on me.

What Labour did on childcare over eight years benefited me as a mother, never mind as a minister. Indeed, we have the benefit in Glasgow now, with a Labour council—

James Dornan (Glasgow Cathcart) (SNP): Not any more! [*Interruption.*]

The Presiding Officer: Order. We will hear the member.

Johann Lamont: This episode is another example of the mañana Government: excuses today and jam not even tomorrow but maybe in two years' time. Working families are struggling now and the First Minister simply does not get it. There are fewer children in nursery, after-school clubs are closing down, and the childcare that is on offer is simply not meeting people's needs.

On Saturday, the First Minister said:

"In devolved Scotland we can demand. In an independent Scotland we can deliver."

Members: Yes!

Johann Lamont: That was obviously for the children on the SNP back benches. They are so predictable. What the First Minister really meant was that he will not deliver until he gets his way in a referendum—talk about an abuse of power! The reality is that, for the First Minister, the issue is not childcare; what gets him excited is the constitution. In this devolved Scotland, families cannot and will not wait. We insist that the First Minister delivers for Scottish families now. Will he take the issue and the people of this country seriously and act now to help Scottish families?

The First Minister: I have often said to Johann Lamont that she should move off script, but after that I think that perhaps she should stay on script in future.

I do not think that Glasgow City Council is Johann Lamont's strongest suit at the moment. Labour is losing councillors in Glasgow even more quickly than it lost votes in the Scottish election.

If what we inherited from Labour was so wonderful, why did the previous, minority SNP Government have to increase provision from the 425 hours that we inherited to 475 hours, as part of the concordat with Scottish local government?

I took as a compliment the 18 mentions of me in Johann Lamont's speech at the Labour Party conference two weeks ago, but it is rather better to lay out policies, as we did at our conference when we said that 2,500 young people are to be given life opportunities, that there will be an additional £10 million Commonwealth games legacy fund, that every SNP council in Scotland will introduce the living wage, as the SNP Government has done, and that we will introduce legislation to give the guarantee to families throughout Scotland of 600 hours of free childcare and nursery education.

Secretary of State for Scotland (Meetings)

2. Ruth Davidson (Glasgow) (Con): To ask the First Minister when he will next meet the Secretary of State for Scotland. (S4F-00531)

The First Minister (Alex Salmond): I have no plans in the near future.

Ruth Davidson: Earlier this week, the Scottish Medicines Consortium decided not to approve the drug abiraterone for men in Scotland who are suffering from advanced prostate cancer. Abiraterone is the drug that has been used so successfully to extend the life of Mr Megrahi since the Scottish Government sent him home to die. In a battle against a cancer that costs so many hundreds of Scottish men their lives every year, there have been few advances. This drug is one. Will the First Minister act to give cancer sufferers greater access to important new drugs?

The First Minister: This is a hugely serious and important issue. Everybody in the chamber acknowledges that, as new drugs come on to the market, it is totally understandable that patients groups, and people who are afflicted with serious conditions, have a tremendous desire to see those drugs become available.

The SMC has been in Scotland now for 10 years, and it is hugely and substantially admired because of its independence and thoroughness. Over those 10 years, there has not been a single case of any Government overruling an SMC judgment. There is a substantial and good reason for that. What happens now? The drug company concerned has indicated that it will go back and resubmit. The SMC has the extraordinarily difficult task of judging the efficacy of treatment against the budgetary constraints that inevitably apply in

any health service. If the SMC—or the National Institute for Health and Clinical Excellence in England—were to accept every submission, it would be impossible to sustain the drugs budget. The SMC has to use criteria.

Ruth Davidson should pay considerable attention to what a number of the cancer charities have been saying about the obligations on drug companies to try to make new drugs, when they come forward, available to the national health service at a cost that can be afforded.

Ruth Davidson: The First Minister misrepresents what I was asking: I was not asking him to overrule the SMC, which is indeed independent and thorough. There is an obvious solution—a Scottish cancer drugs fund. My predecessor, Annabel Goldie, raised the issue with the First Minister 14 months ago; Conservatives then met him and his health secretary; and we brought the issue to the chamber for debate as recently as September last year. In other parts of the United Kingdom, we have seen the huge impact of the cancer drugs fund for sufferers and their families. To date, 12,000 people have had their lives extended through the cancer drugs fund. What possible excuse does the First Minister have for refusing the same opportunity to cancer sufferers in Scotland?

Government is about choices. The First Minister chose to find £50 million to give free prescriptions to people such as himself who can afford to pay for them, but he is choosing not to find a more modest sum to extend and improve the lives of Scots with fatal conditions. Will he now make a different choice? Will he now—14 months down the line, and after countless premature deaths—reconsider, intervene and support a Scottish cancer drugs fund?

The First Minister: Ruth Davidson says that she did not suggest that ministers should overrule the SMC but, of course, her health spokesman did. He should not have done so, because the process depends on its independence for its effectiveness.

Even for medicines that are not approved by the SMC, it is not the case that they cannot be made available to patients in Scotland. We have the process of individual patient treatment requests. Through that process, 126 medicines not yet approved by the SMC have been requested in NHS Scotland. Of those requests, 87 have been approved, and 39 have not.

Ruth Davidson presents the chamber with the impression that the cancer drugs fund initiative in England is substantially supported. However, I remind her that cancer charities such as Myeloma UK, Breakthrough Breast Cancer and Macmillan

Cancer Support issued a briefing paper for the Scottish parliamentary debate on whether Scotland should have a cancer drugs fund. It said:

“The Cancer Drugs Fund does not address the root causes of why patients may be denied access to treatments.”

Ruth Davidson's colleague the Tory MP Pauline Latham said on 26 December:

“The Cancer Drugs Fund was set up to stop this kind of lottery ... In my area, it is not fit for purpose and is not working for the benefit of patients.”

The chamber considered the cancer drugs fund, and we paid attention to the many submissions that we received suggesting that it is not the best way forward.

I suggest to Ruth Davidson that the process that we have in Scotland works effectively, with the SMC approving 60 per cent of drugs that have been resubmitted on a more reasonable cost basis after being turned down. Now that Ruth Davidson has said that we should not interfere with the SMC process, I believe that people will understand the necessity of its independence and rigour. I am sure that she is aware that, if a drug is not approved, there is still the individual patient treatment requests process, through which a clinician can make an argument based on therapeutic value because of a patient's precise circumstances. That process has had great efficacy when it has been applied. On this subject above all, the chamber has a responsibility to the people of Scotland, especially to those who suffer from grievous diseases, to demonstrate to them the substance of the efforts that have been made to give them the best possible treatment.

Mary Scanlon (Highlands and Islands) (Con):

Given the highly critical report by the Accounts Commission on the Highlands and Islands Fire and Rescue Service, which highlighted 35 substandard fire stations, a lack of investment in vehicles and information technology and, most damaging of all, a lack of training, equipment, and health and safety resilience for front-line firefighters, will the First Minister ensure that a thorough review is undertaken to find out how things went so badly wrong and to help to prevent that from happening again?

The First Minister: It is right and proper to give the Highlands and Islands fire board time to consider its response to the Accounts Commission report. I see that, at the meeting on Monday 19 March, possible terms of reference for an inquiry will be considered. I am pleased that our other seven fire and rescue services have provided significant support, including the secondment of staff, to the Highlands and Islands Fire and Rescue Service as it addresses the challenges that it faces. Of course, a single fire service will

have access to wider management resources as a matter of course, to deploy them where they are most needed.

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): There have been allegations in the recent Megrahi biography and in the press regarding the Crown's actions throughout the prosecution appeal process. Is it possible, through the Inquiries Act 2005, to instruct an independent examination of those allegations, and might that fall within the remit of the Inspectorate of Prosecution in Scotland?

The First Minister: The appropriate body for declaring guilt or innocence is, of course, a court of law, but I think that the recent media coverage indicates that it is absolutely imperative that the Scottish Criminal Cases Review Commission be given the powers that it needs to release the full statement of reasons in this case. I obviously welcome disclosure: we are trying to get disclosure of the full SCCRC report, which is imperative. I do not think that partial disclosure, especially when it is done selectively, is assisting the debate. I cannot see any possible reason for there being obstacles in the way of full disclosure and publication of the complete SCCRC report. I hope that the chamber will unite to ensure, as far as is possible within our powers, that that happens.

Neil Bibby (West Scotland) (Lab): The First Minister might be aware from an article in today's *Evening Times* of the completely unacceptable treatment of Mrs Maureen Leckie, a 73-year-old stroke victim from Paisley who was, because no clean towels were available, forced to dry herself with pillowcases after having a shower in the Royal Alexandra hospital. I note that the health board has today apologised to Maureen and her family. Maureen has spoken out because she does not want others to suffer the same experience. What action will the First Minister take to ensure that this does not happen again at the RAH or at any other hospital?

The First Minister: I will discuss the matter with the Cabinet Secretary for Health, Wellbeing and Cities Strategy, take appropriate action and write to Neil Bibby. Individual cases, and people speaking out about them, are an important part of the process of constant improvement in our health service. Such cases must be dealt with: the boards understand that and processes are in place to ensure that it happens. However, that should not detract from recognition among members that our health service and its workers are held in the highest regard—indeed, they are held in higher regard than ever before—in terms of public levels of satisfaction.

Cabinet (Meetings)

3. Willie Rennie (Mid Scotland and Fife) (LD):

To ask the First Minister what issues will be discussed at the next meeting of the Cabinet. (S4F-00541)

The First Minister (Alex Salmond): Issues of importance to the people of Scotland will be discussed.

Willie Rennie: Last week, I warned the First Minister about his unhealthy relationship with Rupert Murdoch. This week, the First Minister's old friend, Donald Trump, turned into a foe. I will press him on another of his rich and powerful friends, and that friend's influence on Government policy.

The First Minister will know that I agree with him on equal marriage for gay people. I want to remove the barriers that prevent churches and other organisations from conducting same-sex marriages if they choose to do so. However, Brian Souter, a donor to the Scottish National Party, has well-known views against equality for gay people. Can the First Minister confirm that he will not give in to Brian Souter and that he will stand up for what is right on equal marriage?

The First Minister: I understand that the Liberal Democrats' ethos in politics used to be to seek consensus and agreement, and to find areas in which parties could unite. Two things have happened. First, even when the Liberal Democrat leader says that he is seeking consensus, he manages to do so in such a way as to make that consensus impossible. Secondly, people in Scotland did not realise when the Liberals said before the previous United Kingdom general election that they were seeking consensus that that would involve the continuation of Westminster Tory rule in Scotland.

Willie Rennie: Observers will note that the First Minister did not answer my question. It is simple: can he guarantee that he will not give in to Brian Souter? Equal marriage will be a mark of a modern Scotland. Last Sunday there was a big push by some churches to block the change. A cardinal said that it is "grotesque" and an archbishop said that there is a duty to stop it. The group Scotland for marriage went to the absurd extreme of saying that it would open the door for polygamy.

Those are serious forces against us, and I do not want the argument to slip away from us. I ask the First Minister again: will he stand up to Brian Souter and take a lead for equality in Scotland?

The First Minister: That does not raise the debate to the level that we hope for and expect in Scotland. Incidentally, I agree with Willie Rennie that it is something that we should aspire to, but

that requires all sides of the debate—not just one—to live up to a particular standard.

I made my views on the matter clear during the election, and they have not changed. The important point is that we are in a consultation process. The consultation has closed, and there has been a massive number of responses. As First Minister of Scotland, I believe that it is right and proper that the consultation process and the consideration of the evidence that has been presented be allowed to take their course.

We—members and parties in the chamber—are considering equal status in marriage, which has a strong moral dimension and is a matter of individual conscience. On such issues above all—if we are to have a debate on an issue of principle that is worthy of Parliament and, indeed, of the country—it behoves politicians, who lecture the rest of society about the care that they must take in using language, to rise to the challenge that they set other people.

Childcare (Pre-school Children)

4. Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): To ask the First Minister whether the Scottish Government will provide further information on its plans to improve childcare for pre-school children. (S4F-00539)

The First Minister (Alex Salmond): We are making a transformational change in childcare support for families and are certainly committed to that shift. As Jamie Hepburn knows, and as we have discussed already during this very question time, the last part of the children's bill that will be introduced next year will legislate for an expansion from 475 hours to a minimum of 600 hours per year of funded early learning and childcare for all three and four-year-olds, and for two-year-olds who are looked after, in Scotland. That will be the best package of free nursery education on offer anywhere in the United Kingdom and it represents a clear statement of faith in, and commitment to, the future.

We will, of course, use the wisdom and advice of the cross-party early years task force to help ensure that delivery of the provision is flexible enough to meet the needs of all Scotland's families. [*Interruption.*]

The Presiding Officer: One moment, Mr Hepburn. There is far too much chatter off. I ask members to concentrate and to let us hear what the member and the First Minister have to say.

Jamie Hepburn: I thank the First Minister for his response and—not least as the father of a pre-school-age child—I welcome the Government's commitment to extending free nursery provision.

Does the First Minister share not only Save the Children's concern that the introduction of universal credit will make childcare costs more difficult for many families, but the concern of many organisations that the UK Government has reduced the cap for the childcare element of working tax credit from 80 per cent to 70 per cent, which is adding an average £546 to childcare costs for thousands of Scottish households? Is not it time that this Parliament had control over tax and benefits so that Scottish families are not left to the vagaries of the Tories and their Liberal friends?

The First Minister: The Parliament should be aware that research from the Institute of Fiscal Studies suggests that the proposed changes to the whole welfare system will increase the number of children in absolute poverty across the UK by 500,000 by 2015. Is not that an argument for why we need powers over tax and benefits? We need to protect the children of Scotland from poverty and the worst excesses of the Westminster Government. It seems to me that the disgruntled members of the Labour Party have a very clear choice before them: to keep backing Tory control over the benefits that will worsen child poverty, or to join us and bring powers to Scotland that will allow us to look after all Scotland's children.

Same-sex Marriage

5. Drew Smith (Glasgow) (Lab): To ask the First Minister when the Scottish Government will announce its position on same-sex marriage. (S4F-00548)

The First Minister (Alex Salmond): This is a hugely important issue. We have received more than 50,000 responses to the consultation—the most responses to any consultation under devolution. The responses are being collated and analysed and we expect to complete that process over the coming months.

Drew Smith: Any Scottish Government proposals for equal marriage will have the support of the many members on this side of the chamber and across it who signed the equal marriage pledge. Will the First Minister confirm that the Government will not publish its response to last year's consultation until after the local government elections? Furthermore, will he indicate whether there is any good reason why equal marriage cannot be achieved before the referendum in 2014?

The First Minister: As Drew Smith might know, what the Government can publish over the campaigning period for local government elections is heavily restricted, as it should be. We are going through the consultation responses and will make progress on that basis. I hope and believe that, regardless of their views on the issue, all members

recognise the critical importance in this issue—perhaps above all others—of people on all sides of the debate being able to see that a genuine and proper process of, first, consultation and then analysis and publication is taking place. That is exactly the type of process that we intend to follow.

2014 Commonwealth Games

6. Sandra White (Glasgow Kelvin) (SNP): To ask the First Minister what progress is being made in ensuring that the 2014 Commonwealth games are on time and on budget. (S4F-00545)

The First Minister (Alex Salmond): I am told that we are 860 days away from the opening ceremony of the Glasgow games in 2014 and I am delighted to report that preparations remain on time and on budget.

Sandra White: I am, indeed, pleased that the Commonwealth games are on time and on budget. The First Minister will be aware that, for the games to be truly successful, they must leave a lasting legacy. What steps is the Scottish Government taking to ensure that the legacy is not only for Glasgow, but for the whole of Scotland?

The First Minister: As Sandra White will be aware, last weekend I announced a further £10 million for a games legacy for Scotland get active fund to provide new and enhanced sports facilities in communities across Scotland.

Construction of the athletes' village is nearing completion. During the games, it will accommodate approximately 6,500 competitors and officials and after the games it will be used to provide a range of affordable housing. The Commonwealth sports arena and velodrome are almost complete and will be accessible to the public in October, nearly two years ahead of the games. Those few but very important examples show that the Government, acting in conjunction with its partners, is determined to ensure that Scots feel the benefit of the Commonwealth games long after they are finished.

Patricia Ferguson (Glasgow Maryhill and Springburn) (Lab): I share the enthusiasm of the First Minister and Sandra White for the Commonwealth games and for what they can bring to Glasgow and Scotland. Is the First Minister satisfied that the games will deliver a tangible legacy for all areas of Glasgow?

The First Minister: Glasgow has a particular prominence as the host city of the games, and rightly so. The games will be extremely important, and I think that the people of Glasgow can see the advantages that are being built at present, in addition to the commitments that have been made in terms of local community involvement. That is a right and proper thing to expect. I know that

Patricia Ferguson is well aware of the range of initiatives that have been taken by the Government and our partners in making that a reality.

I point out that the games will also leave a legacy across Scotland. It is important that Glasgow, as the host city, has the great prominence that it deserves, but the games are backed by the whole of Scotland and, indeed, by our many friends across the Commonwealth.

12:31

Meeting suspended.

14:15

On resuming—

Scottish Executive Question Time

Finance, Employment and Sustainable Growth

Council Tax Bands (Appeals Procedure)

1. Richard Lyle (Central Scotland) (SNP): To ask the Scottish Government what its position is on concerns that the appeals procedure for altering council tax bands is being applied inconsistently. (S4O-00799)

The Minister for Local Government and Planning (Derek Mackay): Proposals to amend council tax bands are considered by the assessor for each area, and any appeals are heard by a valuation appeals committee when there is disagreement on the outcome. Assessors and appeals committees are rightly independent of the Scottish Government and must interpret the law in a way that is correct, fair and consistent. I would be concerned if individuals were not being treated fairly. Ministers remain of the view that the council tax system as a whole is unfair and that the best way in which to resolve that is to bring forward a fairer tax that is based on the ability to pay.

Richard Lyle: Lanarkshire Valuation Joint Board is refusing appeals in relation to wrong council tax banding based on an act that was implemented in 1993 and which states that appeals must be made prior to that date or within six months of a person moving into a property. Other valuation boards are not being so proscriptive. Will the minister write to the Lanarkshire board to request it to allow appeals that are outwith its rigid time limit?

Derek Mackay: Some boards are considering appeals that are outwith the time limit that Mr Lyle describes. I repeat that it is not for ministers to instruct local organisations. The issue would be for the courts and, if relevant, the Scottish Public Services Ombudsman. We expect the law to be interpreted appropriately and consistently throughout the country. Mr Lyle might want to direct further inquiries to the organisation that I have mentioned.

Electricity (Generation)

2. Margaret McDougall (West Scotland) (Lab): To ask the Scottish Executive what percentage of Scotland's electrical energy is generated through (a) nuclear, (b) coal and (c) renewables and whether its 2020 target for renewable electricity will be met. (S4O-00800)

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): Based on published figures for 2010, Scotland's electricity generation percentages were 30.6 per cent from nuclear, 29.5 per cent from coal and 19.1 per cent from renewables.

Last Monday, the Scottish Government launched a consultation on its draft electricity generation policy statement, which highlights how Scotland currently generates electricity to meet demand and outlines the pathway for the changes that are needed to meet our targets. The statement confirms that the 2020 target is achievable, while recognising it as a challenge to the energy supply sector, our renewables industry innovators and Scotland's communities.

Margaret McDougall: The electricity generation policy statement makes numerous references to Hunterston and suggests that its life as a nuclear plant could be extended by up to five years or that it could be a new contender for a carbon capture and storage plant. The minister might not be aware that, at a meeting of North Ayrshire Council on 5 March, Scottish National Party members voted against the Labour Party and removed Hunterston from the local development plan. There has been widespread opposition to a new coal-fired plant, including from the SNP constituency MSP, Kenny Gibson.

I ask the minister to confirm just what the Government's policy is on Hunterston. Does it feature as part of the Government's plans? When does the minister expect a decision on the Hunterston CCS project proposal?

Fergus Ewing: As I am the minister who will be required to deal with any such decision, it would be wholly inappropriate for me to make any comment on that matter. However, I can reassure the member with regard to the Hunterston nuclear power station. The position is crystal clear and is stated in paragraph 50 of the EGPS, which, as it happens, I have before me. That makes it absolutely clear that, if the office for nuclear regulation is

"satisfied that high levels of safety and security could be maintained over the planned lifetime of the installation",

then,

"Subject to the relevant safety cases being made, the Scottish Government would not oppose operating life extension applications"

at Hunterston.

The Deputy Presiding Officer (John Scott): Question 3 was not lodged, for entirely understandable reasons. Question 4 has been withdrawn, for equally understandable reasons.

Industrial Operations (Permitted Hours)

5. Claire Baker (Mid Scotland and Fife) (Lab):

To ask the Scottish Executive whether an industrial operation may operate outwith the permitted hours specified in its planning permission. (S4O-00803)

The Minister for Local Government and Planning (Derek Mackay): Unless it is otherwise agreed by the planning authority, the commencement of operations at a time that is outside that specified in a planning condition or agreement is likely to constitute a breach of planning control.

Claire Baker: Constituents are raising with me concerns about the operating practices of Lomond quarry in Leslie. I understand that Fife Council has received more than 900 complaints from residents about operating hours and blasting, yet the council is taking no action against the quarry even though it is persistently operating outwith its permitted hours.

Will the minister confirm that, in light of the United Kingdom's obligations under the Aarhus convention, if Fife Council continues to refuse to take enforcement action over operations that are only 55m from the houses, the local communities have the right to do so?

Derek Mackay: I say to the member, as she would expect, that it is a matter for Fife Council to pursue enforcement action, and I understand that it is doing that. It is making contact with the company to ensure that it abides by the conditions to the planning permission, and the council will continue to pursue that. Ministers have no role to intervene in such circumstances.

Neil Findlay (Lothian) (Lab): The *Daily Record* recently exposed that the Henry Gillies dump near Pumpherston in West Lothian has been taking in contaminated waste from the Edinburgh tram project, outside the limits of its planning permission. I have heard and seen compelling evidence of alleged illegal activity by the contractor, Bilfinger Berger, but I have found it difficult to get responses on the matter from the Scottish Environment Protection Agency, West Lothian Council and other authorities. Will the minister agree to meet me and community representatives as a matter of urgency to discuss this serious issue?

Derek Mackay: I am happy to receive further information and will consider what approach is most appropriate in the light of the information that I receive.

Jobs Market (Access for Women)

6. John Park (Mid Scotland and Fife) (Lab):

To ask the Scottish Executive what steps it is

taking to increase women's access to the jobs market. (S4O-00804)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The Scottish Government is committed to helping everyone who wants to work to do so. Within our current powers, we are implementing an economic strategy for growth, targeting resources where they are needed most and working to better align all employability and skills services across Scotland.

Equally, we are committed to developing a system of early learning and childcare that is flexible, accessible and affordable for parents. That is why we have committed to deliver a minimum of 600 hours per year of early learning and childcare for all three and four-year-olds and looked-after two-year-olds by 2015. That is the highest level of funded provision anywhere in the UK, and it will ensure that Scotland remains ahead of the game.

John Park: The importance of childcare was recognised in our debate on the subject this morning. Another important issue is access to high-quality part-time employment. I am sure that the cabinet secretary will be aware of the Joseph Rowntree Foundation report that was published this week, which discusses some of the barriers to such employment.

Is the Scottish Government in a position to lead the way and promote high-quality part-time employment opportunities in the public sector? What steps can the Scottish Government take to ensure that private sector employers do the same thing?

John Swinney: There is clearly a role for the Government to lead by example in relation to flexible working practices. It is important to enable individuals to access the labour market in a fashion that is consistent with other considerations in their lives. I assure Mr Park of the Government's active participation in steps of that nature and of our willingness to continue to develop our employment practices to ensure that such issues are addressed.

The Government is going through a process of internal change, given the reductions in public spending and the constraints on our administration budget. That has given rise to other flexible working practices that ensure that we can continue to provide the public services on which people depend but in a fashion that is financially sustainable and which takes into account some of the considerations that Mr Park has raised about high-quality part-time employment.

Margaret Burgess (Cunninghame South) (SNP): Can the cabinet secretary give us details of the female modern apprenticeships that are being

delivered? Does the Government have any plans to increase the number of such apprenticeships?

John Swinney: As Margaret Burgess might be aware, there has been a significant increase in the proportion of modern apprenticeships that are available to women. That number has gone up to approximately 45 per cent, which represents a significant increase. We remain open to ensuring that that level of participation continues to rise as part of the Government's overall strategy for enabling more women to access the labour market and to find fulfilling employment opportunities.

Female Unemployment

7. Neil Bibby (West Scotland) (Lab): To ask the Scottish Government what its response is to the latest "State of the Economy" report, which reported that female unemployment is higher in Scotland than the rest of the United Kingdom. (S4O-00805)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The latest labour market statistics, which were published yesterday, show not only that Scotland's female employment rate of 66.8 per cent is higher than the UK rate of 65.4 per cent but that it is the highest of any UK nation. Scotland also has the lowest female inactivity rate of all the UK countries, which is why both unemployment and employment are higher in Scotland than in the UK.

We recognise that the global financial crisis has had a significant impact on the labour market in Scotland. That is why our budget and the Government's economic strategy contained a range of measures to create jobs for women and men across Scotland. We are taking forward a range of initiatives to improve employment opportunities for people with families, such as our recent commitment on childcare, which I mentioned in my answer to Mr Park.

Neil Bibby: I thank the minister for his answer, but the female unemployment rate is still worrying.

The minister will be aware of the growing number of unemployed mothers whose children live in poverty. Has the Government considered introducing a job guarantee scheme, similar to the one that is being provided for young people, to help that group?

John Swinney: I do not in any way question the significance of the unemployment figure for women, but we must look at the other side of the coin—the level of female employment in Scotland. As I said in my original answer, that rate is 66.8 per cent, whereas the UK rate is 65.4 per cent.

In that respect, the Government's activities are focused on ensuring that we stimulate more

employment opportunities in Scotland through a higher level of economic activity. That was at the heart of the budget propositions that I put forward earlier in the year, and it has formed part of the representations that we have made to the UK Government about its budget next week. We will continue to take all the steps that we can to ensure that more individuals can access the labour market and to improve the economic conditions so that that can happen.

Enterprise Growth Fund

8. Margaret Mitchell (Central Scotland) (Con):

To ask the Scottish Executive how many applications were made to the enterprise growth fund and what the assessment criteria were. (S4O-00806)

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): Six hundred and seven applications worth more than £50 million were received for the then £4 million enterprise growth fund. The fund was increased to £6 million in December last year.

There was a two-stage application process. In the first stage, applications were assessed against specified fund outcomes and published criteria. Those that progressed to stage 2 were assessed on their financial information and business plans. Ultimately, 64 organisations were successful in receiving funding.

Margaret Mitchell: It is clear that there was a huge demand, which resulted in the fund being oversubscribed, but does the minister think that lessons could be learned about the application process?

For example, the Cumbernauld-based charity Now You're Talking, which does excellent work helping individuals with mental health issues, drug and alcohol dependency or substance abuse problems to build confidence and gain skills so that they can find work, completed an application that did not progress beyond stage 1. In feedback, the charity was told that that was because the financial information that it had provided was not sufficiently detailed and should have included a business plan, but it was not mentioned in the application process that that was required at stage 1.

Will the minister review the provision of advice? Will he consider clarifying the guidelines for applicants in any future bid submissions? Was any consideration given to distributing the funding evenly between established, sustainable organisations and new, young social enterprises, investment in which has the potential to kick-start the economy? What weighting was given to each key outcome?

Fergus Ewing: I am delighted that 64 organisations throughout Scotland were successful. That is a credit to them.

Plainly, we want to improve further our contribution to the third sector, and we are happy to consider any productive and constructive suggestions towards that end.

Council Tax Freeze (Aberdeen)

9. Kevin Stewart (Aberdeen Central) (SNP): To ask the Scottish Government what the average council tax saving has been in Aberdeen since the council tax freeze was introduced. (S4O-00807)

The Minister for Local Government and Planning (Derek Mackay): The average council tax saving for a household in Aberdeen over the five-year period of the council tax freeze up to and including 2012-13 is around £520.

Kevin Stewart: I am sure that that £520 has been well received by hard-pressed Aberdonian families.

Does the minister agree that it would be a travesty to increase the council tax at this time? That would put additional pressure on family budgets. Furthermore, does he agree that it is incredible that many Labour politicians throughout the country continue to press for a council tax hike?

Derek Mackay: Yes, I do. The Scottish Government's policy compares very well with what is happening in England, where the council tax has increased. That will continue to be the case, even under the United Kingdom Government's deal with local government there. In fact, around 45 per cent of households in England will face higher household bills. Again, that shows that the Scottish Government's approach in supporting household budgets has been right.

The Labour Party's view is not consistent, of course, as it does not apply in Stirling, where the Labour Party supported a reduction in the council tax. That goes to show that the council tax freeze has been fully funded by the Scottish Government.

Public-private Partnership/Private Finance Initiative (Repayments)

10. Gil Paterson (Clydebank and Milngavie) (SNP): To ask the Scottish Government what the financial impact is on its 2012-13 budget of PPP/PFI repayments. (S4O-00808)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The total unitary charge payments for 2012-13 in respect of public-private partnership/private finance initiative projects that are operational or have reached financial close are

estimated to be £951 million. The Scottish Government funding in support of those payments impacts on the overall resource budget.

Gil Paterson: Recently, there have been calls to buy back PFI and PPP contracts. Is it feasible to buy them back? I very much doubt that it is. What would the overall cost of doing so be to the Scottish Government?

John Swinney: The overall cost of such an exercise would, of course, be the subject of negotiation between the Government and the relevant parties in any PFI/PPP project.

The Scottish Futures Trust has done work to try to improve the terms of the contracts or buy some of them back in relation to the interests of the Scottish Government. The United Kingdom Government has also done work on that in relation to the contracts for which it has responsibility.

It is fair to say that the Scottish and United Kingdom Governments broadly share the conclusions that Mr Paterson has arrived at. The contracts were so badly framed and put in place and the terms and conditions are so loaded against the public sector that it is difficult to see how we could implement a change of ownership or terms or lessen the financial cost that is currently a burden on our resource budget.

The Deputy Presiding Officer: Question 11 was not lodged.

Scottish Natural Heritage (Guidance on Wind Farms)

12. Alex Fergusson (Galloway and West Dumfries) (Con): To ask the Scottish Executive when Scottish Natural Heritage will publish further guidance on the "cumulative impact [of wind farms] and a range of additional guidance on siting and landscape matters" to which the Minister for Energy, Enterprise and Tourism referred in the members' business debate on 1 December 2011. (S4O-00810)

I refer members to my entry in the register of interests.

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): On 13 March 2012, Scottish Natural Heritage published guidance on the siting and designing of small-scale wind turbines of between 15m and 50m in height; assessing the cumulative impacts of onshore wind energy developments; assessing connectivity with special protection areas; and assessing the impact of small-scale wind energy proposals on the natural heritage. The guidance documents are available on the SNH website.

Alex Fergusson: Indeed, SNH did publish that guidance—and I am happy to take some credit as

the publication appears to have been prompted entirely by the lodging of my question.

Nevertheless, I am slightly disappointed that the guidance on siting and design focuses entirely on what, as the minister pointed out, are termed small-scale wind developments. When the minister wound up the members' business debate in December, he very much gave the impression that the guidance would address the many concerns raised across the chamber on the siting of large-scale wind developments. That aside, will he assure us that his Government will not overturn decisions on wind farm proposals that have been rejected by a local authority under its own guidance—and, indeed, on official recommendation from within the authority—but have been appealed by the developer?

Fergus Ewing: As a general rule, I am always happy to share credit liberally across the chamber—

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): If only the Liberals were here.

Fergus Ewing: —with members from all parties, absent or present. I am slightly surprised, however, that the member wants to take credit for a measure that he does not seem to approve of.

Setting aside that nit-picking observation, I should say, as the minister responsible for taking decisions on these matters, that each case is looked at very carefully on its merits. It would be wrong and misleading—not to say dangerous—to start to generalise, precisely because each application is considered on its merits.

Neil Findlay (Lothian) (Lab): How will the new guidance prevent a Klondike-like rush by developers in locations such as the north Pentlands? Will the minister ask SNH to host a workshop in the Parliament so that the guidance can be explained to simple souls like me?

Fergus Ewing: I will certainly convey the member's remarks to SNH. I am all for full engagement, meetings and working together with all parties to ensure that Scotland achieves her vast green energy potential for the benefit of the younger members of society, some of whom I note are watching these proceedings from the public gallery.

I am not sure that I would necessarily use the term "Klondike"—but perhaps I am wrong. After all, there are huge benefits for Scotland's communities. We have set a target of 500MW for community and locally owned renewables, which could be worth £2,400 million to communities across Scotland, and our £23.5 million community and renewable energy—or CARES—loan scheme enables communities to benefit from our

renewable energy. Perhaps the member is right: there will be a Klondike, but a Klondike that will benefit communities throughout Scotland.

Youth Employment

13. Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): To ask the Scottish Government what recent discussions the Minister for Local Government and Planning has had with local government about the issue of youth employment. (S4O-00811)

The Minister for Local Government and Planning (Derek Mackay): I regularly meet the Convention of Scottish Local Authorities to discuss a wide range of issues. My most recent discussion on youth employment was on 8 March, with Angela Constance, Minister for Youth Employment.

Jamie Hepburn: I am sure that all members welcome the Government's focus on youth employment. Clearly, the strategy will have to work on the ground on an area-by-area basis. If I can be parochial, I would like to ask how the strategy will affect North Lanarkshire, which has its own unemployment issues.

Derek Mackay: It is fair for the member to be parochial. After all, we have to consider various youth unemployment hotspots and how we target resources in that respect, and such issues form part of the discussions that we are having with local government and others. A range of actions focusing on youth employment are being taken, including the development of a variety of schemes in partnership with others, and we hope that our discussions with local government will soon reach a conclusion to the benefit of areas such as the one that Jamie Hepburn represents.

Local Development Plans

14. Maureen Watt (Aberdeen South and North Kincardine) (SNP): To ask the Scottish Government what progress local authorities have made in developing new local development plans. (S4O-00812)

The Minister for Local Government and Planning (Derek Mackay): Since the commencement of the new development planning regime in February 2009, one local development plan has been adopted, three are going through the examination stage and will be adopted shortly, a further four are at the proposed plan stage and 15 are at the main issues report stage.

Maureen Watt: The minister will agree that the structured planning for the future that the new type of local plan development offers is an important step forward for local authorities in boosting their future prospects. Does he share my welcome for the fact that Aberdeen City Council has led the

way by adopting its local development plan before any other local authority? Does he agree that its plan will help to cement the city's place as a major driver for the Scottish economy in future years?

Derek Mackay: Yes, I do. I was delighted to visit Aberdeen City Council's planning department to see the work that is going on, and I praise its effective approach in taking the plan forward, as it puts in place the foundations for development in a positive way. That good practice should be shared across the country so that all planning authorities ensure that their planning regime is fit for purpose in delivering the best possible performance to ensure that we contribute all that we can towards economic recovery.

Council Tax (Exemption Criteria)

15. Clare Adamson (Central Scotland) (SNP): To ask the Scottish Government whether it plans to review the criteria for exemption from council tax. (S4O-00813)

The Minister for Local Government and Planning (Derek Mackay): Scottish ministers want to replace the unfair council tax with a fairer tax that is based on ability to pay.

Gavin Brown (Lothian) (Con): When?

Derek Mackay: The member should ask a supplementary.

We have no immediate plans for wholesale changes to the system. However, we will bring forward proposals to exempt articulating students in the period between their studies.

In our recent consultation of the treatment of unoccupied homes, we also considered changes to the discounts for long-term empty homes and the creation of new time-limited exemptions from any increase for certain homes. Those measures will be taken forward in the forthcoming local government finance (unoccupied properties etc) (Scotland) bill and subsequent regulations.

Clare Adamson: The minister might be aware that *The Daily Telegraph* recently reported that the Liberal Democrats in England are seeking powers to remove the council tax exemption for students. Given their record on student fees, such a blow to students from the Liberal Democrats would not surprise people. Can the minister confirm that the Scottish Government has no plans to remove the council tax exemption for students?

Derek Mackay: I provide the member with that assurance. Ministers of the Scottish Government want to extend, rather than scrap, such exemptions. It is a tale of two parties. The Scottish National Party in government has delivered free education while the Lib Dems have wrecked it where they are in power. The SNP Government

freezes the council tax, whereas the Lib Dems have council tax increases.

Murdo Fraser (Mid Scotland and Fife) (Con): They are not here.

Derek Mackay: Indeed. For the record, they are not in the chamber, but they are still responsible for those policies, which they are not willing to end. The continuation of that list of shame for the Liberal Democrats now includes the removal of the council tax exemption for students in England.

Gavin Brown: When does the Scottish Government plan to get rid of the council tax, as it pledged to do in its 2007 manifesto? Will it be before it implements its childcare commitments, before the referendum and before the Saltire prize is awarded? I am desperate to know.

Derek Mackay: The Scottish Government will, in line with our manifesto commitment, consult on the replacement system and deliver it in good time. Just as we have an excellent record of delivering on manifesto commitments, I am sure that we will enjoy a great result in the referendum and the subsequent elections to an independent Scottish Parliament.

Unemployment (Role for Housing Associations)

16. James Dornan (Glasgow Cathcart) (SNP): To ask the Scottish Government what role it envisages housing associations having in tackling unemployment. (S4O-00814)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): Housing associations play a vital role in their communities, contributing to not only the delivery and management of high-quality homes, but the regeneration of some of the most deprived areas of Scotland. The Scottish Government welcomes the aim of housing associations that wish to extend their housing role to work with other organisations to help to tackle unemployment in their communities. However, that is a decision for each individual organisation to make, taking into account their constitutional requirements and legal responsibilities.

James Dornan: Will the cabinet secretary join me in congratulating local housing associations such as Cassiltoun Housing Association in my constituency, which constantly strives to provide work and apprenticeships for local people in house building and construction? Most recently, it has taken over a local nursery that is based in Castlemilk stables, which will be run for the local community's benefit by employees who are mainly from the local area.

Does the cabinet secretary agree that that is an excellent example of a housing association acting

innovatively and playing its part in building recovery, building communities and increasing employment opportunities?

John Swinney: I agree with Mr Dornan. That is yet another example of how housing organisations can develop their roles, the breadth of their responsibilities and their expertise to make a difference in the community and assist in providing services that enable people to return to employment, as well as carrying out their core function of providing high-quality local accommodation for citizens at an affordable price. I give every encouragement to housing associations to consider such a move but, as I said in my original answer, they have to make such decisions in the context of their responsibilities and their financial sustainability.

Community Planning

17. Annabelle Ewing (Mid Scotland and Fife) (SNP): To ask the Scottish Government what progress is being made on the recommendations of the Commission on the Future Delivery of Public Services in relation to community planning. (S4O-00815)

The Minister for Local Government and Planning (Derek Mackay): As minister, I am currently concluding the review of community planning. We have made particularly good progress. The review is co-chaired by Pat Watters, the president of the Convention of Scottish Local Authorities. I can announce today that we have agreed a statement of ambition on how we can focus the community planning partners on a renewal of our ambitions. It will outline how we will integrate services in response to the Christie commission, and it will introduce a range of radical proposals that will ensure that mechanisms such as single outcome agreements are more effective.

Annabelle Ewing: I welcome the Government's ambition to enhance community planning processes. What role does the minister see for community development trusts in those processes, and what steps is the Scottish Government taking to facilitate the establishment of such trusts?

Derek Mackay: Community development trusts play a key role in capacity building and in accessing public facilities for the benefit of the community, so they will be central to community planning and the forthcoming community empowerment and renewal bill.

Local Government Settlement 2012-13

18. James Kelly (Rutherglen) (Lab): To ask the Scottish Executive what discussions it has had with the Convention of Scottish Local Authorities on the local government settlement for 2012-13. (S4O-00816)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): I meet representatives of COSLA regularly. A wide range of issues has been discussed over the past year, including the 2012-13 local government finance settlement.

James Kelly: Will the cabinet secretary tell the Parliament whether he has been able to be open and transparent in his discussions with COSLA and acknowledge that 89 per cent of the cuts in the current budget—a total of £658 million—are being passed on to local government? The Scottish National Party Government's record on local government has been one of hampering and undermining local councils' ability to protect jobs and services in their communities.

John Swinney: I cannot understand why Mr Kelly feels the need to ask whether I have been open and transparent. I am always open and transparent in all my dealings with Parliament and local government. In the local government finance settlement, local government will get a larger share of the budget than it was getting when this Administration came into office, and that is a better record than the one that we inherited from the Administration that Mr Kelly supported.

I should also point out that Councillor Pat Watters, the president of COSLA, has gone on record to say that he thought that the local government settlement was the best settlement that could be achieved in the financial circumstances. If there was enough money in the local government settlement to enable the Labour Party to work with the Conservatives to reduce the council tax in Stirling, there must be an adequacy in the settlement.

Perth (City Status)

19. Murdo Fraser (Mid Scotland and Fife) (Con): To ask the Scottish Executive what the benefits of Perth having city status would be for the local and national economy. (S4O-00817)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): For once, Mr Fraser has asked a topical and relevant question, to which he may even get a sympathetic answer if he plays his cards right.

Perth has long been known as the fair city, and it is developing into a modern, dynamic international city that is able to play its part nationally and locally in driving Scotland's economy. Conferring city status on Perth has sent a welcome signal of confidence in the city's ambitions, and I am delighted that city status has been restored to Perth in the diamond jubilee year. I record my thanks and those of the Government,

and our deep appreciation for the decision, to Her Majesty the Queen.

I pay tribute to the work of the provost, John Hulbert, and the lord lieutenant of Perthshire, Melville Jameson. They have both been phenomenally influential—publicly and privately—in bringing about that welcome piece of news for the people of Perth.

Murdo Fraser: I thank the cabinet secretary for his response. If we may proceed on a note of consensus, I echo his expressions of thanks to the provost and the lord lieutenant, Mel Jameson.

I am sure that the cabinet secretary will agree that now is an excellent time to be associated with the city of Perth. I hope that the Scottish Government is looking forward to working with Perth on its growth strategy as our newest city.

John Swinney: I can certainly assure Mr Fraser on that point. The decision of Her Majesty the Queen has given Perth a tremendous platform to face the future, and it will enable the city to co-operate effectively with the six other cities in Scotland.

The Deputy First Minister has been leading the work on the cities strategy in the Government and, alongside the helpful role of the Scottish Council for Development and Industry, she has created a positive framework within which the cities are now working collaboratively. I am sure that the group of cities will be significantly enhanced by the inclusion of the city of Perth and all that it continues to contribute to the realisation of Scotland's economic ambitions as well as its own. There is a great opportunity for Perth, and I look forward to supporting that process.

Annabelle Ewing (Mid Scotland and Fife) (SNP): As a member of the Scottish Parliament for Mid Scotland and Fife and the former Westminster member of Parliament for Perth, and as a local Perthshire resident, I congratulate Perth on regaining city status. I am sure that the cabinet secretary, given his fitting tribute to Provost John Hulbert, will wish to acknowledge that the provost, who will retire at the council elections in May, has offered 17 years of sterling service to his constituents, the people of the Carse of Gowrie.

John Swinney: Annabelle Ewing's comments are welcome. I have known Provost John Hulbert for many years, and he represents the Carse of Gowrie, which is part of my Perthshire North constituency. He has been a distinguished public servant and I am thrilled that such a positive decision has been taken during his term in office. He will be able to savour the decision in the remaining period of his very successful provostship of the city of Perth.

Oil Revenue

20. Joan McAlpine (South Scotland) (SNP):

To ask the Scottish Executive what independence and control over oil revenue would mean for household income in Scotland, given the latest "Government Expenditure and Revenue Scotland 2010-11" (GERS) statistics. (S4O-00818)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The latest Government expenditure and revenue Scotland figures show that, including a geographical share of North Sea revenues, Scotland remains in a stronger financial position than the United Kingdom as a whole. Last year, Scotland was in a relatively stronger position by £2.7 billion, which is equivalent to £510 per person.

Joan McAlpine: Perhaps the cabinet secretary can explain to members why it is statistically more appropriate, and good practice, to allocate oil revenues on the basis of geography, rather than on a per capita basis, as some of our unionist colleagues insist on doing.

John Swinney: The GERS document is produced by civil servants and statisticians under a framework of authority that enables it to be judged as a national statistics publication. Its composition, formulation and analysis are undertaken entirely without the input of ministers, and we have no role in the process. The judgments in relation to GERS are arrived at on a professional basis by officials and civil servants, in their professional capacity. The points that Joan McAlpine raises, in essence, are consistent with the professionalism of those statisticians and officials.

National Library of Scotland Bill: Stage 1

The Deputy Presiding Officer (John Scott):

The next item of business is a debate on motion S4M-02332, in the name of Fiona Hyslop, on the National Library of Scotland Bill.

14:55

The Cabinet Secretary for Culture and External Affairs (Fiona Hyslop): I am pleased to open the debate on the general principles of the National Library of Scotland Bill. I thank the people who gave evidence and I thank the convener and members of the Education and Culture Committee for their scrutiny of the bill at stage 1. I welcome the committee's support for the general principles of the bill and appreciate the opportunity to address some of the key issues that it highlighted.

The bill is long overdue. The National Library of Scotland is a 21st century organisation, the governance of which is, increasingly, out of date. The National Library of Scotland Act 1925 set up the board of trustees with the sole function of managing the library. The 1925 act was also concerned with transfer of non-legal material and legal deposit privileges from the Faculty of Advocates' law library.

The people who created the National Library in 1925 were in inspiring company. It was a pivotal year, which saw the publication of great literature—F Scott Fitzgerald's "The Great Gatsby" and Virginia Woolf's "Mrs Dalloway". The first surrealist exhibition was held in Paris and, closer to home, John Logie Baird created the first television transmitter. Two years later, the world's first long-distance television pictures were transmitted by Logie Baird to Glasgow's Grand Central hotel. Of course, Logie Baird's achievements have had an enduring impact on the development of modern culture and society.

The National Library continues, in its own way, to reflect the past while being ever relevant to the future. In its recent history, it has assumed responsibility for the Scottish screen archive, which preserves and gives public access to our TV and film heritage. We are supporting the library through the bill and in other ways, and I am delighted to confirm that the Scottish Government is providing £250,000 to support the library's planned relocation of the screen archive to Glasgow city centre, as part of the exciting project with Glasgow City Council and the University of Glasgow on the revamped Kelvin hall, to develop a progressive research centre for our great collection of moving images.

It is interesting that during the passage of the 1925 act through Parliament, the then member for Edinburgh Central, Mr William Graham, referred to the National Library's establishment as being quite a radical political statement of its time. He said:

"what the Secretary for Scotland is proposing this afternoon is in my judgement the highest form of Socialism in this or any other country, because he is bringing the means of learning directly to the ownership of the Scottish people under a representative board. That is quite a remarkable departure in the case of a Conservative Government".—[*Official Report, House of Commons*, 24 July 1925; Vol 186, c 2628.]

The proposals that are in front of us could not be described in such radical terms, but I am happy to say that the Scottish Government is proud to carry on funding the National Library as a resource for learning and research for all Scotland. The bill is small, but it will make a big difference to the National Library and its stakeholders. It delivers on a commitment that I made to the National Library before the election, in the event of the Scottish National Party's being returned to government.

The National Library has achieved much over the past 87 years and the bill will ensure that it has the necessary governance arrangements to realise its ambition for decades to come. The bill sets out clear statutory functions, which reinforce the importance of what the National Library does and can do for Scotland. Its main purpose is to maintain and develop the collections and to make them as relevant and accessible as possible to users. The functions emphasise the library's role as a major research library and its role in sharing good practice and expertise.

The governance reforms will ensure that the library's board structure is comparable with that of other modern public bodies. The bill will reduce the size of the board, which can consist of 32 members under the current arrangements—I will come back to the number of board members. The bill will also remove reserved places and ensure that all appointments are based on merit and selection. I am grateful to the current chair, Professor Michael Anderson, and to board members for their service to the board.

The National Library is part of our rich cultural heritage. As Scotland's only legal deposit library, it can request a copy of all printed items that are published in the United Kingdom and Ireland. Some 5,000 items are added every week under legal deposit arrangements. With 14 million items in its collections, the National Library is Scotland's largest library and is a major reference centre for the study of Scotland and the Scots. More than 70,000 people visit the library's reading rooms each year, and online hits of around 2.25 million show the demand for, and relevance of, its collections.

The National Library received a record number of visitors in 2009, when it displayed the last letter of Mary Queen of Scots, with 12,000 visitors in one week. The library also holds the wonderful John Murray archive, which contains a quarter of a million items from great writers, politicians, explorers and scientists of the past.

The National Library ensures that our national record is made accessible and relevant for generations to come through the growing use of electronic formats: the library is to be congratulated on its already significant work to digitise more than 1.5 million items, which extends its national and international reach. Its website is viewed by visitors from 188 countries. The bill is forward looking and has been drafted so that the legislation will keep pace with future technological developments, including the advent of United Kingdom regulations for electronic legal deposit.

I want to ensure that the bill works to support the National Library and to enable it to continue its working relationship with the Faculty of Advocates' law library. The relationship between the National Library and the Faculty of Advocates is important to the future of Scotland's legal library collection. The Faculty of Advocates' library has been run and funded by the Faculty of Advocates since 1689. Between 1842 and 1925, the faculty held the sole right of legal deposit for Scotland. In 1925, it passed that right to the National Library. The significance of the gift of non-legal material and legal deposit privileges was not underestimated in its day. At the time of the parliamentary passage of the 1925 act, the advocates' library was described in the House of Lords as

"a great Scottish national possession ... which has grown ... with the development of modern Scotland".—[*Official Report, House of Lords*, 2 July 1925; Vol 61, c 961.]

The National Library was the fruit of the generosity of the Faculty of Advocates, and there is great history to be found in that continuing relationship. The bill complements that good relationship by ensuring that the National Library and the Faculty of Advocates can enter into co-operative agreements on public access to their collections and on the care of items that they hold. That process has already begun, with both organisations signing a memorandum of agreement that outlines how they will work together.

I am pleased that the Education and Culture Committee has accepted the general principles of the bill. The committee expressed concerns that the proposed size of the NLS's board is too low, given the range of skills and expertise that is required. I want to be constructive on this issue. There is a danger that, if a board is too large, it can become less focused on strategic direction

and leadership. I certainly do not want to hinder the board's operation and I am content to raise the minimum number of NLS board members, so I will lodge an amendment at stage 2 that will allow the membership range to be between nine and 14. Early indications are that the NLS, the Scottish Library and Information Council and the Faculty of Advocates support that proposal.

The committee questioned the need for and the scope of a ministerial power of direction. The inclusion of such a power provides accountability. Around 86 per cent of the NLS's funding is provided by the taxpayer so ministers need to ensure the money is spent wisely. A ministerial power of direction is a standard feature of modern public bodies. The great majority of non-departmental public bodies that have been established as statutory bodies since 1990 have powers of direction—17 out of 21 bodies. Eleven of the 14 NDPBs that have been established since devolution have statutory powers of direction.

The power of direction that is proposed in relation to the NLS has been carefully crafted to maintain the curatorial freedom of the NLS. That is why I cannot direct the NLS on the delivery of key functions such as preserving, conserving and developing its collections, exhibiting and interpreting objects in the collections and making the collections accessible to the public and to people who are carrying out study and research. The NLS supports that drafting approach and pointed to the protection that it offers in relation to its independence from ministers. A similar arm's-length guarantee in relation to Creative Scotland is contained in the Public Services Reform (Scotland) Act 2010.

The committee has asked for more explanation of the power of direction, so I will write to the committee on how and when the power of direction can be used, so that my intentions are on the record before stage 2. For the purposes of today's debate, it may help if I outline that a direction could be justified in the event, for example, that the NLS failed to comply with public sector policies, such as those on no compulsory redundancies or on pay. Those examples refer to overall management of the library; ministers can direct the overarching function that the NLS has in relation to managing the library, as expressed in section 2(1) of the bill.

Ministers can also direct in relation to collaboration and diversity because those areas extend beyond the NLS's particular curatorial and cultural functions. Action might be taken if there were efficiencies to be realised from greater collaboration and shared services, but the NLS was not complying with public sector duties in that regard.

The National Library of Scotland currently works with local authorities, universities and a range of other information service providers. The general intention is to future proof legislation sufficiently to allow for any significant changes in public sector policies or operational practices. I confirm that my officials have been discussing the nature and extent of the power of direction with the NLS, including in relation to collaboration.

On the powers on charging in schedule 1, I am pleased that the committee welcomed my restated commitment to the principle of free access to the National Library. The committee sought to ensure that the bill will allow the NLS to collect material electronically under the legal deposit arrangements. Since I gave evidence, the United Kingdom Government has published updated draft regulations on that, including new provisions that directly address the position of the NLS and the Faculty of Advocates. The bill has been drafted with the UK developments firmly in mind and is sufficiently future proofed to ensure compatibility with proposed and future regulations. As part of my on-going exchanges, I have forwarded a copy of the committee's report to the Department for Culture, Media and Sport, and have highlighted the relevant paragraphs relating to electronic deposit.

I acknowledge that the committee accepts that the bill as a whole will be beneficial to the National Library of Scotland, its users and stakeholders. I am grateful for the help and input from the NLS, the Faculty of Advocates and SLIC in drafting the bill. I welcome the opportunity to respond to and reflect on points that have been raised by members and to address some of the issues in the committee's report.

I move,

That the Parliament agrees to the general principles of the National Library of Scotland Bill.

15:07

Stewart Maxwell (West Scotland) (SNP): On behalf of the Education and Culture Committee, I make clear from the outset our unanimous support for the general principles of the National Library of Scotland Bill. In our stage 1 report, the committee welcomed the fact that the library's governance arrangements are being updated and that its functions are being clearly set out in legislation.

However, although we recommended that the bill progress to stage 2, the committee's report also set out members' concerns, in particular in relation to the ministerial power of direction. I will discuss that in more detail later.

I agree with the cabinet secretary that the overhaul of the library's governance arrangements is long overdue; the current provisions have been

in place for almost 90 years and allow—in theory, at least—the NLS board to have as many as 32 members. The present arrangements also allow for a considerable number of ex officio appointments to the board, including the committee's very own Marco Biagi, who is MSP for Edinburgh Central.

Although there was support for the Scottish Government's proposals to modernise the library's governance arrangements, there was also concern about the specifics of the Government's approach; there was unanimous agreement among the organisations that provided oral evidence that the proposed lower limit for the board—seven members, including a chair—is too small. The current chair of the NLS considered that seven members would not be sufficient to cover the range of skills and stakeholder interests that are needed for an effective board.

The committee was persuaded by such concerns and, although we were not in a position to state what the optimum board size is, we sought an assurance from the Scottish Government that it would fully consult all relevant parties, in particular the NLS, before agreeing on a final number. I welcome the cabinet secretary's willingness to raise the lower limit for the board, and the full discussions that will take place with the NLS.

I turn to the ministerial power of direction, which was the issue that caused the committee the greatest concern in the course of its scrutiny. In essence, the bill allows Scottish ministers to give the NLS directions on the exercise of certain of its functions. Those functions can be summarised as promoting collaboration between library and information services, and promoting diversity in the people who are accessing the collections. The bill's policy memorandum helpfully sets out the areas in which the Government will not seek to direct the library, but it says very little about why a power of direction is to be retained in those two areas.

The committee therefore explored the issue in some depth. We were told by Scottish Government officials that, generally speaking, a ministerial power of direction in relation to public bodies is

"very much a last resort."—[*Official Report, Education and Culture Committee*, 7 February 2012; c 693.]

For example, officials said that it would allow a minister to intervene in the event of serious operational or organisational failure. Although we can debate the merits of such an approach, the committee's bugbear is that it is not obvious from the bill that the Government would be able to intervene in the manner that is described.

The cabinet secretary made the point—again, in general terms—that taxpayer-funded institutions

must be accountable to the taxpayer for spending money wisely. However, she stressed clearly that any interventions in the NLS must not infringe the library's curatorial responsibility and freedom. The cabinet secretary further explained that the power of direction could be used only in relation to the overall management of the NLS—another point that is not obvious from reading the bill.

To be fair, the committee acknowledged that it may be helpful to the cabinet secretary if she could retain the power of direction in the event of any future unforeseen circumstance. In reality, the power is unlikely to be used. However, given the questions around the issue, we sought a more detailed explanation as to why the Scottish Government justified the retention of the power of direction with reference to such broad issues when the bill focuses narrowly on promoting collaboration and diversity. The committee also asked how the bill could more accurately state how and when the power of direction could be used, which is where clarity and certainty are required. I therefore thank the cabinet secretary for her comments on the power of direction. I look forward to receiving her letter prior to stage 2 in order that we can get clarification and certainty to ensure that the committee is content with the proposals in the bill.

I am sure all members would agree that the National Library of Scotland is one of the country's most important cultural resources. I am also sure that there would be unanimous support for maintaining free public access to its collections. There was nothing in the committee's stage 1 scrutiny to suggest that that principle is under threat—indeed, both the Government and the NLS stressed their commitment to maintaining free public access. However, schedule 1 provides the NLS with a range of powers, including the power to make charges for access to its collections. That caused some disquiet at stage 1. For example, the Scottish Library and Information Council warned that proper procedures had to be put in place to ensure that charging for access will not be taken as a given.

While recognising those worries, the committee was comforted by the Scottish Government's reassurance that the power to charge is subject to the library's overarching function of making its collections publicly accessible. In other words, the power to charge could not jeopardise that function. The committee accepts that there are situations in which the NLS can legitimately seek payment for certain added-value services—for example, when there is an extra cost involved in providing a particular item. Some practical examples of that were given to the committee in evidence. Officials made it clear that, even in such circumstances, various safeguards would be in place to ensure

that the library could not simply use the power unilaterally.

My final point relates to charging and overlaps with my earlier comments about the ministerial power of direction. The NLS's power to charge, which is one of a number of powers that will be granted to it by the bill, can be used only in connection with the exercise of its functions. We therefore asked the cabinet secretary to clarify the relationship between the ministerial power of direction and the NLS's general powers. The cabinet secretary confirmed that the library's powers could, in principle, also be directed by Scottish ministers, albeit that that would be subject to restrictions. The Government stressed that a power of direction would be used only

“as a means of last resort”.

Again, however, the committee considered that the Government should provide clearer justification for its approach. I hope that the letter that is coming to the committee will do that.

The committee felt that greater clarity is required from the Government on how the various functions and powers that will be bestowed by the bill will mesh together and, in particular, how they will fit with the ministerial power of direction. I very much welcome the comments in the cabinet secretary's opening speech, which provide additional reassurance on the scope and the practical impact of those powers. However, as I have said, I look forward to further clarification before stage 2.

The bill is a welcome and overdue reform of one of Scotland's great national treasures. The committee therefore considers that Parliament should agree to the bill's general principles. Assuming that it progresses to stage 2, we look forward to considering how the bill can be further improved to ensure that the library continues to flourish for decades to come.

15:14

Neil Findlay (Lothian) (Lab): I was going to whisper at the start of my speech, but that would have been a cheap and obvious libraries joke, and I would never indulge in such a thing.

It is fair to say that, in the current climate of economic turmoil, rising unemployment and constitutional niceties, libraries are not the most high-profile subject. Nevertheless, we should not underestimate the importance of ensuring effective running and retention of our public libraries as a vital cog in the social fabric.

Historically, libraries have played a major role in the self-improvement of many of our citizens. I welcome the bill and the fact that it does not threaten to close down library provision. It seeks to give the National Library of Scotland governance

arrangements that are necessary for it to meet the needs and demands that are being placed upon it.

Sadly, I am afraid that many communities across the UK are seeing libraries being closed or threatened with closure as cuts to local government and austerity policies bite ever harder. I know that we are here today to consider the National Library of Scotland and the proposed changes to its governance, but before doing so, I will expand briefly on the importance of libraries in general because they are vital tools in helping people to achieve and learn. The self-education of many working-class people has been facilitated through libraries, and reading promotes and encourages self-development. Libraries allow people, irrespective of their income, to borrow the same books and read the same material, and that is genuine equality of access.

I was delighted to hear the cabinet secretary herself mention socialism. Libraries are, of course, an expression of municipal socialism in practice. The labour movement has always promoted education as being one of the greatest tools to foster social, economic, and personal change, and libraries have a key role to play in that. At this time of forced austerity and the on-going attack on public services, we must be ever vigilant and we must guard against the threat of library closures. Libraries are often seen as easy targets and are wrongly categorised as being somehow superfluous. Of course, they are not; they are an essential part of the community and part of a group of cherished public services that are a civilising force in our society.

Of course, in this day and age, libraries are about more than just books; modern libraries are about exhibitions, displays, digital and film archives, web development, service collaboration, archiving and genealogy, as well as being a traditional source of reference and reading materials. Libraries can provide many of our young people with a sanctuary in which to study in quiet and with space, which might not be available in their family homes.

The National Library of Scotland is one of Scotland's most important and valued public resources. The cabinet secretary mentioned that it was established in 1925. It is right that we now consider its management and governance, and look for ways to ensure that it continues as an effective and respected Scottish institution.

Past and present boards and trustees appear to have done a very good job, which is evident as soon as we walk through the doors of the National Library. When the committee visited, we were able to see the work that goes on there and to experience and taste the unique atmosphere of the place. However, the governance of the NLS is in need of reform—a point that was made in 2006

by the Labour-led Scottish Executive. To my mind, there is a compelling case for the NLS to streamline its governance. I have sat on many a board and committee in my time, so I can see how a board of 32 people might be somewhat unwieldy and could result in a logjam in the decision-making process, but I was surprised to hear the cabinet secretary say that there might be a change to the number of board members. At the committee, she expressed a preference for seven or possibly nine members. We are now being told that the number could be as high as 19.

Fiona Hyslop: In my opening remarks, I indicated that I would be willing to move the bottom end from seven up to nine. The range of board membership will be very similar to other public bodies, at between nine and 14 members.

Neil Findlay: That is helpful.

Reform is also about meeting challenges and embracing wider societal and technological change, and it is clear that the NLS has been proactive in that regard. The “Thriving or surviving? National Library of Scotland in 2030” report and the subsequent “Connecting Knowledge” report have sought to devise new ways to embrace digitisation and to broaden learning through the use of technology. That proactive approach is very welcome. I also welcome the cabinet secretary's announcement about the screen archive going to Glasgow. However, any change must be managed and any future changes should be made while protecting the NLS's independence and unique status. Research projects or decisions related to the collections, or any decisions about them, must be completely free of political interference. The principle of curatorial independence, like that of academic freedom, is one that we should protect at all costs.

That is why I have some concerns about the plans for ministerial direction. It is proposed that Scottish ministers may be given the power to give directions

“of a general or specific nature”.

The cabinet secretary addressed that issue in committee, but I hope that she will expand on it in her summing-up speech. I am sure that she does not want to micromanage the NLS—I do not think that she intends to stamp books and hand them out—but there are reservations about the proposals representing another yard down the road to centralisation of power. I am not saying that that is inevitable, but if a less reasonable person than the current cabinet secretary takes over her position in the future, that danger could become a reality. I acknowledge the cabinet secretary's comment that the library's independence will be respected, but it would be

helpful if we could be given more clarity about the proposed ministerial direction. That would allow us to determine whether we need ministerial direction at all.

One of the library's key roles is to preserve and promote our national culture and heritage, as well as to promote cultural policy. I hope that it will continue to be an embracing and diverse cultural policy that respects and reflects all the influences on our great country, wherever they come from, and that we do not become overly parochial. There is a danger that the Government could seek to use its position in order to use cultural policy as a vehicle to promote its wider political agenda, rather than to serve the national interest.

I would raise my concerns about the potential centralisation of control no matter who was in power, because, used wrongly, the proposals could represent a danger to the library that would dissuade donors, or even raise questions about its charitable status. Again, clarity on that would be helpful.

We have questions about other parts of the bill. As I have mentioned, the value of libraries lies in their universal character and their status as a public good that is, and always should be, available for all. They are not and should never become commercial entities, so we want more information on the suggestions that the NLS could charge

“for the provision of goods and services”

and that it could raise and borrow money with ministerial approval. Will the cabinet secretary expand on what that means? Which services might be charged for? How will moneys be raised or borrowed, and how would that affect the services? After all, we know that loans have to be paid back. I wonder whether it is a coincidence that the Scottish Government has given the library the right to borrow at the same time as it is reducing its budget by 11 per cent.

I am curious about the principle for allowing the library to create and own companies. We need clarity on what sorts of companies they would be and why they are needed. I hope that the proposal will not lead to the creeping commercialisation of the library. Any such move would call into question the broad principle and ethos that libraries, and the NLS in particular, are open and accessible to all people, no matter their means.

Fiona Hyslop: With regard to a number of points that Neil Findlay has raised, it is important to look again at the functions of the NLS. If it did anything to jeopardise access to its collections for the public and researchers, it could be challenged legally. The functions themselves are an important protection in relation to Neil Findlay's concerns.

The Deputy Presiding Officer (Elaine Smith): You must come to a close.

Neil Findlay: Parts of the bill are to be welcomed, but others raise questions about the role of libraries in general and the specific nature of the NLS. I raise those issues in a genuine spirit of co-operation and in the hope that we can collectively improve the bill and help to develop a national institution that is fit for the times.

15:23

Liz Smith (Mid Scotland and Fife) (Con): I apologise on behalf of my colleague Annabel Goldie, who is, sadly, not well today, and thank my colleague Alex Johnstone, who has come into the hot seat at short notice.

We are fully supportive of the need to modernise the legislative process so that we can both maintain and enhance the NLS. As the cabinet secretary said, it is a remarkable asset and we pay tribute, as other members have done, to all who are involved in its work, and to the large numbers of the public who are increasingly enthusiastic supporters of it. In the past, some have called the NLS the library of last resort—to be used only when people have unsuccessfully searched sources elsewhere—but that is no longer an applicable definition. That is very good news, but it obviously brings challenges.

We fully recognise the need in a world of fast-changing technology to put in place structures that will help to create not only more efficient administration, but a better system of access to the library's archive, and better coherence and collaboration with the other national archives. To allow things to remain as they are is simply not an option, so we support the Scottish Government and the other parties in their overall endeavours on the bill.

Throughout the committee's evidence taking we were struck by the professionalism, dedication and expertise of all those who are involved with the NLS, and by the careful thought that they had given to the future working of the institution and its role in modern Scotland. That expertise is in many cases unique, and brings degrees of specialism that are not seen elsewhere. It was good to hear that the cabinet secretary will lodge an amendment at stage 2 to reflect that, because there is no doubt that the committee and the witnesses who came to it were overwhelmingly of the opinion that the smaller end of the proposed new NLS board numbers was, indeed, too small. I heard what the cabinet secretary said when she came to the committee about the possibility of co-options on to the board. It is, of course, correct to do that and that option will remain. However, I was struck by just how desirable an aim it is to have a

wide range of experience on the board, so it is good that the cabinet secretary has confirmed that she is looking at that again.

I note, too, that the cabinet secretary has stated that the Scottish Government is keen on the principle that the governance of major institutions be considerably streamlined and be represented by smaller boards. Indeed, I think that the cabinet secretary said at committee that the Scottish Government is not in favour of large boards. I suggest that what is more appropriate is not so much a generalisation about the size of boards, but what works to the best advantage of the institution and the public that it serves. I fully understand that the current size of the board makes it unwieldy, but we should not go to the other extreme.

Before leaving the issue of the board, I urge the cabinet secretary to heed the advice of several stakeholders who are anxious for a smooth transition from the existing board to the new board, which will be very important if we are to carry with us the trust of all those involved.

A second major concern, which I think will continue as we debate the bill is—as the committee convener said—the intended extent of the powers of ministerial direction. There was a lack of detail and clarity in the policy memorandum about the precise nature of the intended ministerial power and about whether the power could conflict with areas of NLS management where ministers have no powers. There appear to be inconsistencies in some of the proposed changes. In fact, the chief executive was a little uncertain about how the promotion of greater collaboration and diversity would work when there seemed to be little comment in the policy memorandum about the detail of the proposed new powers.

The rest of the education, lifelong learning and culture brief shows that the Government has a record of wanting to increase ministerial power. College and university governance is just one example of that. I can understand that there are some reasons why that might lead to better governance, but I am not entirely comfortable with its being a general principle. We need a cast-iron guarantee that the moves in the bill are not simply about increasing ministerial powers but about greater efficiency for the institution.

Fiona Hyslop: I remind the member that for the Public Service Reform (Scotland) Bill the Conservatives lodged an amendment that would have given ministers greater power to enforce collaboration and direction for Creative Scotland, which I resisted because I was concerned about the mission creep of ministerial direction. It is important that for all such issues for public bodies we take a proportionate approach, which is what we are trying to do with the bill.

The Deputy Presiding Officer: You are in your last minute, Ms Smith.

Liz Smith: Thank you, Presiding Officer.

I accept what the cabinet secretary said. Others were also a bit concerned about the issue. Ministerial power should be about better governance. However, as things stand now, I do not think that the general principle has been spelled out.

The bill provides an opportunity for a better service from, and wider access to, the splendid archive that is the National Library of Scotland, and it will deliver exciting developments, especially on the technological front, in collaboration with the other national treasures.

With the provisos regarding the size of the board and the remit of the Scottish Government's powers, the Scottish Conservatives are happy to support the bill's principles.

15:30

Clare Adamson (Central Scotland) (SNP): I am a proud Lanarkshire lass who was born in Motherwell, which is one of the burghs that were blessed with the gift of a Carnegie library. I spent much of my early childhood in that library—indeed, one of my earliest pre-school memories is of sitting in the children's area of the library with the coloured glass panes at the back.

In trying to encapsulate why the bill is so important, I will quote from Andrew Carnegie, who said:

“the best means of benefiting the community is to place within its reach the ladders upon which the aspiring can rise—free libraries, parks, and means of recreation, by which men are helped in body and mind; works of art, certain to give pleasure and improve the public taste; and public institutions of various kinds, which will improve the general condition of the people; in this manner returning their surplus wealth to the mass of their fellows in the forms best calculated to do them lasting good.”

That quote encompasses many of the issues that have been discussed in relation to the bill. For example, it mentions free libraries. The issue of pricing has been discussed, as has the important principle of maintaining free access to the collections, with charging being used in exceptional circumstances for added value. The quote also mentions public institutions. The National Library of Scotland is one of Scotland's precious public institutions that should be preserved.

Carnegie says that it is important that institutions, whether they are galleries, museums or, as we are discussing today, libraries, deliver the “forms best calculated” to do people good. That encompasses much of what the National Library has done in moving forward and

embracing 21st century technology through the delivery of its website. However, that is happening in a vacuum, as the library's governance arrangements do not give it comfort in relation to the work that it is doing so well.

In this year of creative Scotland, it is right and proper that the Scottish Government should seek to bring the governance of the National Library, which was established in the 1920s, into the 21st century and up to an appropriate and measured level that will allow it to function in this technological era and meet the demands of this century. The changes will facilitate the National Library's work to meet its ambition to expand and to achieve its goals on improving its service to Scotland and the world.

As the Education and Culture Committee convener said, it is widely accepted that the current board of 32 representatives is too large and unwieldy. The board is not comparable with boards of other organisations, as the cabinet secretary set out in evidence at the committee meeting of 21 February. Ms Hyslop specifically mentioned National Museums Scotland, the National Galleries of Scotland and Creative Scotland. The current National Library board includes the First Minister—I hope that he will not be too disappointed if he loses his job at the end of the bill process.

The bill was introduced following rigorous consultation that ran from March to June 2010. There is broad consensus on the proposals, which is reflected in the committee's unanimous support for the general principles of the bill. We should not forget that the National Library is one of Europe's major research and reference libraries. It offers world-class collections and a range of modern library services, exhibitions and resources. It plays a vital role in bringing Scotland's history and culture to life for not just Scottish but international audiences. What better resource could they have than the National Library?

The library reaches out to the Scottish diaspora by supporting genealogy projects and investigations. It stores plays and literature that resonate throughout Scotland. In a current project on the most important Scottish plays of the past 20 years, students and pupils from all over Scotland can access "The Cheviot, the Stag and the Black, Black Oil", the uncompromising and thrilling "Black Watch" and "The Steamie", which I note is to be revived at the Citizens theatre later this year—I will certainly be there to see that. The resources are all in one place and they are accessible through the National Library's doors or through its website. That is a fantastic opportunity for teachers who are developing curriculum for excellence work streams, and for pupils.

The committee convener described the committee's concerns about ministerial direction in the areas of promoting collaboration between libraries and information services and promoting the diversity of the people who access the collections. However, we must remember that the way in which we deliver library services across the nation has changed and is changing. They were once the domain of local government, but many library services and functions are now delivered—or are planned to be delivered—through trusts. That fundamentally changes the relationship between the National Library and the front-line delivery of what we might call traditional library services in our towns and cities. Although local authorities still have a statutory duty to secure the provision of adequate library facilities for all persons in their areas, the trusts are now an additional step, and an additional complication, in that relationship.

I thank the National Library board for the fantastic opportunity that it gave the committee to tour the library, for the knowledge that it imparted about its collections and especially for the information about the wonderful plans to create a home for the film archive at Glasgow's Kelvin hall, which will be a great advantage for the city.

15:36

Mark Griffin (Central Scotland) (Lab): The National Library of Scotland is an extremely important resource for the people of Scotland, so any changes to its structure and operating procedures must be given careful consideration.

Originally set up in the 1680s as the library of the Faculty of Advocates, it was formed as the National Library of Scotland when the contents of the faculty's library were presented to the nation, together with an endowment of £100,000 from Sir Alexander Grant of Forbes, because the upkeep of the collection had become too much for a private body. Officially established as the National Library of Scotland by the National Library of Scotland Act 1925, it is Scotland's only legal deposit library, which means that it is entitled to receive a copy of all printed items that are published in the UK and the Republic of Ireland.

As well as the collections that it has received via legal deposit, the National Library has acquired books, maps, music and manuscripts through gift, loan or purchase, and it has a wide collection of important items that relate to the history of Scotland, the Scots and our culture. It has a collection of more than 7 million books, 14 million printed items and more than 2 million maps. It also holds many ancient family manuscripts, including those of clan Sinclair, which date back as far as 1488.

The library holds the last letter written by Mary, Queen of Scots, which was shown publicly to mark the opening of the new library visitor centre in September 2009. It holds a copy of the Gutenberg Bible, which was the first major book to be produced on a printing press; the letter that Charles Darwin submitted with the manuscript of "On the Origin of Species"; the Chepman and Myllar prints, which are the only known copies of nine of the earliest books to be printed in Scotland, and which were produced on Scotland's first printing press in approximately 1508; the first pictorial survey of Scotland, which was published in 1693 by John Slezer; and, perhaps most important, copies of the first two "Oor Wullie" annuals, which were published in 1940 and 1942. They date back far beyond my collection, which grows every two years thanks to Christmas presents from my mum.

The library is now a non-departmental public body that is funded by the Scottish Government, and it is also a registered Scottish charity. It is responsible for a budget of just under £15 million for the current financial year. The library employs approximately 300 staff, and it attracts thousands of people to the library and to the outreach programmes that are held across Scotland, including roadshows and support for local book festivals.

On the changes that are proposed to the library, one of the key recommendations is a reduction in the size of its board. I know from the cabinet secretary's evidence to the committee and her comments today that she is not in favour of larger boards, but I am pleased that she has committed to increasing the minimum number of board members from seven. A recent report for the Office of the Scottish Charity Regulator indicated that charities with a low number of trustees are the most likely to fail and that those with nine members or more perform best. I am in a similar position to that of the committee in that I do not feel able to make a recommendation on what the optimum number of board members would be, but I am content that the Government has taken note of the report for OSCR, which supports having a board that has a minimum of nine members and the right number of people to cover the range of skills and experience that it feels are required.

At the same time, I welcome the Government's expectation that the board should represent broader society and the opportunity that there will be for the board to gender balance its membership and to increase opportunities for younger people to join it, to help drive forward a future digital participation strategy.

Another proposed change is the provision for a ministerial power of direction, which has proved to be relatively contentious. I understand why the

cabinet secretary favours such a power, as it will allow for proper audit and accountability to Government. The library is funded by taxpayers' money, so it is beneficial to have a direct line of ministerial accountability.

Regardless of that, the proposal has still proved to be relatively contentious. National Museums Scotland, the National Library of Wales, the British Library and the National Library of Scotland, among others, have all expressed concern about a power of ministerial direction and its implications for the board and the charitable status of the library, although I note that the Government took advice from OSCR, which confirmed that the library is exempt from certain aspects of the charity test. That means that the power of direction is compatible with the library's charitable status.

Fiona Hyslop: I will come back to the issue of charitable status in my closing remarks, but I ask the member to acknowledge that some of the comments that he referred to were made before the bill was published. The concern of the bodies involved perhaps reflected concern about previous proposals by a previous Government for a more general power of direction. In the bill as published, the power of direction is highly restricted.

Mark Griffin: I take that on board, and I appreciate that OSCR has confirmed that the power of direction would not impede the library having charitable status.

However, the British Library cautioned against the overshortening of the arm's-length principle, which it said might have the effect of discouraging potential donors. Neil Findlay made that point.

Before I conclude, I want to touch briefly on the digitisation of future deposits. Books, journals, music and films are now produced electronically. As the committee report said, they are "born digital"—that phrase was new to me. One of the biggest challenges that the library faces will relate to how that new digital material is stored and accessed. If the library is to continue to be able to adapt to modern society, I should be able to access that material online at my fingertips, probably through a smartphone or a tablet PC—although I will not be using either of those in the chamber today.

The Deputy Presiding Officer: I am glad to hear it. I need to ask you to finish.

Mark Griffin: That issue should be at the forefront of any changes to the library, and I hope that the cabinet secretary and the new board will give it due consideration.

15:42

Fiona McLeod (Strathkelvin and Bearsden) (SNP): I begin by making two declarations of

interest: as many members know, I am a member of the Chartered Institute of Library and Information Professionals; and, since November, I have been proud to be the chair of the Scottish Library and Information Council. In that role, I am delighted to say that SLIC welcomes the bill overall and feels that it provides a platform to deliver a National Library of Scotland that is fit for the 21st century.

There are three aspects of the bill that I would like to comment on but, before I do so, as a librarian I cannot possibly give up the opportunity to say thank you to the many members who have extolled the delights and virtues not just of the National Library but of libraries in general.

Neil Findlay talked about the fact that libraries are cherished, and I am delighted that he realises that. I point out to him that, in 21st century libraries, we do not say, “Wheesht!”—we just chuck you out. In the last year, it has been demonstrated that libraries really are cherished, because borrowing figures and visits to libraries have increased. Libraries are powerful at all times, but especially in times such as these, when people are feeling financially pressed.

I cannot move on without saying to Mark Griffin that of course the National Library of Scotland holds our treasures, and “Oor Wullie” is definitely one of them.

I want to comment on three aspects of the bill. Although they have largely been dealt with, I want to welcome some of the responses. I want to talk about the size of the board, ministerial direction and charging. If I have time, I would like to pick up on electronic legal deposit, as other members have done, although that issue is not covered in the bill.

I am delighted that the cabinet secretary has announced that the board will have a minimum of nine members. That is hugely welcome, and that was SLIC’s recommendation. The reason for that is that we must ensure that those on the board have a mix of skills and that there can be sectoral representation on the board. With a very small board, people can have trouble in covering absences—members have not covered that point—and there can be a worry with governance if a small board makes decisions when some people are absent. I am therefore delighted by the cabinet secretary’s announcement, but I ask her to clarify whether the minimum number of nine means eight plus the chair or nine plus the chair. It will be interesting to hear the answer to that question.

On ministerial direction, I am sure that many members will know that librarians are proud and fierce defenders of the independence of their libraries. That is because our core function is the

collection and dissemination of information. Our core function is to collect and disseminate everything for everyone without direction, fear or favour. As a librarian, I had a long, hard look at section 8(1), which says:

“The Scottish Ministers may give NLS directions”.

I am happy that that is tempered by section 8(2)(a), which focuses that ministerial direction on section 2(2)(d), which is on collaboration between libraries, and section 2(3)(c), which is on the promotion of diversity. I am pleased that the cabinet secretary said that a letter will go the committee to give much more of an outline especially of what is meant by section 2(2)(d) and the promotion of collaboration between libraries. I know that that letter will be eagerly awaited far beyond the committee, including in the library profession. I thank the cabinet secretary for her extra clarification.

A shiver goes up a librarian’s back when charging is mentioned, but I was reminded of the reality. My first job in a library was in 1975, when our collection was thought to be free and accessible for everybody to borrow, but it was not. In those days, we had the add-on of big clunky videos, which we charged for. It seemed appropriate to do that, as the service was an add-on to our core service. When computers went into libraries 20 years later, we initially charged for access to the internet, as that was a cost for libraries. The Parliament and successive Governments have to be thanked for our having free internet access in every public library in Scotland now.

I am pleased with the cabinet secretary’s commitment, which she reiterated in the committee and today in Parliament. The Scottish Government is committed to ensuring free access to our collections. She has also said today that that free access cannot be interfered with by any ministerial guidance under section 2(1), which is on the general functions of the National Library, and section 2(2)(b), which refers to “making the collections accessible”. Statutory weight has been given to that commitment, and I thank the cabinet secretary for that.

On electronic legal deposit, there is the UK Legal Deposit Libraries Act 2003 but, nine years on, the librarian profession is still waiting for regulations. Libraries and librarians need those to allow us to do our jobs properly. I hope that the UK Department for Culture, Media and Sport will heed the cabinet secretary’s approaches and give the committee report due respect.

I welcome the bill.

The Deputy Presiding Officer: We are slightly tight for time, so I ask members to stick to their six minutes, please, if they can.

15:49

Margaret McCulloch (Central Scotland) (Lab): As I worked in libraries for many years, I start by putting on record my appreciation for the good work of libraries across Scotland and for the National Library of Scotland. In a previous life, I worked at the Mitchell library, as well as Stirling, Whiteinch and Parkhead libraries.

My experience is that, from recreation and learning in the community to academic study and scholarship, libraries provide an invaluable service to the Scottish public. They are a unique place where we can access and enjoy literature and information, regardless of our background, and they are a portal to knowledge, understanding and culture. In that respect, the National Library is no different from any other library but, when we look at the size of its collection and the scale of its work, it quickly becomes clear that it is no ordinary library.

The consensus in the chamber and among those who take an interest in the subject is that the National Library of Scotland Act 1925 should be replaced. Since its inception, the National Library has evolved and modernised. Today, it is more than a library or a collection of materials—however significant those materials might be.

The library is one of the most respected institutions and one of the greatest resources in the United Kingdom. It has become a world-leading centre for the study of Scotland and the home to events and exhibitions to celebrate Scottish history, writing, language and ingenuity. It has embraced technology and modern communications to improve access to its vast and expanding digital collection.

Through the decades, the library has amassed more than 15 million items, as well as 100,000 manuscripts and 2 million maps. It receives 320,000 new items for its collections each year.

The library has built and maintained a strong international reputation. Since launching its new online registration system, it has received 10,000 registrations from 100 countries. Its visitor centre has helped to turn the library building into a tourist attraction in the centre of Edinburgh.

Given that sustained growth and the on-going changes, it stands to reason that we should take the opportunity as a Parliament to revisit the 1925 act and pass our own legislation to modernise the National Library and secure its future for decades to come. I am happy to support the bill, which clearly defines the library's purpose and functions and which makes the library's governance fairer and more accountable.

I am also happy to support legislation to widen access to the library. For example, I welcome the

digitisation of collections and the promotion of the library's position in Scottish cultural life—management should always try to promote access to their collection. However, I will—like other members—draw the Parliament's attention to a number of points from the Education and Culture Committee's report on the bill.

The National Library is one of only six legal deposit libraries across the UK and Ireland. In common with the other legal deposit libraries, it can legally request a copy of any publication for its collection. It has held that right since 1925—long before the rise of the internet and the digital revolution—when publications generally came in a printed format. Libraries are now presented with challenges in how they collate, record and store publications, which are increasingly being produced in new and different formats. They also have to consider the status and importance that they attach to online content.

I realise that it is not the Government's intention to address all those points in one bill and that it intends to prepare the National Library for the future, when technology will surely become more advanced and more sophisticated. We need to know where such changes will leave our legal deposit libraries. I hope that the Scottish and UK Governments can resolve those points soon.

Section 8(3) requires the National Library to comply with directions and guidance that the Scottish ministers issue, provided that they do not conflict with the library's functions and purposes, as set out in an earlier section. Some of the initial concerns about the extent of the ministers' power of direction appear to have been resolved, but that is still a grey area. I echo some of the concerns, which were expressed in the committee's report and in the committee's evidence sessions.

Let me be clear: I do not suggest that the cabinet secretary would ever choose to interfere with the day-to-day work of such an institution. However, it is important to seek assurances as part of the bill process that the National Library's curatorial independence and responsibilities as a charity will be respected.

I associate myself with the comments that my Labour colleagues have made. I hope that the cabinet secretary will consider the points that have been raised as the bill progresses through Parliament.

15:54

Marco Biagi (Edinburgh Central) (SNP): I declare an interest, which has already been alluded to. As the MSP for Edinburgh Central, I am one of the ex officio members of the board of the National Library of Scotland under the 1925 act as amended. However, I will be happy to play the role

of a turkey voting for Christmas when I press my voting button to send that interest into oblivion at 5 o'clock. Sadly, that will also put an end to any forlorn hope that I might follow in the footsteps of Guido Biagi, who was the librarian of the Biblioteca Nazionale in Florence in the late 19th century and with whom I share a common but, I admit, rather distant ancestry.

As a member of the NLS board, I am in very good company. Membership is also held by the Lord Advocate, the Lord President of the Court of Session, the dean of the Faculty of Advocates, the minister of St Giles, the lords provost of four cities, five further representatives of the Faculty of Advocates, four representatives of the universities, two representatives of the Convention of Scottish Local Authorities and the Queen's and Lord Treasurer's Remembrancer. I admit that I do not know who or even what that is, but it sounds very important. That is by no means the entire list. It is, therefore, no wonder that an overhaul of the governance of the NLS is needed, because it is a 21st century organisation that faces all the challenges of a modern NDPB.

In my brief hello as a member of the board, which has since given way to a long goodbye, I was introduced to the NLS's organisational to-do list. It is a familiar story to anyone who administers a public body in Scotland. It includes balancing budgets, managing limited staff resources, dealing with the ever-present question of public sector pensions and pursuing shared services, on which the NLS is powering ahead by merging departments with the National Galleries of Scotland, with the NLS taking the lead where it is more established and the National Galleries doing so where it has something to offer.

The National Library is more than just a technical or a regulatory NDPB. As Scotland's only copyright library, it is a national institution. It offers a first-class service that is unrivalled anywhere. One of my first visits coincided with a study visit by a friend of mine who is a PhD student in Birmingham and who was consulting some of the primary sources that are held uniquely at the NLS. Cross-border movement in such research is common, as researchers go where the books are. I note with interest that the UK Legal Deposit Libraries Act 2003 confers continued rights on the library of Trinity College Dublin to receive UK published books and that that is reciprocated by the Republic of Ireland's Copyright and Related Rights Act, 2000, which confers the same rights on UK libraries to receive Irish public books. Books are not separated by national borders, nor should they be.

As Scotland's central library, the National Library has undergone a remarkable transformation in the past decade, in particular.

Gone, for anybody who was familiar with the library 10 years ago, are the security barrier and the unwelcoming entrance with a security guard who asked for credentials. Those used to be the first things that users of the library saw. Instead, there is a visitor area with a cafe and exhibitions. The NLS is realising its role not only as a library of last resort but as an inclusive and important part of central Edinburgh's cultural life.

For example, last year I enjoyed the banned books exhibition, where a publication that had incurred a fair amount of ire from Sarah Palin in Wasilla, Alaska sat alongside "The Love That Dares To Speak Its Name", which was the last victim of the UK's blasphemy laws in 1976, and even one of the Harry Potter novels, which I understand has been accused of turning the world's children to witchcraft. That is news to me.

We can all appreciate that growing openness. It is not everyone who has to consult a copyright library, but everyone can find something there of interest.

As somebody who has been in a few copyright libraries in my time, I think that the NLS ranks high for atmosphere. I always found the British Library unwelcoming—not to mention ugly and full of bricks—and, to be honest, I found it harder to look at the Bodleian in Oxford after I learned that part of it was the architectural inspiration for the temple of the dark lord in the works of that former Oxford professor J R R Tolkien. I always rather liked the Radcliffe camera myself, but clearly he had a less positive experience than many people have had with the NLS and other libraries since then.

Such is the openness of the NLS that it is now actively working across Scotland, and one of its priorities is to expand its reach through local libraries and the innovative use of information technology. By doing that, it will become a truly national institution and be part of the cultural life of not just Edinburgh but the entire country from Stranraer to Shetland. That sort of public involvement and promotion of books and learning in the wider sense is not in the 1925 act—very little is. Section 1(1) of the act states:

"There shall be established and founded in Scotland a library with the name of the National Library of Scotland".

That is similar to the oft-quoted first line of the Scotland Act 1998. That act goes on in considerable detail, which the 1925 act does not, although it does go into such detail as to set out the librarian's pension. Given that the 1925 act has worked in some respects for 90 years, they clearly do not make legislation like they used to.

The bill sets out not just the powers of the NLS, as the 1925 act did, but its purposes, and that has been particularly welcomed by the chair of the board and the national librarian. It provides a

clear, updated and usable governance framework for the institution, which can only help the NLS to continue to grow and to develop its first-class provision for Scotland and beyond.

16:01

Liam McArthur (Orkney Islands) (LD): I congratulate the cabinet secretary on the tone and content of her speech, much of which anticipated comments that I was going to make, and I welcome the announcement on the film archive.

The convener of the Education and Culture Committee, Stewart Maxwell, has ably set out the committee's views and concerns, and he has emphasised the support across the committee for the general principles of the bill. The debate has been useful in setting out the wider role that libraries play. Margaret McCulloch talked about her experience, I am indebted to Clare Adamson for her Carnegie quote, and Fiona McLeod was once again the redoubtable advocate for libraries and their role in our communities.

The legislation is much needed. Updating the library's governance is perhaps long overdue and, as Marco Biagi says, the bill importantly clarifies the library's functions. It was dubbed the getting-Biagi-off-the-board bill by some but, given the self-sacrifice that he has shown throughout, I was beginning to wonder why it was taking Government legislation to progress this change until he read out the list of other people who are about to lose their jobs, including the First Minister.

I thank the witnesses, the clerks and my committee colleagues for their efforts at stage 1. There is widespread agreement on the bill but, as I think every speaker has indicated, there are two or three areas of concern, which we will need to explore further at stage 2.

I acknowledge the importance of the National Library of Scotland and pay tribute to all those associated with its work. I was unfortunately unable to join committee colleagues when they visited the library but, like Marco Biagi, I had the pleasure of attending the banned books exhibition, which I found absolutely fascinating. However, I will perhaps disappoint Mark Griffin by suggesting that there was no "Oor Wullie" annual there, so they are clearly not edgy enough.

The visit provided confirmation for me of a statement in the Government's policy memorandum about the importance of the NLS:

"NLS is a national resource which exists to advance universal access to knowledge about Scotland and in Scotland ... NLS brings Scotland's history and culture to live in the modern context."

That encapsulates what the NLS provides.

Marco Biagi also made a pertinent comment about the changes in the physical accessibility and the presentation of the NLS. I well remember scuttling by the front door as an undergraduate at the University of Edinburgh. There was never a terribly welcoming atmosphere, but that has changed beyond all measure, which reflects the changing demands that we place on the library and our expectations of it.

In that context, the legislation is necessary and welcome. It sets out the library's functions regarding how collections are maintained, developed and kept relevant, and regarding access—acknowledging the demands for physical and, importantly, online access. The bill deals with the research function, which is a vital component of the NLS's work, and with collaboration, recognising its role in sharing expertise and knowledge with the wider library community.

Collaboration is one aspect on which the ministerial powers of direction are focused. I accept the minister's points about it being a power of last resort, and I am grateful for the efforts that have been made to restrict it as much as possible in response to the committee's early concern about the NLS's charitable status, which now appears to have been dealt with.

Some other concerns have also been allayed. The NLS has stated:

"we feel comfortable that there are very strong and effective restraints on"

the power of direction. However, it has also stated:

"What we regret is making a principle of the ability to direct the National Library."—[*Official Report, Education and Culture Committee*, 7 February 2012; c 705.]

There are still misgivings, and I look forward to reading the cabinet secretary's letter ahead of stage 2, which I and my colleagues will scrutinise.

Although I would not suggest that the cabinet secretary's approach falls into this category, other aspects of what the Government is trying to do appear to be about gathering further control in the hands of ministers. That is the backdrop, notwithstanding the fact that Fiona McLeod has made it absolutely clear that she and many of her colleagues will be a force to be reckoned with if anyone seeks to mess with the independence—curatorial or otherwise—of librarians. Given the evidence that we have taken from the cabinet secretary and others, there are concerns that it is difficult to see how the power that we are putting in the text of the bill will be used. It is a dangerous road to go down.

The cabinet secretary has certainly allayed my fears about the size of the board. The range from nine to 14 seems entirely appropriate. Liz Smith made a sensible point about the smooth transition

to the new board, and we will probably wish to look at the issue again at stage 2.

The National Library of Scotland is a national treasure. The demands that we place on it have changed over the years and undoubtedly will change in the future, probably in ways that we are unable to predict now. I hope that the bill can help to ensure that the NLS continues to meet the needs of the ever-growing number of people. I look forward to the stage 2 scrutiny.

16:07

Alex Johnstone (North East Scotland) (Con):

Little did I think when I got up this morning that I would find myself speaking in a debate on the National Library of Scotland. Nevertheless, to my surprise, it has been an exciting and diverse debate in which we have discussed the great principles of socialism and capitalism. I specifically mention that because Neil Findlay told us that libraries are the embodiment of the spirit of socialism. However, I did not have to interrupt him, because no sooner had he said that than Clare Adamson pointed out that Andrew Carnegie and the spirit of philanthropic, benevolent capitalism was what really delivered for the library system in Scotland.

We heard Mark Griffin take the debate into the area of "Oor Wullie". It is an issue that has been raised several times and one that is close to my own heart, because for some 30 years-plus I have been married to a woman who is an expert on "Oor Wullie". Perhaps it is necessary for us to employ the services of the National Library of Scotland to find out the answer to a question that she has delivered to me many times without any possibility of reply: what happened to Oor Wullie's sister, who went out to play in 1943 and has never been seen or heard of again? Perhaps, if she is buried under the patio, "Oor Wullie" might yet find itself on the list of banned books.

I will go back to the subject that we are here to discuss. One of the interesting features that struck me in reading the committee report is that the existing board and governance structure have endured for more than 80 years. On the one hand, that suggests that it is necessary to update the arrangements given all the time that has passed, but on the other hand it confirms that there is a rich repository of experience. We should not be too quick to dismiss what we can learn from.

It is interesting to consider the bill's two main aims, which are to modernise the National Library of Scotland's governance arrangements and to set out its functions in statute. I do not think that anyone seriously disagrees that we need to do that, but I ask the minister to bear the two aims in mind when she responds to the debate.

On governance, the current structure is unwieldy. It is not suitable if we want an institution of the significance of the National Library to address all the challenges of the 21st century. A board of 32 members is indeed clunky. I think that all members, from our experience of sitting on external committees or boards of trustees, recognise the need for certain criteria to be met in relation to boards.

First, board members should bring genuine experience from a cross-section of backgrounds. The test should be whether each member is worth listening to because he or she adds to the knowledge and experience of the board. Secondly, board members should not be there to tick a particular sectoral box. Such an approach inevitably leads to limited individual vision and a lack of coherent strategic vision. Finally, the board must be large enough to cope with absences for reasons of illness or holidays, which are simply a fact of life. If it is not, meetings might not be quorate or, if they are quorate, the small number of members who are present might not be able to have a meaningful discussion. At worst, meetings have to be postponed.

In the original proposals there was a mismatch of principles. We welcome the spirit in which the cabinet secretary said that she will lodge amendments at stage 2. A board membership of as few as seven seems unsafe. The operation of the National Library of Scotland needs more stability than such an approach would afford. The weaknesses are obvious and seem to have been recognised after the cabinet secretary appeared before the committee. However, the unexpected inclusion in the bill of ministerial powers of direction accentuates the risk. I will talk about that in more detail shortly; suffice it to say for now that conferring such powers while allowing the board to be too small seems to be a highly undesirable combination.

We all agree that there is no magic or perfect number of board members. What has the experience of running the library for more than 80 years taught us? The evidence that the committee heard was helpful. The committee said in its report:

"There was unanimous agreement amongst the organisations that provided oral evidence that the proposed lower limit for the board was too small."

It went on to say:

"the current chair of the NLS board ... considered that the ideal board size would be 12 or 13 members."

I think that he is right.

When Scottish Government officials gave evidence, they said that the board could be bulked out by co-option. I do not agree but, if the cabinet secretary agrees, the National Library will have the

Achilles' heel of a board that is too small for its purposes. The ability to co-opt gives a board the important flexibility to bring to the table a person who has particular experience or skill that will assist it in addressing whatever is confronting it at a particular time; it is not a way to make up numbers. I urge the cabinet secretary to listen to the evidence.

The Deputy Presiding Officer: Can you come to a conclusion, please?

Alex Johnstone: Indeed. Much more could be said on the subject, but given my lack of expertise it would make good sense for me to thank the cabinet secretary for her concession and to say that I look forward to supporting the bill at 5 o'clock.

The Deputy Presiding Officer: Given the lack of time, I am grateful to you.

16:13

Patricia Ferguson (Glasgow Maryhill and Springburn) (Lab): This has been a consensual debate, which has reflected the consensual nature of the committee's discussions. I welcome Alex Johnstone to the world of culture and hope that he will be a regular visitor from now on.

I have a feeling of *déjà vu*, because I suggested reform measures for the National Library in the draft culture (Scotland) bill, which was consulted on when Labour was in government. I do not know why the Scottish National Party decided to remove those provisions from what became the Creative Scotland Bill, but that is water under the bridge. In today's debate we must focus on the bill that is in front of us.

Many members have put on record their high regard for the National Library of Scotland and libraries in general, and I share that view. Since 1925, as we heard, the National Library has been Scotland's only legal deposit library, but it is so much more than that. Indeed, the National Library is an important guardian of our history and culture and part of our family of national collections.

I remember the great excitement when the library was able, with help from the Heritage Lottery Fund and the generosity of the Murray family, to purchase the Murray archive, which contains the private papers, manuscripts and records of luminaries of literature such as Jane Austen and Sir Walter Scott and important figures such as David Livingstone.

The library was kind enough to give the President of Malawi a gift of a copy of a drawing that was sketched by David Livingstone in the margin of the diaries that he wrote during his travels in Malawi. I know that the president treasured it. As an admirer of the poetry of Byron, I

remember my reaction to being given a draft printed copy of the poem "Childe Harold", with handwritten corrections by the poet, to hold and to look at. I am sure that the minister will agree that the post that she occupies is one that comes with challenges but also with great opportunities.

I was delighted to hear the minister's announcement about the film archive moving to Glasgow. The city will make a good home for the archive and the Kelvin hall is a splendid place for it to be located, as it is close to the Kelvingrove museum. I look forward to seeing the archive there.

Scottish Labour agrees with the Government that the time has come to modernise the governance arrangements for the National Library of Scotland. However, as Neil Findlay has pointed out, we still have questions that we hope that the minister will address.

I was glad that the minister took on board the issue of the size of the board. We look forward to hearing a little more about how she sees that fleshing out and developing, although I think that it is heading in the right direction. However, I have to say that Clare Adamson tempted me to suggest a further restriction to the size of the board when she spoke about the First Minister potentially losing his job. In that vein, I very much hope that Marco Biagi has not taken the minister's decision about the board of the National Library too personally—I am sure that the decision was not intended in that way.

We are concerned about ministerial powers of direction and the shape and form that those powers might take. I caution against anything that would call into question the curatorial independence of the library or its ability to decide on its own research or exhibitions or on its acquisitions policy.

I mentioned earlier the draft culture (Scotland) bill. Some members may recall that, in the consultation on that bill, I floated the idea of there being ministerial powers of direction in respect of what is now Creative Scotland—I am sure that Mr Maxwell remembers those debates well. Having considered the responses to that consultation, I decided that we would not pursue that power in relation to Creative Scotland as its use would have been so limited as to render it unnecessary. I believe that that is even truer of the bill we are discussing today. Indeed, the further restriction of the opportunities that ministerial direction would give, which the minister outlined today, makes the case against ministerial direction even stronger. However, I look forward to hearing more about that issue as we go forward.

Ministers will have the power to make appointments to the board, and the chief executive

officer is an accountable officer to the Scottish Executive, so a strong framework will already be in place. I think that anything additional to that would be questionable in terms of proportionality and might compromise the National Library's ability to raise money from donations.

We understand that the library might want to capitalise on its ability to raise money from merchandising, particularly around a popular exhibition. However, as Neil Findlay has indicated, we are concerned about those aspects of the bill that suggest that the library might charge for certain services or for the provision of goods. Similarly, what mechanism does the minister see the National Library adopting to allow it to borrow money and, more importantly, to pay it back, and to what purpose would it do so?

Like colleagues, I am intrigued by the idea that the library might want to set up new companies. Perhaps the minister might clarify how they would operate and to what purpose they would be put.

I was interested in Mark Griffin's remarks concerning "Oor Wullie", and I bow to Mr Johnstone's family expertise in that area. However, I simply say to Mr Griffin that there are other families that have the tradition that his seems to have. I also point out that you know that you have received one too many "Oor Wullie" books when you notice that the stories are being recycled—an experience that my brother and I have discussed on more than one occasion.

We all want the National Library to be able to grow and flourish and to be able to move with emerging technologies. So far, it has been remarkably good at doing so, and nothing that we put in place now should stifle that ability.

Scottish Labour is happy to support the principles of the bill and looks forward to hearing more from the minister about some of the specific points that we have raised in the debate. We also look forward to the discussions that we will have as the bill progresses.

16:20

Fiona Hyslop: I thank the members who have spoken in the debate, and I would say that Alex Johnstone is living testament to the fact that libraries broaden the mind. I am pleased that, in this stage 1 debate on the National Library of Scotland Bill, the Parliament has had the opportunity to educate Mr Johnstone in areas with which he was perhaps unfamiliar.

We have had a useful and constructive discussion, and I will keep in mind the points that members have raised—as well as the points raised by all the people who have commented on the bill so far—as we steer the legislation through

its remaining stages. I have been delighted to hear such warm words about the National Library and the importance of the reform of its governance. Back in 1925, all sides at Westminster backed the proposal to establish a national library of Scotland, and members pointed out the universal support in Scotland, with one stating:

"I do not think that any right hon. Member would grudge anything from public funds for this very important object in Scotland".—[*Official Report, House of Commons*, 24 July 1925; Vol 186, c 2628.]

In the same way, this Government is proud to support the National Library of Scotland. We recognise the great benefits that the nation enjoys from the library.

As we have heard, the National Library holds tremendous collections on behalf of the people of Scotland—including Oor Wullie. The collections span the centuries, and include items such as the only known copy of blind Harry's 15th-century epic, "Wallace", and a copy of the first printed book, the Gutenberg Bible of 1455.

The National Library ensures that the past is brought to life in a modern context. Its exhibitions and events remind visitors of the enduring relevance of the collections. The current exhibition, "Beyond Macbeth", uses material held by the library and by the University of Edinburgh to illustrate the importance of Shakespeare to Scotland. The fabulous John Murray archive boasts material from Sir Walter Scott, David Livingstone, Jane Austen and, as we have heard, Charles Darwin. The material has been given a modern relevance by the library; those tremendous figures from our past are brought to life using technology. The National Library has created an app for mobile phones, and there are interactive pods at the entrance so that users can explore in a fun and informative way.

As we have heard, the National Library has operated under the existing legislation for 87 years, and it has done a remarkable job of maintaining and developing the national record. However, it is now time to build on those strong foundations and equip the library with the necessary functions. That is important, because many of the concerns that people have raised will be dealt with by the functions that are set out in the bill. The 1925 act does not set out the functions. A great deal of legal protection will be given in relation to some of the issues that members have raised. The bill also covers powers and governance arrangements that will allow the library to achieve even more.

As well as what it can achieve internally, the library can contribute to a modern and dynamic Scotland. As one of Europe's major research and reference libraries, it offers world-class collections. The bill will modernise the functions and

governance of the library for the 21st century. It is essential that we take this opportunity to strengthen the library's role in safeguarding and sharing its collections, and to strengthen its work in bringing the nation's history and culture to life. The bill is drafted to keep pace with requirements so as to preserve and develop our national collections for generations to come.

This afternoon's debate has given me a further opportunity to reflect on points that were raised in the committee's report. As I have said, I am content to increase the minimum number of board members from six to eight, with the chair being the ninth member, which I think addresses a point that Fiona McLeod raised. That increase makes sense when we consider the range of skills that are required to support and enhance the strategic operation of the library. However, I would not expect the library to operate at the lower end of that board membership. Similarly, I will strive to ensure that the boards of National Museums Scotland and the National Galleries of Scotland exceed the minimum quota.

Liz Smith made an important point about the need for a smooth transition, and we are already in discussions on how that can be achieved, with the skills of the current board members progressing into the new arrangements. We have done similar things with other organisations for which there have been mergers or changes.

Members have rightly scrutinised the inclusion of a ministerial power of direction, to ensure that we have the right balance between accountability and curatorial freedom. I am sure that Patricia Ferguson will remember the consultation on the 2005 bill, in which the ministerial power of direction was very general. Changes have been made since then to restrict the power of direction. I refer those who have not looked at it to section 8, which sets out the limitations of the Scottish ministers' power of direction. It completely restricts any directions that would affect the curatorial aspect that Patricia Ferguson mentioned.

Patricia Ferguson: I accept that the minister does not intend to interfere with curatorial independence. However, I suggest that she reflect on the fact that the ministerial power now seems to be drawn so narrowly that it does nothing to allow any problems to be dealt with for which there is not already scope in the framework of governance. Perhaps the power is just not needed.

Fiona Hyslop: I will come on to some other important points on the power of direction, but we are damned if we do and damned if we don't in terms of how far the direction might go. The bill provides necessary safeguards, but I confirm that my officials have held—and will continue to hold—discussions with the National Library of Scotland

to provide clarity about the nature and use of the power of direction. As requested, I will write to the committee on the matter before stage 2.

I am pleased that the committee is satisfied with the assurance that the inclusion of a power of direction will not jeopardise the library's charitable status—a point that was raised by members today. If there were an overt use of the ministerial power of direction, that could compromise the library's charitable status. It is important that we do not jeopardise that, and I am pleased that the committee agrees with our approach. However, 86 per cent of the funding that is provided to the library comes from taxpayers, and I know that, if something goes awry and a ministerial power of direction is required, members of this Parliament will be the first to leap to their feet and call for ministers to get involved, take leadership and so on. The bill needs to be future proofed, and we are concerned to get the balance correct.

The issue of the ministerial power of direction was raised by Stewart Maxwell, Liz Smith and Neil Findlay, and I refer members to the restrictions in section 8(2). We have moved a long way in our discussions and it is important that we get the balance right.

As well as amending the minimum size of the board, I intend to lodge amendments at stage 2 to address some of the points that were raised in the written evidence from the Faculty of Advocates. I agree in principle that the bill should be clearer about the scope of the faculty's collections, which are wonderful. I will also lodge a technical amendment to tidy up the provisions about legal publications. My officials will discuss those amendments to sections 5 and 6 with the Faculty of Advocates and the National Library of Scotland shortly.

I think that everybody recognises the Government's position on fee charging. I wrote to the committee on 23 February to explain that, where provisions for charging exist, the National Library of Scotland is providing additional material free of charge; however, it can charge users for digitisation on demand. Fiona McLeod made a good point when she said that, in the past, there has been charging for things that have subsequently become normal provision. We must future-proof the bill to allow progress in areas where technology may overtake us in the future.

In terms of companies, it is a standard provision for NDPBs to charge and mirrors provisions for Creative Scotland. Neil Findlay asked about charging for services. That will be restricted because of the functions in the bill and the need to make collections accessible to the public. However, in relation to catering and hospitality, for example, there needs to be a provision to allow the library to charge for goods and services.

This has been a good stage 1 debate. The committee has taken its responsibilities seriously and the debate has been an opportunity to showcase what Liam McArthur described as a national treasure. It is important that, as we have legislative responsibility for the National Library of Scotland, we take the opportunity to celebrate what is there, recognising not only its role in the past but its role into the future. It is heartening to hear that members and stakeholders are passionate that there should be no charges for access to the library. Free access to our collections is something that I treasure and I am committed to maintaining it.

I am pleased to have the Parliament's support for the bill and will seek to work constructively with the committee as the bill proceeds to stage 2.

Local Government Finance (Scotland) Amendment Order 2012 [Draft]

The Presiding Officer (Tricia Marwick): The next item of business is a debate on motion S4M-02336, in the name of Derek Mackay, on the draft Local Government Finance (Scotland) Amendment Order 2012.

16:29

The Minister for Local Government and Planning (Derek Mackay): On 9 February, Parliament approved the Local Government Finance (Scotland) Order 2012, which enables Scotland's local authorities to set their revenue budgets for 2012-13. At that time, local authorities were asked to provide formal assurance by 29 February that the approved budgets included provision to deliver certain specific commitments that were set out by the Scottish Government. Those commitments were to freeze council tax for a fifth consecutive year; to maintain the number of police officers to help to keep our communities safe; and to maintain teacher numbers in line with pupil numbers, while securing places for all probationer teachers who require one.

James Kelly (Rutherglen) (Lab): I note that one of the commitments was about police officer numbers. Does the minister accept that although that commitment might have been delivered, as we heard earlier today, we now have 1,000 fewer police support staff in Scotland's communities, which could undermine community safety in our towns and cities?

Derek Mackay: The budget that the Scottish Government has delivered includes money for diversionary measures in our communities, enhanced community safety, a more efficient service that is moving towards the single police and fire service, and more than 1,000 more police officers on our streets. That compares very well with what is happening in England, for example, where there has been a reduction—not a growth—of 16,000 in the number of police officers on the streets. The Scottish National Party's record on community safety and the police service is first class.

I am delighted to be able to inform members that all 32 local authority leaders have confirmed that their 2012-13 budgets contain the full provision to enable each of the commitments to be fulfilled. As a result of that confirmation, the order seeks approval for each local authority's share of the £70 million that has been set aside to compensate councils for the council tax income that they have foregone as a result of their decision to freeze the council tax.

The decision to freeze the council tax and maintain police and teacher numbers will benefit every household in Scotland. There are many other examples of how local authority budget decisions will impact on various groups of people, including the allocation of money for tackling youth unemployment and poverty, as well as providing a living wage for local authority staff, and improving infrastructure in local areas. Councils are clearly focusing on contributing to economic recovery. Those steps are very welcome and will help to deliver better outcomes for people who are living and working in our communities across Scotland.

The Government's commitment to continuing to support families in what is still a challenging financial environment is demonstrated by our ongoing support for the council tax freeze. That support is vital, because it will ease the financial pressures that are being faced by households and communities, and it will stimulate our local economies, because household spending has the potential to provide a cost-effective stimulus as we work towards economic recovery. We have, of course, committed to working with local authorities to extend the council tax freeze over the lifetime of this parliamentary session. The agreement of all local authorities to extend the council tax freeze for 2012-13 means that our commitment will have saved households the length and breadth of Scotland more than £1 billion.

In England between 2008 and 2011, council tax increased by almost 9 per cent, whereas in Scotland it remained unchanged. In addition, an annual study by the Chartered Institute of Public Finance and Accountancy found that 43 per cent of homeowners in England will see a rise in their council tax bill next year. People in England appear to be having the worst of all worlds with deeper cuts in their council budgets and 45 per cent of all households facing higher council tax bills and other bills as a result of the United Kingdom Government's policies. The average council tax bill for a band D property in England in 2011-12 was £1,439, which is more than £290 higher than it is in Scotland.

Since the main order was approved in February, there has been one further change in relation to the distribution of the £37.6 million for the teachers induction scheme. That funding has traditionally been held back until the number of probationary teachers who are allocated to each local authority is known, when it is distributed accordingly. Following a request from the Convention of Scottish Local Authorities, it has been agreed to distribute £10 million of that funding up front, and I confirm that that sum is included in the amendment order for approval. The remaining £27.6 million will be allocated later in the year.

I confirm that all 32 local authorities have now agreed to the 2013 targets of the business rates incentivisation scheme. That means that all local authorities will have the opportunity to directly benefit from maximising their existing business rate income and from growing their business tax base. Under the scheme, any council that exceeds its target will be able to retain half of the additional amount collected over and above the target figure. Equally, any council that does not reach its target will still be compensated by the Scottish Government up to the amount that is set out in the amendment order. The introduction of the business rates incentivisation scheme means, therefore, a winning, no-lose situation for councils and a potential gain for the Scottish Government and all the people of Scotland as a result of incentivising increased economic growth.

In summary, approval of the amendment order will authorise the distribution of a further £80 million to local government, to support the essential services that local authorities deliver to our communities. If all the councils had not accepted the offer, that would have undermined the constructive relationship that we have developed with our local authorities. However, they have accepted it and they have constructed their budgets in a way that contributes to the Government's priorities, such as the preventative spend agenda.

To vote against the amendment order would be to go against the wishes of each and every local authority in Scotland and to deprive communities of £80 million of essential services, such as education, social work, police and fire services.

During questions on finance, employment and sustainable growth earlier today, James Kelly suggested that the cuts to local government were disproportionate, but they are not. I have researched the figure of 88 per cent cuts to local government. It is only possible to arrive at such a figure if £2.5 billion of Scottish Government contribution is excluded from local government spend. If James Kelly wants to ignore the £2.5 billion that is going towards local government, the figure of 88 per cent would be absolutely correct, but the £2.5 billion contribution exists in reality. It is part of a fair and decent settlement for local government. He need not take my word for it, because the president of COSLA has said that our financial deal for local government is the best possible deal under the circumstances.

On that note, I am happy to move,

That the Parliament agrees that the Local Government Finance (Scotland) Amendment Order 2012 [draft] be approved.

16:37

James Kelly (Rutherglen) (Lab): Let me make it clear from the outset that the Labour Party will support the amendment order at 5 o'clock. We have to accept that council leaders have been put in the position of having to take either the £70 million or a 5.2 per cent cut to the needs-based portion of their grant. The situation is akin to them having a gun held to their heads, so it is understandable why they have gone down their chosen route.

Kevin Stewart (Aberdeen Central) (SNP): Will the member give way?

James Kelly: Not for the moment.

Kevin Stewart: I did not think that he would.

James Kelly: I would be happy to take an intervention once I have developed my argument.

I want to explain a few home truths about the settlement and the SNP's attitude to local government. Let us not forget that the £70 million comes with strings attached.

Kevin Stewart: Will the member give way?

James Kelly: Not for the moment.

The £70 million has not increased in the five years since the SNP came to power, so inflation has not been taken into account. Moreover, as I have said, the offer comes with strings attached.

Joe FitzPatrick (Dundee City West) (SNP): Will the member give way?

James Kelly: Let me finish this point. On the agreement on police officer numbers, the SNP is playing a numbers game in which, while the numbers are being maintained, the support staff have already been cut by 1,000, and there will be further cuts as a result of the settlement. I am sure that the potential undermining of safety on the streets of Dundee is of concern to Joe FitzPatrick.

Joe FitzPatrick: I am very pleased that crime is at a 35-year low and that the streets of Dundee are the safest that they have been in decades.

Mr Kelly referred to strings being attached to pockets of money. My recollection is that for most of the previous parliamentary session, the Labour Party continually argued against the SNP's proposals and determination to remove ring fencing—not just strings attached, but piles of bureaucracy and paperwork that prevented money from being used for the front-line services to which it was supposed to apply.

James Kelly: In relation to the impact on front-line services, 89 per cent of the cuts in the current budget have been passed to local government: £658 million of the total £739 million of cuts has

been passed to local government. The SNP is hammering local government.

Kevin Stewart: Will Mr Kelly give way?

James Kelly: Let me finish my point.

That point was reinforced only this morning in a report by the Accounts Commission, which drew attention to the fact that, based on the Government's figures, there would be a 12.5 per cent real-terms cut to local government funding by 2014.

I give way to Mr Stewart.

The Presiding Officer: Mr Kelly, I cannot give you additional time for taking interventions.

Kevin Stewart: I thank Mr Kelly for giving away—rather, giving way and giving away nothing, come to think of it.

Why have Labour leaders of councils across the country accepted the package? Beyond that, why do they continue to welcome the progress that the Government has made in getting rid of ring fencing and allowing independence at local level?

James Kelly: Mr Stewart must look at the practical effects of the SNP budget on the ground. We saw in statistics that were published only yesterday that there have been 65 job losses in the public sector every day and that in the past year there have been 13,500 job losses in councils. We will see more of that over the coming year as a result of the local government settlement.

We need only look at the impact of the 20 per cent cut in the bus service operators grant. FirstBus in Glasgow is telling us about that. Mr FitzPatrick does not need to shake his head. The reality is that services are being cut.

Joe FitzPatrick: Will the member give way?

James Kelly: I have already given way to Mr FitzPatrick.

The reality of the budget cuts is that bus services are being cut and pensioners are not able to get out and reach other parts of my constituency as a result of the cuts to the bus service operators grant.

Only last weekend, we saw the SNP roll up to its Glasgow conference and Mr Mackay, the minister for public spending cuts, talk at the people of Glasgow and tell them how they were poor, incapable and not in good health. What way is that to talk to the people of Glasgow? That is a disgrace and people will give their verdict on it on 3 May. [*Interruption.*]

The Presiding Officer: Can we settle down, please?

James Kelly: They are getting a bit excited, Presiding Officer.

We are moving towards the local elections campaign and the single-issue campaigners on the SNP benches will go to the country on a platform of the worst, most swingeing cuts to public services since the days of Thatcher. Labour will go with a positive programme on housing, education and protecting pensioners.

The Presiding Officer: You need to wind up, Mr Kelly.

James Kelly: We look forward to the elections and to building hope and defending jobs and services.

16:43

Margaret Mitchell (Central Scotland) (Con): The Local Government Finance (Scotland) Amendment Order 2012 acts as an amending instrument to the Local Government Finance (Scotland) Order 2012, which was debated in the chamber last month. The minister will recall that when the order was debated the Scottish Conservatives disagreed with several aspects of it, including the regressive £95 million retail levy tax and the overly optimistic business rate incentivisation targets.

However, the Government seeks approval today for the amendment order, which sets out the distribution of incentive compensation that is to be paid to councils in return for their submitting to the full package of resource allocations and conditions that is laid out in the relevant finance circular.

In practical terms, the amendment order distributes the £70 million council-tax-freeze incentive among the local authorities that have given written declarations that they intend to freeze council tax rates, as required by the Scottish Government. As the minister set out, the order also independently allocates across local authorities the initial funding of £10 million for the teachers induction scheme.

As I stated when we debated the Local Government Finance (Scotland) Order 2012 in February, the Scottish Conservatives support the council tax freeze for the forthcoming financial year of 2012-13, and that has not changed. I will set out why we support the council tax freeze and the order. The Scottish Conservatives believe in lower taxes and we want to reduce the taxation burden on Scottish families. We supported the freeze throughout the previous session of Parliament, and a freeze for 2012-13 was a commitment in our manifesto last year. Incidentally, it is interesting that councils in England have begun to implement council tax freezes.

Ultimately, the freeze supports hard-working Scottish families and helps their money to go a little further. I welcome the additional funding for local authorities and I hope that it will be put to good use in providing high-quality services for local communities. The Scottish Conservatives support the council tax freeze for the forthcoming financial year and we are heartened that all councils will receive additional funding.

16:47

Joe FitzPatrick (Dundee City West) (SNP): The settlement is good news for Scotland's local authorities. It completes the funding for the delivery of vital services that the people of Scotland deserve and depend on. Before I talk about some of the good things in the settlement, I will talk briefly about buses. James Kelly's comments were disingenuous, particularly given that anyone in Dundee will know that the Labour Party, as part of its budget proposals for this year, wanted to remove every single uncommitted penny in Dundee City Council's fund to support the development of new bus routes in the city. It is very cynical on the one hand to say, "We're not getting enough," and on the other to want to remove every penny for future development and support of new bus routes in my city.

We need to look at the budget in the context of the cuts that have come to the Scottish Government from the Conservative-Lib Dem Government in Westminster. Alistair Darling confirmed that the cuts would be "deeper and tougher" than those of Margaret Thatcher, and Mr Kelly almost used those words. The cuts were planned and proposed by the Labour Party.

James Kelly: Does Mr FitzPatrick accept that his Government has doubled the cut from Westminster in the cut that it has passed on to local councils? I repeat that there are £658 million of cuts.

Joe FitzPatrick: No, I do not accept that—Mr Kelly is wrong. Just about every member of the Parliament agrees that health spending should be protected, although there is debate on that. If health and the Barnett consequential from health should be protected for health and so we remove health spending from the budget, we find that the share of the remaining budget that goes to local government has been more than protected. Even in overall terms, we have protected local government's share. For the past three years, that share has gone up when, under the previous Labour-Liberal Executive, it went down year on year.

Kevin Stewart: Does Mr FitzPatrick agree that even though we are living through these tough times of having cuts imposed on us by the

coalition Government at Westminster—a situation that is down to the fact that the Labour Party caused economic chaos—the Government has increased the amount of money that goes to local government in Aberdeen and Edinburgh through the introduction of the 85 per cent rule?

The Presiding Officer: You have one more minute, Mr FitzPatrick.

Joe FitzPatrick: Kevin Stewart makes an important point. Ever since the Parliament started, there have been complaints about how the formula applied to Aberdeen. All parties were prepared to comment on that, but this Government has been the first to tackle the issue. John Swinney and Derek Mackay should be praised for tackling the problem that Aberdeen faced in such difficult times.

I turn to some of the good news in the settlement. Local government will receive £45 million to help it to deliver 30,000 affordable homes across Scotland. The protection of police numbers is crucial. I heard someone in the Labour Party suggest that we do not need to protect police numbers because crime is at an all-time low, but it is the other way round—it is because we have 1,000 extra police officers that crime is at an all-time low. Most important is the funding that local government is receiving for the council tax freeze, which will save the average householder in Dundee £192 this year. Across Scotland it will save—

The Presiding Officer: You need to finish, Mr FitzPatrick. I call John Pentland.

16:51

John Pentland (Motherwell and Wishaw) (Lab): I declare that I am still a councillor with North Lanarkshire Council.

This money has been trumpeted as a good news story, but it has just been used as a carrot and stick to ensure that local authorities apply the council tax freeze. They had little choice other than to do what they were told. I and many others—including, I suspect, those SNP members who are still sitting councillors—believe that the local government settlement is grossly unfair and unjust, putting most of the burden of Scottish Government cuts on local authorities.

Derek Mackay: Will the member take an intervention?

John Pentland: No.

However, as James Kelly said, we will not vote against what is on offer, because local authorities already face significant cuts and need all the money that they can get, even if it has strings attached.

The Cabinet Secretary for Parliamentary Business and Government Strategy (Bruce Crawford): Will the member give way? I am much kinder than Derek Mackay.

John Pentland: No.

Unlike what my party pledged to provide, this is definitely not a fully funded council tax freeze—rather, it is an underfunded council service squeeze. I recognise that the Scottish Government has less money to share out, thanks to the Con-Demolition of our finances, but the sharing of what is available is anything but fair.

John Mason (Glasgow Shettleston) (SNP) rose—

John Pentland: Within the shrinking Scottish Government pot, local government funding is shrinking faster than other funding, and the amendment order does little to address that. The amounts of money have been disputed, but the reality is that more than 80 per cent of the cuts will still be shouldered by local government.

Kevin Stewart rose—

John Pentland: Over the next three years, local government's share of the Scottish budget will drop from 34.5 to 33.3 per cent. More than £1.5 billion is being taken away from councils, with nearly £900 million being taken away as a result of the cuts being above average.

While the Scottish Government's real-terms funding has dropped by 2.2 per cent, local government is losing 5.5 per cent of its real-terms funding. The rest of the Scottish budget is down by just 0.5 per cent. The Scottish Government expects local government—which we all depend on to deliver high-quality services—to shoulder 10 times the level of cuts that will apply elsewhere. So much for the Scottish Government and the new local government minister valuing the importance of local government.

What could local authorities have done with the money that they would have had, had the cuts been shared more equally? They could have increased support to the voluntary sector. They could have created more employment and job security. From the Highlands to the Borders, many more houses could have been built and many services, and the jobs of those who provide them, could have been protected.

John Mason rose—

The Presiding Officer: The member has made it clear that he is not taking interventions. Please let him continue.

John Pentland: From the Western Isles to Fife, instead of standards being lowered and services reduced, services such as street cleaning and education could have been protected.

The Scottish Government might not like to admit it, but it has failed local authorities and their employees. It has failed those who are dependent on the quality services that are delivered by local authorities. It has failed to recognise that, rather than job losses—particularly among women—jobs could have been protected. It has failed to recognise that there could have been a pay award rather than a pay freeze. Most disappointingly, it has failed to recognise that it did not have to be this way. To borrow a line from the Scottish Trades Union Congress, there is a better way.

The Presiding Officer: I call Derek Mackay to wind up the debate.

16:55

Derek Mackay: I think that I have wound up the debate on what I was told should be a fairly consensual amendment order. I have done my best, because the Scottish National Party Government has a very good story to tell.

It appears that the Labour Party has buried a few things today. First, there is James Kelly's assertion that we have reduced local government spending disproportionately, by 88 per cent. Yes, but only by ignoring £2.5 billion of funding to local government is that figure in any way accurate.

Then there is the question of proportionate reductions in health spending and abandoning our commitment to health protection. Councillor Pentland refused to take an intervention. Do not take my word for the settlement being good. I return to the comments of COSLA's president Pat Watters, who said that the financial packages are the best in the circumstances and represent a far better deal than England has experienced.

James Kelly: Will the minister take an intervention?

Derek Mackay: No, thank you.

The Government will continue to spend more proportionately than the Labour Administration did when it was in office. We are protecting and growing police numbers as opposed to what is happening in England and Wales, where they are reducing by 16,000, and we are freezing the council tax.

Bruce Crawford *rose*—

Derek Mackay: I say to Mr Crawford that I know that so generous is the Scottish Government's settlement to local government and so fully funded is the council tax freeze that the tax can be reduced in places such as Stirling. With the funding floor, issues have been recognised and things have been sorted for Aberdeen and Edinburgh.

Members have referred to the strings that are attached. Strings are attached to the council tax freeze in England, too, but many English local authorities are turning them down, and they have the worst of all worlds. In England, there are deeper cuts in council budgets and council tax rises, contrary to what is happening in Scotland.

For all that the Labour Party has said about disagreeing with our approach to local government finance, it will vote for the amendment order. If members ever hear the Labour Party say again that we favour the east or the west, they should remember that it is endorsing the mechanism that determines how local government funding is distributed. That exposes the Labour Party's hypocrisy.

The party conference, which I was happy to chair, was mentioned.

James Kelly: Will the minister take an intervention?

Derek Mackay: I am coming to Mr Kelly.

Mr Kelly said that we rolled up to the party conference with good announcements for local government, and we did. Of course we did; we are entering the local government elections. When he said that we rolled up to the party conference, he was right; people were queuing up at it. Our conference was a sell-out, whereas the Labour Party has sold out on all its policies.

There are United Kingdom cuts, of course, and we can play only the cards that we have been dealt. We now know that if the Labour Party had won the Westminster election, the cuts to the UK budget would have been deeper and tougher than even the Conservatives' budget cuts, the consequences of which we are dealing with.

We will put in place a budget that secures economic recovery, supports youth employment, freezes the council tax, invests in local infrastructure, rolls out broadband, supports the living wage and delivers much in many areas. That is why Labour, around the country, will shamelessly criticise it, although, when push comes to shove, it will vote for it today.

As Pat Watters said, the deal is the best that local government could possibly secure in the circumstances. Perhaps that explains why 32 out of 32 council leaders are signing up to the Government's deal on local government finance.

This is a good budget. It is good for every community in Scotland, and it will be welcomed in every part of Scotland. [*Applause.*]

The Presiding Officer: I think that there has been something in the water this afternoon.

Business Motion

The Presiding Officer (Tricia Marwick): The next item of business is consideration of business motion S4M-02362, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out a revision to the business programme for Thursday 22 March.

16:59

The Cabinet Secretary for Parliamentary Business and Government Strategy (Bruce Crawford): The purpose of the revised business motion is to include a ministerial statement to give an update on Scotland's fossil fuel levy at 2.40 on the afternoon of Thursday 22 March.

I move,

That the Parliament agrees the following revision to the programme of business for Thursday 22 March 2012—

delete

2.15 pm Themed Question Time
Rural Affairs and the Environment
Justice and the Law Officers

2.55 pm Scottish Government Debate: The UK
Government response on the future of
Remploy

and insert

2.00 pm Themed Question Time
Rural Affairs and the Environment
Justice and the Law Officers

2.40 pm Ministerial Statement: Update on
Scotland's Fossil Fuel Levy

followed by Scottish Government Debate: The UK
Government response on the future of
Remploy

Motion agreed to.

Decision Time

17:00

The Presiding Officer (Tricia Marwick): There are seven questions to be put as a result of today's business. The first question is, that amendment S4M-02338.2, in the name of Aileen Campbell, which seeks to amend motion S4M-02338, in the name of Liam McArthur, on childcare, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
Adamson, Clare (Central Scotland) (SNP)
Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
Beattie, Colin (Midlothian North and Musselburgh) (SNP)
Biagi, Marco (Edinburgh Central) (SNP)
Brodie, Chic (South Scotland) (SNP)
Brown, Keith (Clackmannanshire and Dunblane) (SNP)
Burgess, Margaret (Cunninghame South) (SNP)
Campbell, Aileen (Clydesdale) (SNP)
Campbell, Roderick (North East Fife) (SNP)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Constance, Angela (Almond Valley) (SNP)
Crawford, Bruce (Stirling) (SNP)
Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
Dey, Graeme (Angus South) (SNP)
Don, Nigel (Angus North and Mearns) (SNP)
Doris, Bob (Glasgow) (SNP)
Dornan, James (Glasgow Cathcart) (SNP)
Eadie, Jim (Edinburgh Southern) (SNP)
Ewing, Annabelle (Mid Scotland and Fife) (SNP)
Ewing, Fergus (Inverness and Nairn) (SNP)
Fabiani, Linda (East Kilbride) (SNP)
Finnie, John (Highlands and Islands) (SNP)
FitzPatrick, Joe (Dundee City West) (SNP)
Gibson, Kenneth (Cunninghame North) (SNP)
Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
Harvie, Patrick (Glasgow) (Green)
Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
Hyslop, Fiona (Linlithgow) (SNP)
Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
Johnstone, Alison (Lothian) (Green)
Keir, Colin (Edinburgh Western) (SNP)
Lochhead, Richard (Moray) (SNP)
Lyle, Richard (Central Scotland) (SNP)
MacAskill, Kenny (Edinburgh Eastern) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
MacDonald, Gordon (Edinburgh Pentlands) (SNP)
Mackay, Derek (Renfrewshire North and West) (SNP)
MacKenzie, Mike (Highlands and Islands) (SNP)
Mason, John (Glasgow Shettleston) (SNP)
Matheson, Michael (Falkirk West) (SNP)
Maxwell, Stewart (West Scotland) (SNP)
McAlpine, Joan (South Scotland) (SNP)
McDonald, Mark (North East Scotland) (SNP)
McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
McLeod, Aileen (South Scotland) (SNP)
McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
McMillan, Stuart (West Scotland) (SNP)
Neil, Alex (Airdrie and Shotts) (SNP)

Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McArthur, Liam (Orkney Islands) (LD)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McLetchie, David (Lothian) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

Abstentions

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Kelly, James (Rutherglen) (Lab)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stewart, David (Highlands and Islands) (Lab)

The Presiding Officer: The result of the division is: For 65, Against 18, Abstentions 28.

Amendment agreed to.

The Presiding Officer: The next question is, that amendment S4M-02338.1, in the name of Neil Bibby, which seeks to amend motion S4M-02338, in the name of Liam McArthur, on childcare, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Rutherglen) (Lab)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stewart, David (Highlands and Islands) (Lab)

Against

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Gavin (Lothian) (Con)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Carlaw, Jackson (West Scotland) (Con)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Finnie, John (Highlands and Islands) (SNP)
 FitzPatrick, Joe (Dundee City West) (SNP)

Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and
 Lauderdale) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hume, Jim (South Scotland) (LD)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alex (North East Scotland) (Con)
 Keir, Colin (Edinburgh Western) (SNP)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McDonald, Mark (North East Scotland) (SNP)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse)
 (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McLetchie, David (Lothian) (Con)
 McMillan, Stuart (West Scotland) (SNP)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine)
 (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Presiding Officer: The result of the division is: For 31, Against 80, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The next question is, that motion S4M-02338, in the name of Liam McArthur, on childcare, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-
 shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Helen (Cowdenbeath) (Lab)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (SNP)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and
 Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDonald, Mark (North East Scotland) (SNP)
 McDougall, Margaret (West Scotland) (Lab)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse)
 (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)

McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McArthur, Liam (Orkney Islands) (LD)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McLetchie, David (Lothian) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

The Presiding Officer: The result of the division is: For 94, Against 17, Abstentions 0.

Motion, as amended, agreed to,

That the Parliament recognises that access to affordable, high-quality childcare supports children's learning and development and enables parents to return to, or remain in, work; notes the issues raised in the recent report, *The Scottish Childcare Lottery*, regarding cost, sufficiency and variation of early learning and childcare in Scotland; welcomes steps by the Scottish Government to address these issues, including the commitment to legislate to increase the amount of free nursery provision from 475 hours to a minimum of 600 hours for all 3 and 4-year-olds and all looked-after 2-year-olds; further welcomes the Scottish Government's commitment to work with the Early Years Task Force, local authorities, parents' representatives and childcare providers to consider how best to deliver increased and flexible provision, identify more clearly provision across Scotland and to learn from the best provision elsewhere in Europe, and condemns the UK Government's proposed welfare reforms that will have a detrimental effect on thousands of families across Scotland and have a negative impact on their access to childcare.

The Presiding Officer: The next question is, that amendment S4M-02337.1, in the name of Kenny MacAskill, which seeks to amend motion S4M-02337, in the name of Alison McInnes, on prisons, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Gavin (Lothian) (Con)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Helen (Cowdenbeath) (Lab)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Fergusson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (SNP)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alex (North East Scotland) (Con)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macdonald, Lewis (North East Scotland) (Lab)

Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDonald, Mark (North East Scotland) (SNP)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McLetchie, David (Lothian) (Con)
 McMillan, Stuart (West Scotland) (SNP)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Hume, Jim (South Scotland) (LD)
 McArthur, Liam (Orkney Islands) (LD)
 McInnes, Alison (North East Scotland) (LD)
 Rennie, Willie (Mid Scotland and Fife) (LD)

The Presiding Officer: The result of the division is: For 107, Against 4, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The next question is, that motion—[*Interruption.*] Silence. [*Laughter.*] I knew that there was something in the water today.

The next question is, that motion S4M-02337, in the name of Alison McInnes, on prisons, as amended, be agreed to.

Motion, as amended, agreed to,

That the Parliament recognises that successful rehabilitation is vital in order to reduce reoffending rates and support ex-offenders to turn their lives around; further recognises the role that voluntary organisations and social enterprises can play in delivering innovative and high quality programmes to address offending behaviour, and welcomes that the Scottish Government will explore the potential of innovative approaches to funding, including the piloting of Social Impact Bonds and public social partnerships, to support preventative spend measures.

The Presiding Officer: The next question is, that motion S4M-02332, in the name of Fiona Hyslop, on the general principles of the National Library of Scotland Bill, be agreed to.

Motion agreed to,

That the Parliament agrees to the general principles of the National Library of Scotland Bill.

The Presiding Officer: The next question is, that motion S4M-02336, in the name of Derek Mackay, on the draft Local Government Finance (Scotland) Amendment Order 2012, be agreed to.

Motion agreed to,

That the Parliament agrees that the Local Government Finance (Scotland) Amendment Order 2012 [draft] be approved.

January Pay Date

The Deputy Presiding Officer (John Scott):

The final item of business is a members' business debate on motion S4M-01586, in the name of Mark McDonald, on changing the January pay date. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes that many public and private sector organisations pay their staff early in December to facilitate a payroll shutdown, but that the pay date for January remains at the end of the month; further notes that this means that workers have to ensure that their December pay lasts for around six weeks, covering both Christmas and New Year, while January pay only has to last for four weeks due to the shorter month of February; considers that this increases the pressure on the budgets of Scottish households and further increases the likelihood of people turning to payday loans at the end of January; further notes that Aberdeen City Council has altered its January pay date by moving it to the penultimate week of the month, thus creating a five-week period for the December and January pay windows, and believes that a similar approach across the public and private sector would ease pressure on Scottish household budgets.

17:07

Mark McDonald (North East Scotland) (SNP):

I thank members from across the chamber for signing my motion to facilitate the debate, although I note that, with the lone exception of Mr Macintosh, no members from parties other than the Scottish National Party are in the chamber, so we might all get home a bit sooner.

I lodged the motion because I wanted to open up debate and discussion around what I see as a very important issue. The issue ties in with others on the agenda in Scotland, such as the living wage and pay day loans, which my colleague Margaret Burgess has raised in members' business before. It is about being mature enough as a Parliament to look at the important issue of the impact of the pay dates that currently operate in Scotland, particularly on those on low pay.

I am pleased that when I sought a response from organisations such as the Federation of Small Businesses, the Scottish Chambers of Commerce and the Chartered Institute of Payroll Professionals, they came back with very constructive responses in which they said that they would be willing to look at the issue in a bit more detail. I will come on to that later in my speech.

The key focus of the debate for me is the impact on low-paid workers. I have been a low-paid employee, as I am sure many members have. Employees receive their pay early in December, which can be a bit of a boost as it is often an expensive time of year with Christmas and new

year to come. The drawback is that because many organisations and businesses pay early in December but continue to pay at the end of January, the pay window becomes a six-week window that covers one of the most expensive times of year for many individuals. Individuals who are on a low income have to make that low income stretch for a longer period than would otherwise be the case.

The reason why I thought that there might be an opportunity to discuss the issue is that the month of February is only a four-week month, so a six-week pay window for the pay that is received early in December is followed by a four-week pay window for the pay that is received at the end of January. It seems perverse that people are expected to make their pay packet stretch for six weeks over December and January but for only four weeks in February.

My motion highlights the issue of pay day loans. I have spoken to people who, come the middle to the end of January, find things tough and are tempted and seduced by the offer of a short-term cash injection. My colleague, Margaret Burgess, has previously made that point eloquently in the chamber, when she has talked about the difficulties that people on low incomes often face. As a member of Aberdeen City Council, some time ago I approached the then chief executive and suggested that the council might wish to consider changing its January pay date, and the council has now done so, paying in the penultimate week of January rather than at the very end. That approach has been broadly welcomed by the council's low-paid workers and the trade unions.

I lodged my motion with the intention of instigating dialogue and discussion. I recognise that the proposal will not be universally appropriate and I do not seek a prescriptive measure that all companies and organisations must implement. I recognise that for small businesses that employ only a few people and which have cash-flow problems at the end of the month, it will not be appropriate to change the pay date, because they rely on certain income and outgoings being fixed. I do not seek to put such private sector businesses in an awkward position. However, it might be easier for the public sector to implement the measure. I hope that public sector organisations will look at the example of Aberdeen City Council and consider whether this is something that they could introduce. Larger private companies that do not rely so much on month-to-month cash flow might also consider implementing the measure.

This issue predominantly affects those at the lower end of the pay scale, who suffer the most in the six-week pay window. We should do anything that we can as a Parliament to highlight the issue,

and I hope that this will not be the end of the debate but that we will go forward into constructive discussion. I certainly intend to send the *Official Report* of the debate to the organisations that I spoke to before I lodged my motion, to let them know what members have said and to try to instigate that constructive discussion.

I am interested to hear what the minister has to say. I reiterate that this is not about saying, "You must do this," but about asking organisations and businesses across Scotland to seriously consider whether they could facilitate such a move to the benefit of their employees. I look forward to listening to the rest of the debate.

17:13

Margaret Burgess (Cunninghame South) (SNP): I congratulate Mark McDonald on securing the debate and I welcome the opportunity to take part in it. However, I say at the outset that pay, timing of pay, and working conditions generally are matters for employees, their union representatives and employers.

John Wilson (Central Scotland) (SNP): I recognise that negotiations over the pay date should be between employees and employers, but given that many employers have moved to a monthly pay cycle from traditional weekly and fortnightly cycles, it is low-paid workers who suffer most and are most driven into the hands of pay day loan companies to try to make up the shortfall. The member who lodged the motion has said that. Some local authorities use a four-weekly pay cycle and others use the end of the month, as does Parliament.

Margaret Burgess: I was going to address such issues later in my speech; I do not disagree with what John Wilson has said.

Having said that it is a matter for employees and employers to discuss, I think that it is right that we highlight the difficulties with the January pay date when the December pay is paid early. We live in very difficult times, and people—particularly those on low incomes—need every penny of their money to make ends meet. Any changes to the timing of income, however small and whether it involves changing from weekly to fortnightly payments—as my colleague mentioned—or a benefit not being paid on time can have a significant impact on family budgets, and can often leave people in real financial difficulties months later.

I appreciate that many employers pay early in December to facilitate the payroll, and I understand that many people depend on their December pay arriving before Christmas because that helps with the extra outlays that all of us—however careful we are—inevitably incur over the Christmas period. However, problems can develop

if the next pay day is not for six weeks, because very few people can stretch their money that far. Often, the money to pay for essential items such as utilities, insurance and housing is used for food, travel and other everyday expenses. The family will often use credit cards, intending to catch up in January, but for many that can be the start of the debt trap. In February they are still short as another bill becomes due, and they are simply unable to catch up.

Anyone who works in money advice will tell you that often something seemingly small, like being paid early or late, can result in financial problems further down the road, with all the associated misery. People will try for months and months to juggle whatever little income they can, robbing Peter to pay Paul, in the hope that their situation will improve. By the time they seek advice, they often have unmanageable credit card debts and have taken out a high-interest pay day loan—and we know about the problems that those can cause.

The Deputy Presiding Officer: The member can take extra time.

Margaret Burgess: Thank you, Presiding Officer.

We could say that employers should not pay early before Christmas, but that could be unpopular with many employers, and it is also likely to be unpopular with those who rely on the December pay to see them through. It could also mean that people resort to credit cards or payday loans earlier, with the same miserable effects as I described earlier.

However, if the January pay date was to be brought forward, I believe that that would make a difference. It would help families because they would have only an additional week to wait for their next pay day. That would, one hopes, prevent them from resorting to borrowing and being sucked into the debt spiral. Families would have the flexibility of the bit extra before Christmas without being overstretched in January.

As I said earlier, something small can often make a big difference, and moving the January pay date could do that by preventing many people from getting into debt, which I do not want.

17:18

Ken Macintosh (Eastwood) (Lab): I thank Mark McDonald for bringing the debate to the chamber. He highlights a very worrying problem throughout Scotland, which involves not only the January pay date but increasing levels of personal debt and bankruptcy. Too much credit is available in some cases, and not enough is available in others. That all comes together at Christmas time,

bizarrely, because bringing forward the pay date in December defers and builds up problems for January. Mark McDonald has highlighted a modest but practical solution that would offer some support, and I thank him for doing so.

The background to the problem that we are discussing is difficult. In November last year, R3—the Association of Business Recovery Professionals—published its sixth “Personal Debt Snapshot” report, which focused specifically on why individuals turn to pay day loans. It revealed the highest level of worry about debt ever recorded. It also identified a group of people who currently pay only the interest charges on their debt and not the debt itself, and said that that affects one in six people. That issue has been raised by many members from all sides of the chamber, including Margaret Burgess and my colleagues Johann Lamont and Neil Findlay.

I was particularly pleased to hear that Aberdeen City Council has offered a practical way forward, by changing its pay date, which presents an example to the rest of the public sector.

The overall statistics on debt in Scotland and throughout the United Kingdom are horrendous and make for grim reading. According to Citizens Advice Scotland, debt accounts for a quarter of all the cases that it deals with, and more than 40 per cent of those citizens advice bureau clients say that they go without food or fuel to try to pay off their debts. In many cases, that is because they are being aggressively pressured by their creditors.

Shelter has published evidence that 2 per cent of the UK population admits to having paid their rent or mortgage by means of a pay day loan and Shelter Scotland has confirmed that the proportion is similar in Scotland. There is a significant problem in Scotland and throughout the UK for the most vulnerable communities, who are particularly vulnerable at the end of the month and after a five-week pay period.

Those communities are vulnerable to two predators in particular: loan sharks and pay day lenders. It is estimated that annually about 85,000 people borrow from about 150 illegal moneylenders in Scotland, who are charging astronomical interest rates; the rates are off the scale. That is a huge problem, which affects the whole of Scotland.

Pay day lending is perhaps a more recent phenomenon. As members know, it is a form of credit whereby the borrower authorises the lender to make an automatic withdrawal from their bank account, as a security for a short-term loan. The loan must be repaid in full, plus interest, on the borrower's next pay day. The pay day loan industry targets lower-income and minority groups.

It targets the vulnerable and the low paid. Loans are given without regard to borrowers' ability to pay, and borrowers sign a payment authority that can be cancelled only by the lender. The lender has it every way and the borrower is trapped. The original loan gets rolled over again and again, and the interest and costs keep rising.

Evidence from CABx tells us that clients who have pay day loans have an average of three debts more than clients who do not have pay day loans, which suggests that people who are in long-term financial difficulty are more likely to turn to a pay day loan. Interest rates can be in the thousands—3,000 or 5,000 per cent. It is estimated that the pay day loans sector is worth some £2 billion, so members can see why there is such interest in companies in the area.

There are solutions, such as credit unions, and practical measures such as have been suggested by Mr McDonald. I am happy to express my support and the Labour Party's support for such measures.

17:22

Dennis Robertson (Aberdeenshire West) (SNP): I congratulate Mark McDonald on bringing an important debate to Parliament.

Just before Christmas, I contacted Aberdeenshire Council, the neighbouring authority to Aberdeen City Council, to ascertain whether it had contemplated moving the January pay date, as Aberdeen City Council was about to do. I was advised that the council had considered that in the past, but thought that there was no real need or desire for a move, even after talking to the trade unions. I was not shocked by that, but I found it strange, so I intend to go back to the council on the matter.

Perhaps Mr McDonald will take this important issue to the Convention of Scottish Local Authorities, so that it can debate it. I hope that he can secure COSLA's support, so that every local authority will consider following Aberdeen City Council's lead on the January pay date. Mr McDonald is not going about with a big stick, trying to force the issue, as he said; he is going along gently, prodding and probably at times pricking people's consciences. Such an approach is particularly appropriate in the private sector, which can change the January pay date with little effort.

Ken Macintosh and Margaret Burgess talked about the hardship that people face around Christmas and January. Many people are driven to loan sharks and pay day lenders, through no fault of their own, so that they can get the basics that they require. Then they get into an absolute mess, to get out of which they need the assistance of our CABx and other professionals. Often, they are in

so deep that even with that help it can take years to pay off even the smallest of loans.

Christmas is a difficult time for most families, because people always go that extra bit further and always get that extra present. My family has always set a budget and said, "That's it. That's the budget—no more." However, we are not good at sticking to that budget, and I am probably the worst culprit, but my family can cope with that, although I know that, when it comes to the end of January, we are thinking, "I wonder what's in the freezer. Did we eat everything that we ordered for Christmas and new year?" I think that every family is exactly the same as that.

Mark McDonald is to be commended for bringing this important debate to the chamber. I think that society needs to think about how we can impact on pay.

When I worked for Strathclyde Regional Council in the late 1970s and early 1980s, we were on a 13-month pay cycle, which meant that we got paid every four weeks. That might be something that health boards and local authorities could consider as an alternative to what Mr McDonald is suggesting. However, I sincerely hope that our local authorities, health boards and organisations in the third sector can perhaps think about their moral obligation and support Mr McDonald's suggestion on how to deal with this important issue.

17:26

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): I thank Mark McDonald for bringing this debate to the chamber. I recognise the work that was done in Aberdeen, where he is a councillor. I understand that Aberdeen City Council implemented the measure in 2010 and repeated it in 2011, and that it has proved popular with the staff. I am told that Ewan Sutherland, the head of human resources, has confirmed that, although the measure is not a formal policy of the council, it will continue to be implemented unless there is a good reason for it not to be.

The debate has demonstrated that the issue that we are discussing is one that affects many people's lives, as they have to deal with having a six-week gap between the times when money comes into the house. It is a practical issue that affects people on low wages. Mr Macintosh referred to the proportion of people in society in Scotland—an alarmingly high proportion, if those figures are to be relied on—who are affected by the problem, with the worry that that entails.

Margaret Burgess has spent a lifetime advising people who face those daily predicaments, and I used to advise people who had serious debt

problems. Debt corrodes people's spirit and often leads to family breakdown and exacerbates all sorts of other problems.

Mr McDonald is also to be commended for the fact that he has proposed a solution. Very often, we have debates in which we have diagnosis but no prognosis—in which we complain about something but offer no solution. We must recognise that Mr McDonald has presented us with a practical solution, of a kind. It is not a total solution, but it is one that would alleviate the pressure for many.

The way in which he has argued that the measure be introduced is the right way. It would be wrong to proceed by compulsion—indeed, it might not be possible to do so. As was recognised by many of the speakers, this is not a matter over which we have power, and private businesses will determine their own practices. Some businesses might determine pay cycles with regard to their cash flow. In some cases, their business might be seasonal, and they might not have much income coming in in January, which means that speeding up the payment of the January payroll by even a week would constitute a factor that would have to be taken into account.

I will refer to the approaches that are taken in a few sectors of society. The Scottish Government gives staff the option of receiving a Christmas salary advance of up to £300, which is payable around 15 December and is recovered from end-December pay. In 2011, 250 staff used that facility. It provides the staff with an option to make up their own minds about whether to receive some of their December salary early. Also, there is no knock-on impact into the new year and January salary payments remain unaffected.

The Scottish Government considered the possibility of paying December and January salaries early and there was a consultation with Scottish Government staff on the issue in 2008. That resulted in a broadly 50:50 outcome between those in favour of early payments and those against. Perhaps that is a danger of holding a referendum—whether that is an irrelevant comment, I will leave it to others to judge. In any event, no change was made because there was no clear result; December pay day remains the last working day of the month minus one and January pay day remains the last working day of the month.

Local authorities are entitled to formulate their own policies, and I think that they would resist a national arrangement. COSLA has indicated that that is the case, highlighting the fact that not all local authority payrolls operate a four-weekly cycle, with some staff being paid on a fortnightly basis. In addition, the date on which salaries are paid is not uniform. Therefore, it would not be

possible to implement a single approach across all local authorities. Nevertheless, as Dennis Robertson said, one can achieve quite a lot by reasoned argument and advocacy made to individual councils, as Mark McDonald's example illustrates.

Some national health service boards in Scotland have considered the proposal, and it has been considered elsewhere in the public sector. It is a matter that staff themselves can raise or ask to be raised directly with the management or through their trade union representatives.

The Chartered Institute of Payroll Professionals points out that, in terms of company cash flow, there may be particular times of the month when the invoicing credit control procedures take place and income is expected. That will have been taken into account in making the decision about the date of the month on which pay day will fall. Bank closures may also be the reason why early payment is made in December in some cases, making it a matter of administrative necessity rather than an act of intended assistance.

I strongly agree with the points that have been made about pay day loans. There are some circumstances in which the use of a pay day loan can mean that an individual avoids paying a substantial overdraft charge, for example, that could exceed the interest on a pay day loan if the loan is paid back at the end of the next month. However, we know of horrific examples of what happens if it is not repaid—if it is rolled over—which we debated when Margaret Burgess rightly raised this important topic some time ago in one of the first members' business debates of the year. The Scottish Government is pursuing the matter in a number of ways.

Pay day loans are what people resort to when the money runs out, and the situation could sometimes be alleviated were payment of January salaries to be made a week early. Those are precisely the circumstances in which some people resort to pay day loans, and Mark McDonald's proposed solution could play a part in reducing the number of people who resort to pay day loans. As has been said, when somebody takes out a pay day loan, that can lead to a huge debt problem. Margaret Burgess concentrated her remarks on the phenomenon of debt: once it starts, it is like a snowball rolling down a hill, gaining momentum that cannot be pulled back from, with horrific consequences. That is the case not least because the annual percentage rates that are charged by some pay day loan companies if the loan is not paid back on time are horrendous. I have an example of a representative APR of 4,214 per cent from Wonga.com.

Credit unions play an important part and I take this opportunity to pay tribute to their work. I hope

that the Scottish Government and the UK Government will do more to promote credit unions.

My final substantive point will be to, once again, promote the debt arrangement scheme. By coincidence, tomorrow I will visit Kilwinning to see Rosemary Winter-Scott, the Accountant in Bankruptcy, and her staff, who do a marvellous job of administering the debt arrangement scheme, which is a diligence and interest stopper. If people can get their debts sorted out and pay them off over a period of time to an agreed schedule, that will remove stress and anxiety in many cases because they will feel that they have coped with the problem and found a solution to address the issue. We should encourage that and I pay tribute to the *Daily Record* for the work that it did recently when we had some television advertising to promote the availability of the debt arrangement scheme. We encourage people to pay their debts, not just get relief from them by using bankruptcy or the trust deed option. When people can pay, we encourage them so to do. I recognise that people should resort to the debt arrangement scheme when they need to, and I hope that that is relevant and within the remit of tonight's debate.

I am conscious that my time is not only up but exceeded. I conclude by thanking Mr McDonald and all members who have stayed this evening to take part in the debate. There is no single solution, but public and private sector employers can and should talk to their employees to find a practical and mutually beneficial way of managing cash flow. I hope that these issues will be actively considered in Scotland to the betterment of all.

Meeting closed at 17:37.

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