

# **ENTERPRISE AND CULTURE COMMITTEE**

Tuesday 9 September 2003  
(*Afternoon*)

Session 2

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## ENTERPRISE AND CULTURE COMMITTEE

### 3<sup>rd</sup> Meeting 2003, Session 2

#### CONVENER

\*Alasdair Morgan (South of Scotland) (SNP)

#### DEPUTY CONVENER

\*Mike Watson (Glasgow Cathcart) (Lab)

#### COMMITTEE MEMBERS

\*Brian Adam (Aberdeen North) (SNP)

\*Mr Richard Baker (North East Scotland) (Lab)

\*Chris Ballance (South of Scotland) (Green)

\*Susan Deacon (Edinburgh East and Musselburgh) (Lab)

Murdo Fraser (Mid Scotland and Fife) (Con)

\*Christine May (Central Fife) (Lab)

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

#### COMMITTEE SUBSTITUTES

Mark Ballard (Lothians) (Green)

Fiona Hyslop (Lothians) (SNP)

\*Mr Brian Monteith (Mid Scotland and Fife) (Con)

\*attended

#### THE FOLLOWING GAVE EVIDENCE:

Dr Andrew Cubie (Fyfe Ireland WS)

James Proctor (Supporters Direct)

#### CLERK TO THE COMMITTEE

Simon Watkins

#### SENIOR ASSISTANT CLERK

Judith Evans

#### ASSISTANT CLERK

Seán Wixted

#### LOCATION

The Chamber



## Scottish Parliament

### Enterprise and Culture Committee

*Tuesday 9 September 2003*

*(Afternoon)*

[THE CONVENER *opened the meeting at 14:02*]

### Scottish Solutions Inquiry

**The Convener (Alasdair Morgan):** Welcome to this meeting of the Enterprise and Culture Committee. We have with us two members of the staff of the *Official Record* of the National Assembly for Wales, Sarita Thompson and Ffion Emyr. I apologise if I did not pronounce those names correctly—the vowels were all correct, even if they were not in the right order. They are here to familiarise themselves with methods that we use in the Scottish Parliament. I hope that they enjoy watching our proceedings.

We expect Brian Monteith to join us as a substitute member, but he appears to have been held up.

Our first agenda item concerns further evidence for our Scottish solutions inquiry. We have with us Dr Andrew Cubie CBE, who is now a senior partner in Fyfe Ireland WS although, as we all know, he has educational connections. He has prepared a paper, which members have before them.

Dr Cubie, would you like to expand on the remarks in the paper?

**Dr Andrew Cubie (Fyfe Ireland WS):** I welcome the anticipatory nature of the work that the committee is undertaking and value the opportunity to contribute to it. I should stress that I do so as an individual, hence the rather succinct nature of my written submission. These days, I find myself not representing any group in particular and, at times, feel rather like an amateur among professionals.

The issue that witnesses are being asked to address is whether there is likely to be competitive disadvantage in the event of the implementation of the white paper proposals in England. My view is that, without Scottish action—as opposed to reaction—there is likely to be such disadvantage, which I would break up into three categories: first, funding and investment; secondly, the calibre of staff; and thirdly, the nature of the student community.

On the first category, I remember saying, rather rashly, when I was asked to chair the independent committee on student finance in 1999, that one of my regrets was that my committee did not have terms of reference that would allow us to consider the entire funding mechanism for institutions in Scotland. Now, with hindsight, I am glad that we were not given that task, as it is rather daunting. However, the difficulty in this debate is that it is too easy to consider slices of a lemon rather than the lemon itself, if I may put it that way. That was what we had to do in relation to student funding.

My view is the rather obvious one that no organisation, public or private, can progress without investment. That requires core funding to ensure that there are well-motivated and trained staff, contemporary and fit-for-purpose buildings and clarity of purpose. It is evident, from the submissions that you have been given and the work that the committee has already received, that the general view is that, by 2005-06, England will have a 19 per cent gain in real terms for the higher education sector while Scotland will have a 7 per cent gain. In the Scottish budget, the overall education budget will grow by 24.5 per cent, but that is balanced by an anticipated growth for the higher education sector of 14.9 per cent. We should remember that Scottish universities are autonomous. They require, therefore, to be resourceful and well governed. They cannot—and do not—expect funding issues to be resolved simply from the public purse. There might be an opportunity to talk about other sources as we progress. However, it seems to me that a disadvantage relative to England will arise if Government support in England—both in financial terms and in terms of the Government's priorities—is seen to be higher than it is in Scotland. That could produce adverse consequences.

On the calibre of staff, Scottish universities have some very talented individuals and some excellent leadership at various levels of institutions and representative bodies. If the premise that I talked about is true and a funding gap of substance appears, then, for the reasons that I have touched on—the potential differential in investment and the possibility of more attractive packages of remuneration being offered to individuals and teams—there could be an adverse impact. In such a situation, not only would teaching and research suffer, but the other areas of funding that I mentioned a moment ago—one of which is commercial income arising from spin-outs, consultancy and reputation—would be lost. That would damage the universities' ability to secure income other than governmental income.

On the nature of the student community, I doubt that there is likely to be a major migration of students from England to Scotland. There was

little evidence of that after the changes that the Executive brought about in August 2000, although I accept that the resultant difference in cost at that point was rather less stark than that which might arise as a result of the proposals in the white paper. There is a possibility that Scottish students who currently pursue university careers in England might consider that option rather more carefully because of the potential differential due to top-up fees. Again, however, under the present arrangements, the flow from Scotland to England has continued.

I would be anxious that the decisions of overseas students would be affected if a funding gap arose and there were more investment in England, a movement to England of high-calibre staff and an enabling of English universities to put together more attractive packages for overseas students. The overseas student population contributes about £195 million to the Scottish sector and economy. Indeed, in a competitive market we require to be in the overseas student sector, not just for financial purposes, but for the diversity of experience of our students in Scotland.

I spoke of core costs a moment ago. Government is one provider towards core costs. As you will understand, I remain certain that another provider towards the core costs of the university sector has to be the graduate population. It will be no surprise when I say, as I have said many times since 1999, that I judge the £10,000 level at which the Executive implemented the Scottish graduate endowment proposals, as opposed to £25,000, to be an error. I say no more than that, as part of the review process, there requires to be another review of the level at which graduates begin to contribute to the graduate endowment. The amount that they contribute should also be considered.

I appreciate that this is beyond the committee's remit, but the process of looking at what happens in higher education is also about judging outputs. We can be proud of the fact that 51 per cent of our 18 to 30-year-old cohort currently attend higher education, and that we have consistently had a higher level of participation than in England, yet not once in the past 25 years has Scottish gross domestic product growth got above the United Kingdom average. There is an issue for us—and perhaps not just for the committee—to address, because something is afoot. I am passionate in believing that we must allow people to progress in education as far as they can, but in an information society that is becoming a knowledge society, that output is not being reflected in economic contribution. No doubt there are many complicated factors to do with emigration, lack of activity within the small and medium-sized enterprise sector, and perhaps insufficient resources for guidance, but there is an issue.

In summary, if the white paper proposals are implemented in full—and I regard that as quite a major proposition—the Executive will require to increase the budget spend over the next couple of years, and should aspire to increase that spend to at least the average spend on higher education of Organisation for Economic Co-operation and Development countries. The issue is not our playing catch-up but our leading, so that we are seen to have an edge and an advantage because of the way that we regard all aspects of education, but particularly higher education.

There also requires to be a review of the options in regard to the level of contribution to the graduate endowment. Within the sector there is much to be done to encourage collaboration, good practice, commercialisation, fundraising and other areas of income generation, and to attract overseas students.

Finally, I have two areas of particular special interest that are a continuing passion. First, the Executive responded to the committee that I had the privilege to chair in the document "Scotland the Learning Nation". If we aspire to have that as one of our tags, like "A Smart, Successful Scotland", the support of lifelong learning and therefore the Scottish credit and qualifications framework will play a vital part. Secondly, there should be a review of graduate opportunities in the SME sector.

**The Convener:** Thank you, Dr Cubie. I will start the questioning. Quite rightly, you said that there is a big "if" over the proposals in the white paper. Given the timing of elections, there is probably an even bigger question mark over the potential implementation date if some of them go ahead. How quickly will the proposals in the white paper, if implemented, begin to have an effect? Clearly, the situation is not one in which we can just turn on a tap and everything will happen at once. If we are considering potential solutions, it is important that we know the time scale within which we are trying to implement them.

**Dr Cubie:** I will divide my answer into two. First, from my recollection of the changes after August 2000, with the Executive's abolition of tuition fees, there was much concern about delays in applications by students, who, it was thought, would anticipate a time when they did not have to pay fees. However, such delays did not come about. Therefore, it is likely that the proposals might not have such a swift impact as might at first be thought and that there will be a measure of steadiness.

Secondly, I appreciate the committee's terms of reference but, as I mentioned a moment ago, I believe that we should act rather than react to achieve what we seek in higher education in Scotland. I sincerely welcomed the establishment

of the committee's inquiry, but we should also try to raise our sights, in terms of both aspiration and achievement.

14:15

**The Convener:** You talked about the effect on students. Will the effect on the variable of staff happen more quickly?

**Dr Cubie:** As the committee will be aware, teams within the academic community are persuaded to leave one university for another, as happens in commerce. If there is to be an impact on staff, I think that it will come more quickly. If the proposals in the white paper come about, some institutions in the south, given their fuller resources, would—I imagine, because it is self-evident—try to bolster the strength of their staff, probably as one of the first steps.

**Brian Adam (Aberdeen North) (SNP):** As I did not catch the percentages that you gave for the likely growth in the education budget, will you review that issue? You have suggested that teams, as well as individuals, are important. What will be the likely impact of transfers of teams of researchers on the stability of our universities? Will you give us a little more information on the actions that you suggest the Executive should take, rather than the reactions that it might make?

**Dr Cubie:** I am happy to return to the figures that I gave but, on the general proposition, certain disciplines are well represented in Scotland and we are regarded as having cutting-edge institutions that show undoubted excellence in achievements. The clusters around Dundee are a good example that will be well known to the committee. Members must understand that I am not an academic but a lay member, but from what I see and read, it is clear that research teams move together. That was true 25 or 30 years ago in relation to movement from the UK to the United States and I anticipate a similar movement within the UK.

The proposition was really about what we must fear; I suggest that the fear of teams of researchers moving is legitimate because, in research, groups of people are more likely to move than individuals are. With groupings come clusters, critical mass and funding, so there will be a snowball effect.

**Brian Adam:** The implications will be not just for teaching and research and development, but for consultancy and the general attractiveness of universities for research and teaching.

**Dr Cubie:** Precisely. A dynamic is involved. Along with the potential for teams of researchers moving, the other sources of income that universities must develop will be slightly under threat.

**Brian Adam:** Unlike in football, there will be no financial reward when people are transferred, even if they have not fulfilled their contract, which might be for five years. Because people are entitled to move, there is no recompense.

**Dr Cubie:** Given the autonomous nature of the sector, I know from my background as a lawyer that, sadly, universities cannot look for transfer fees.

**Mike Watson (Glasgow Cathcart) (Lab):** I very much take on board Dr Cubie's point about the need to act rather than react, which in essence could be said to encapsulate the title of our inquiry. That is an important point, but I want to test him a bit on paragraph 3 of his submission, which states:

"there is a risk of migration of both students to Scotland and of staff from Scotland if universities in England are better funded."

That first point was also made by Professor Midwinter in his evidence to us last week. Why would students tend to come north? Would students from south of the border come to Scottish universities simply because they would have less to pay in fees? Would we thereby potentially put Scottish-based students under pressure?

**Dr Cubie:** I think so. There might be two buses travelling that pass each other in the road, one of which contains Scottish students going south. I have commented on how, although Scottish-domiciled students are required to pay fees at English universities, there are still Scottish students who go to English universities. It would appear—I stress that this is my understanding—that course choice and a variety of other circumstances come into play along with the fees that must be paid for Scottish-domiciled students who are studying in England. If Scottish students at English universities are required to pay top-up fees, I would have thought that the individual student or family would reflect that little bit harder on whether it was worth getting on that bus going south.

Conversely, English-domiciled students who come to Scotland pay fees for their tuition during their time at Scottish universities. English-domiciled students are not exempt under the graduate endowment arrangement. It will be recalled that that was all part of the complexities of the discussions on European Union students—the Umbria-Cumbria point. Therefore, although at first blush it might seem likely that there would be a migration of English students, I am doubtful that that would necessarily come into play in the way that some have suggested.

**Mike Watson:** That was my point. I think that Scottish universities are about to start the fourth academic year in which tuition fees have not had

to be paid, but there has not been a marked increase in migration. Last week, we heard that the net figure was some 16,000: roughly 10,000 Scots go south and about 26,000 or 27,000 students come north. I just wanted to test whether you thought that migration would change markedly, but I think that in the end you gave the answer that it would not.

I note that your submission says that you are more concerned about the brain drain south, which might affect research particularly. What would be the effect on Scottish universities if that happened? Obviously, academic posts will still need to be filled, but will fewer research contracts come to Scottish universities? Given that UK research institutes award contracts on a UK-wide basis, what effect might such a brain drain have on research in Scottish universities?

**Dr Cubie:** It could affect a number of areas, but I believe that it begins and ends with the people. Undoubtedly, we currently have some tremendously talented people working in Scottish universities, both in research and in commercialisation. Clearly, all those individuals are looking for career opportunities. If such opportunities are greater elsewhere, the risk has got to be that, given the international mobility of the academic community, which is perhaps greater than that of many others, the lure of better terms and conditions and of better facilities elsewhere will be stronger than it is at the moment. That is all that I am saying. None of this can be in absolutes, but it is self-evident that if there is better provision within a university discipline in Newcastle or Birmingham than in Scotland, that will be a cause of anxiety to us.

**Mike Watson:** Finally, something like 12 per cent of all students in Scotland at the moment are from overseas. If, as you suggest, some of those overseas students were attracted to English universities by the higher standards that were perceived to result from top-up fees, would that not also mean some kind of shift to Scottish universities? The number of students who can be accepted is finite and limited both in Scotland and in England—I understand that the limits are set by the funding councils—but there is also a limit to the number of overseas students who will seek to come to the UK to study, albeit that that number may be capable of expanding.

This may be a crude calculation but, although I accept that some of the higher-achieving students might go to English universities, a similar amount might be displaced from England, so that the places at Scottish universities would still be taken up and we would not be in a position of having vacancies, if I may use that term. Could such a displacement of overseas students take place?

**Dr Cubie:** Because all these issues are fairly fluid, my proposition is perhaps even simpler given where we are at the moment. As you have said, the international market for overseas students is enormous. It is hugely competitive, not just between different countries within the United Kingdom but globally. Beyond any financial impact, diversity of experience and influence is important to Scotland, so having a significant representation of overseas students and attracting the highest calibre of overseas students are important both for individual institutions and for the sector.

As to how movement between England and Scotland impacts on movement between Scotland and the rest of the world, I really cannot speculate, but I remain convinced that overseas students make a contribution. The prospectuses of individual institutions lay much stress on the importance of that community. With regard to the national picture, for both undergraduate and postgraduate study, Scotland is less well represented in that area than the rest of the United Kingdom is. The Chevening scholars scheme is an example of that.

**Mr Richard Baker (North East Scotland) (Lab):** When I was president of the National Union of Students Scotland, I gave evidence to your committee on student funding. We were able to make a good input then and I am pleased that you expressed an interest in contributing to today's debate.

I have two questions relating to the paper. First, you say that there is now a funding gap for Scottish universities. To what extent do you think that that is a gap in current university funding in Scotland? Is there an existing or imminent gap in funding for English universities? This is not my opinion, but the Executive has argued in the past that some of the new funding streams represent funding from Westminster for English institutions to catch up on investment in Scotland. Some people say that the increase in funding for higher education in Scotland has been more than that for English universities in the past. What do you think of that argument?

I have a second question, but we can come to that afterwards.

**Dr Cubie:** There are many better qualified than me who will appear before you to talk about the relative issues of public expenditure and comparison. You know from our previous exchanges, when you had different responsibilities, just how complicated and difficult it is to unravel some of the information.

You asked whether there is a gap between Scotland and England and whether there is an absolute gap as far as Scottish universities are



concerned. We cannot rewrite the accounts of the past year or two, but as I look forward I am struck by the fact that the real-terms increase to 2006 proposed for England is 19 per cent while in Scotland it is 7 per cent. That is a significant sum of money, which will have an impact on investment. That gap is one to apprehend, but there is also a gap in resource in Scotland with regard to universities realising some of their ambitions both for the built environment and for attracting significant teams. The answer to your question is therefore that there are both types of gap.

**Mr Baker:** My second question is about the graduate endowment scheme, which you also touched on in your evidence. To what extent might Scotland look at gaining additional funding for higher education institutions through its own graduates? When the Cubie committee recommended a scheme, of course, it was said that payments to the endowment fund should be higher than they are currently but should be paid back at a higher level of income. It could be argued that there is justification for graduates paying back more under the future scheme, because repayments will now start when a graduate is earning £15,000, rather than £10,000. Under current legislation, money raised from the endowment is ring fenced and is channelled directly to the student bursary scheme. Is there any room for manoeuvre or flexibility in the endowment fund that could allow us to address some of the difficulties that the white paper is likely to cause?

14:30

**Dr Cubie:** In Scotland we are significantly ahead of England in achieving access to higher education from poorly represented groups in society. Richard Baker will know that from his days in the NUS. Broader inclusion of our community in higher education is vital to the future of our society. It is about fairness to the individual, to society and, ultimately, to the economy. The ring fencing of moneys to allow the prospect of future participation by a wider group of people in society is vital. If the money contributed by graduates were not there, the responsibility for providing it would fall on Government.

Four years ago we proposed an income of £25,000 as the point at which repayments should start. Our aim was to identify a graduate who had already achieved relative success financially, whatever their background. The argument that it was then reasonable for them to make a contribution to the graduate endowment scheme remains valid. In my view, the figure of £10,000 was far too low. The figure of £15,000 is heading in the right direction, but it does not go far enough.

The level at which contributions are made must be examined. I hope that whatever else we did, my colleagues and I proceeded on the basis of evidence, so I would not like to say at what point repayments should start. Research must be carried out into the impact of changing the figures.

**The Convener:** Richard Baker asked about the funding gap that you mention in your submission. Leaving aside the university that you represent, do you think that the gap affects Scottish universities equally? Do some universities, such as the new universities, suffer more than others?

**Dr Cubie:** The situation is piebald. Inevitably, some institutions are making more headway in raising income from other sources. I do not carry the figures in my head, but if the committee does not already have them it would be useful for members to see the proportion of income that Scottish universities derive from different sources. The picture is diverse, but I suspect that the post-1992 universities are more affected by the funding gap, as they tend to be more dependent on funding council money.

**Susan Deacon (Edinburgh East and Musselburgh) (Lab):** I return to the issue of the funding gap to which you refer in your submission. You say:

"I believe that gap does require to be filled, but filled by way of support from a range of stakeholders, not by one alone."

You list specifically Government, business, universities and the graduate population.

I want to ask you about two of those stakeholders: business and the graduate population. Would you care to take this opportunity to elaborate on structured ways in which business might help to fill the funding gap, beyond the simple exhortation that it should make a greater contribution?

You divide the contribution from the graduate population into two strands: the graduate endowment scheme and the voluntary alumni contribution. How significant do you believe the voluntary alumni contribution is or could be in future? This may be terribly anecdotal and impressionistic, but I sense that there are severe limits on the extent to which the voluntary alumni contribution can be maximised and the part that it can play. There are four degrees in our house and there is not much room left in our postbox for appeal letters and magazines.

I am also aware of the huge efforts that many institutions have made in the past 10 or 15 years to professionalise their fundraising and development activities. Your comments on the scope for developing that further would be appreciated. I have another question, but I will pause there.

**Dr Cubie:** As is clear from my paper and from what I have said, it is hardly startling that a variety of income sources exists, but some of that income must be core funding. Public support and the graduate contribution are core funding and, increasingly, commercial income must become core. Within commercial income lie opportunities for the business community, because some projects require capital funding.

At a time when it has outsourced many of its functions, business can increasingly have some previously in-house functions dealt with out of house. Those functions include not only development work but training. The employer community in the UK and in Scotland contributes substantially to lifelong learning through on-the-job training. Universities can take a much more rigorous approach to the requirements of continuing professional development and additional qualifications. The Scottish credit and qualifications framework provides a marvellous structure within which that arrangement can operate.

That is a two-way activity. Universities must be more resourceful in helping the business community, and conversely, business must be more open to that process. Many good examples of dialogue and participation exist, but still too few in business play a part in the education processes in Scotland, whether at primary, secondary or tertiary level. Much time is contributed, but involvement could be wider. I have always held the prejudice that anyone who is a member of a representative body for business should, as an absolute commitment, be sure that they and their organisation make that contribution. I have got that petty little prejudice off my shoulders, which will make me feel better.

I accept fully the point about your mailbox. If the university for which I have some responsibility plays a part in that, I apologise for the weight of the mail. It is difficult to look to much of the North American example, but your question suggested that the pattern has changed in the past 10 years. That must go further. It is disagreeable to think that your letterbox will still be rattling in 20 or 30 years, but I hope that letterboxes will rattle more relevantly to graduates' contributions.

The contribution that is made through the graduate endowment is not sufficient, so the alumni base must become a source of support. The United States has 47,000 grant-giving foundations that individuals established to support higher education, and they contribute about \$35 billion a year to higher education. I do not draw a comparison with that, because the structure is so different, but the comparative income figure in the UK is £120 million a year.

**Susan Deacon:** Thank you for that informative answer. I am sure that I should not mention this, but many years ago, my alma mater introduced one of those more innovative schemes, which had a sliding scale. People who donated the amount at the bottom of the scale received a tie, and at the top of the scale, a bust was offered.

**The Convener:** Did you say "bust" or "bus"?

**Susan Deacon:** I said "bust", as in a statue in a key place in the institution. I will move on swiftly.

Since your report was produced, it has become fashionable to talk about doing a Cubie. I am curious to know what it feels like to become a noun, and I am conscious that people in the sector talk increasingly about doing a Cubie 2. Where should the work of your inquiry be taken, in the light of past and potential developments?

**Dr Cubie:** I have a fairly clear view about that and have given it publicly a few times. I do not believe that we should go back to anything in life; we should go forward. As I indicated earlier, four years ago I thought that an opportunity to review the funding of institutions would be welcome. The work that the committee is undertaking plays well in determining what the opportunities and threats are. We can easily resolve issues by creating committees and sometimes good solutions come from them.

However, more work has to be undertaken so that the issues that the committee is addressing can be considered proactively for Scotland. That needs both political will and the will of society so that, in future, one of the things that we can be regarded for because of what we are contributing today—although not out of a sense of history—is the way in which we give people opportunities to develop and learn. It is about facilitating individual learner opportunity, which is fundamental.

I do not suggest the creation of another committee such as my own—it would certainly be inappropriate for me to have anything to do with that. However, there is an opportunity in the work that the Enterprise and Culture Committee is doing to make progress on those issues.

**Christine May (Central Fife) (Lab):** Thank you for that clear and interesting exposition of your thoughts. I have three points; two are relatively minor but one is more substantial.

First, we were not clear last week whether your figures included degree courses in further education institutions as well as those in higher education institutions. We were also not clear whether the figures compared like for like with England and Wales. If you could enlighten us about that, I would be grateful.

Secondly, you suggested that someone might wish to consider whether the increase in the

further and higher education populations has led to an increase in the Scottish GDP. Were you propounding that as something that you feel is the case, or as something that should be investigated as to whether it is the case?

If you would like to deal with those two points first, I will come to my more substantive question later.

**Dr Cubie:** I will not attempt to search the background papers that have been supplied to the committee, but the 51 per cent that I mentioned earlier covers students in further and higher education. Of that, approximately 12 per cent are within the further education structure. Frankly, I see that as a tremendous opportunity. The articulation that exists in Scotland between further and higher education is developing well. The credit and qualification framework facilitates that. Scotland can be proud of that area because progress has been made. If we did not include the delivery of higher education within the further education structure, the comparisons would look materially different to those that we often see between Scotland and England.

In my comments about outputs, I was really suggesting that it would be of interest to do further work on the contribution of Scottish graduates to Scotland's economy. Many universities are delighted that their prospectuses can advise prospective students of how many of the undergraduate population are in work or further study within six months of leaving university. However, it would be much more interesting to find out what they are doing three or five years on and what their contribution has been. I suggest that that information would be of particular interest in relation to the contribution of graduates to the SME community. Scotland is an SME country in terms of business delivery and I am encouraging a review of the information as I have no answer.

**Christine May:** That brings me to my final point about being proactive—which you suggested we ought to be—rather than reactive, and about exploring some of the potential solutions that you envisage. The loss of significant departments or individuals in Scottish institutions would have a disproportionate impact on the Scottish economy. Have you given any thought to possible solutions for such departments or individuals that would differ from what might be regarded as the main stream? What might such a solution be and how would we identify it?

To follow on from Mike Watson's point about overseas students, it has been suggested that one of the best things that we could do for international relations and generating loyalty among alumni is to give overseas students a work permit for a specific time following graduation that would allow them to work in Scotland and pay back through

the tax system some of the benefits that they have gained from our academic institutions. Do you see any mileage in doing that? What might be the appropriate period for such a work permit?

14:45

**Dr Cubie:** The second point that you raised is an interesting question on which I will reflect as I answer the first question—although I am not sure how comprehensively I will answer it. The issue is about creating relevance for people in any workplace, whether in the public sector, the private sector or the university sector. It is important that people's contribution is valued and understood, that there are career opportunities and that economic gains are available to them. It would be too easy to say that there is one thing that we can do within the university context to make it more certain that we retain our best people.

The issue is about reputation and, in the context of this discussion, it is also about Government demonstrating that it truly values higher education in Scotland, which is a key contributing factor. Individual universities can then show clearly that they offer relevance in their course provision and in career opportunities for individuals.

Perhaps for obvious reasons, it is easy to follow the band and be disparaging about some degrees that are offered today—folk ask me whether my university offers a degree in hang-gliding yet. However, we must accept that the community in which we work has changed. For example, the creative industries in Scotland are vital in a way that was not the case previously. The higher education sector must be fleet of foot in recognising changing patterns.

To allow overseas students to work for a spell in Scotland after graduation could be advantageous in terms of their contributing something and broadening their experience of Scotland. At this point, I will refer to another issue that I might have come to in my concluding remarks. I believe that we need longer-term scenario planning for higher education so that we recognise the demographic changes that affect indigenous Scots and understand how those changes interface with provision in Scotland and how we deal with overseas students.

**The Convener:** This is Brian Monteith's first Enterprise and Culture Committee meeting, so I ask whether he has any interests to declare, in relation to both the inquiry and the work of the committee as a whole.

**Mr Brian Monteith (Mid Scotland and Fife) (Con):** I declare that I am a non-remunerated director of a drama company called 2000 & 3 Estates Ltd.

**The Convener:** The floor is yours.

**Mr Monteith:** I was interested in your explanation of how student movement might be affected. I appreciate that there are many caveats built into that, but can I clarify the assumptions that underlie your judgment? From your contacts in the university network, do you expect the majority of—or all—universities in England to adopt a top-up fee? If not, do you expect the top-up to be restricted to the Russell group of universities? On which assumption did you predicate your view on student movement?

**Dr Cubie:** That intriguing question clearly adds a further rung of anticipation to a policy that is not yet in place. In the initial phases in January, when the white paper was published, the immediate assumption was that all English universities would charge £3,000. I can remember some rather bad-tempered exchanges about the clear existence of cartels. Because universities live in a slightly strange world that is part commercial and part public, one has to accept that competitive pressures will apply. I can only give members my judgment: I could not begin to expect that all English universities will charge up to the maximum sum, be it £3,000 or, indeed, £4,000, £5,000 or £6,000—members will know that some people argue that the figure should go up to those levels. There could be a differential pattern based on what the market will bear, depending partly on the course offered and the potential economic outputs of taking that course. If that happened, we would be moving into uncharted territory. Scottish students may hesitate longer over a decision to go south, but that decision would obviously—and you raise a good point—be tinged by whether they were going to university places that were fully funded or part funded.

**Mr Monteith:** That was the reason for my question.

You have given your view on student migration under the current arrangements and under the previous arrangements before the end of tuition fees and their replacement by graduate endowment in Scotland. The charges faced by English students would, for a four-year degree, be around £4,500—or, if they entered in the second year, as is possible, £3,375. However, if a student were doing a three-year degree in England that charged, for example, a minimum top-up fee of £3,000, the difference would become £9,000. The change is not simply an incremental change because of inflation. It is not just one year at £3,000 but three times that amount and, as you have said, some people argue that the figure should be more than £3,000. Do you think that the scale of that difference will begin to make people think more carefully about choosing their university?

**Dr Cubie:** Yes. However, the fee, or the top-up fee, cannot be considered in isolation. At the time of our inquiry in 1999, it was abundantly clear—and has remained abundantly clear in research done since—that living costs are most often the challenge for folk who seek access to higher education. That is particularly true for those from under-represented groups. There was a bit of myth that those from less advantaged backgrounds would be disadvantaged by tuition fees; it was a myth because they were probably going to be exempt from tuition fees. The real imposition of additional tuition fees would be a debt burden, which is a journey too far for many. If you are not anxious about how well represented wider society is in universities, that will not be a problem. It is a problem for me. It would be a move entirely in the wrong direction.

**Mr Monteith:** My impression is that, in your inquiry, the initial impetus was wholly on account of the introduction of tuition fees. However, you broadened your inquiry to take account of aspects such as living costs. It is important for students to consider fees and costs together when making their calculations.

Did you detect concern from parents because they were paying tuition fees that had to be paid upfront on matriculation? Living costs, credit cards and overdrafts would incur debt for students, but they could ask their parents for help at a later stage. The burden of living costs built up gradually over the years and the political impetus to deal with that burden never arose. With the introduction of tuition fees, parents suddenly found that they had to pay upfront and that introduced a focus that had not existed before. Was there any differentiation between the two issues?

**Dr Cubie:** There was a clear recognition in the proposals that were made and, in part, followed that the burden followed the benefit to the individual graduate. Many parents told me, informally or otherwise, that the burden was in the right place because parental responsibility had been discharged. The subject is far too big for me to go into now, but it raises the interesting issue of whether being a student is a self-contained job. Richard Baker's colleagues in the NUS were distinct in their submissions on that subject. There was some relief from parents that some of the burden that otherwise they would have to face would be paid by their offspring in due course.

**Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD):** I have two questions for you, Dr Cubie. The first is about your paper. You will remember that, as a result of your report, we had to front-load Scottish Executive funding to meet the entire equation. Do you wish to say anything further about the stakeholder that we have not yet talked about—the Government? You said that the

committee should consider the graduate endowment scheme and how we might tweak, alter or increase it. However, I am interested to hear anything that you have to say about the Government's input. Do you have any ratios in mind?

**Dr Cubie:** I hope that I have answered that already. However, I will underscore what I have said. In answer to your colleague, I referred to relative percentages and the differential between the Executive's overall budget growth, which is at 28.3 per cent, and the budget growth for the sector, which is at 14.9 per cent. There must be a further allocation of resource to the sector for the broad reasons that I have tried to indicate during the past hour.

**Mr Stone:** I accept that. Is it your impression that ministers have taken that on board and that they are considering the matter?

**Dr Cubie:** I have no personal knowledge of that. All I can say is that, by the appearance of the figures I have given you, the answer is no. A number of us have been saying outwith the formality of this committee that, if there is to be aspiration for achievement in Scotland, we must go beyond simply trying to hit the mean figures of performance.

**Mr Stone:** My second question is wider and refers to something that you said earlier. Unless the remuneration and working environment of lecturers and university staff are improved, as they should be, there could be a brain drain and we will see our brightest and best going not into academia, but into the City of London or wherever. That is a worry. You have said twice that the interface between industry and academia is not what it should be and that the fault lies on both sides.

From my experience over the years, it seems that, no matter what we do, industry ploughs on. If one goes to a Scottish Council for Development and Industry meeting, one will notice that the academic world is extremely well represented, but that there are precious few captains of industry. Do you think that another arm of the Scottish Executive should address that problem, perhaps via the Enterprise, Transport and Lifelong Learning Department or by working with the Department of Trade and Industry, to offer carrots to industry—tax breaks or grants—that are contingent on its engagement with academia and on the creation of a flow between them? Perhaps bright staff from a company could go to work for an academic institution and vice versa.

**Dr Cubie:** Undoubtedly, yes to the carrots and to closer assimilation between the universities and the business community. You will know that the Lambert team, which is considering links between

the business community and universities in the south, is due to report next month. From what I have read of the interim report, there might be rich seams of thought about how linkages could be bettered. I hope that it will be possible for us in Scotland to have regard to that.

In a former life, I was chairman of the Confederation of British Industry Scotland and sought to represent the interests of the business community to Government. Business must do more to replicate examples of good practice, which is why I have returned several times to the SME community. To a fair extent, I work in an SME environment. It is easy to say that we are far too busy to become involved in matters that do not relate to us, but we ought to help to change that culture. Carrots will help, but moral persuasion will help, too.

15:00

**Mr Stone:** I have a final supplementary question. I mentioned the possibility of a brain drain of people going south of the border. Do you have any thoughts about whether that would be more heavily weighted to the arts or to the sciences?

**Dr Cubie:** I do not. However, the sciences and medicine tend to be better funded than the arts. I would have thought that there might be a balance, but I have no knowledge of or statistics on the matter.

**Chris Ballance (South of Scotland) (Green):** My first questions build on what Christine May asked. In Scotland, there seems to be a handful—or, optimistically, two handfuls—of centres of excellence departments. The key seems to be to ensure that those centres of excellence are kept and that we grow them. What do you think about that?

Scotland's strength, compared with that of England, seems to be its close community of academics. In Scotland, it is much easier to create links between academics. Do you have any suggestions about how to build on that strength?

**Dr Cubie:** We must aspire to centres of excellence and we must recognise that there is a close linkage in the university sector between good, groundbreaking research and funding. Individual universities must find ways of making such linkages attainable.

The second strand of what you asked relates to collaboration. I have said a couple of times that universities are autonomous bodies, some of which are heavily funded by the funding council, whereas some are perhaps only a third funded. There is more opportunity for collaboration in the sector and a mapping exercise would probably be

valuable. There have been mapping exercises, but there should be an exercise to map the links in the sector. Scotland is a small country competing in a big world. There is high participation in higher education but, although we do well proportionately within the United Kingdom in respect of research funding, we could do better. That could result from our understanding better where collaboration currently sits and encouraging it.

**Chris Ballance:** How much money from business and commerce should fund research? How much should universities maximise the commercial return from that research? How much should business and commerce direct research and how much should universities direct it and then maximise the potential return from it to ensure that they get all that they can out of it? How can we encourage more of the latter?

**Dr Cubie:** That, too, is interesting. We—I and others—became rather fixated with the measure of how successful universities were in terms of commercialisation by spin-outs. One of the issues with spin-out is that, in order to get venture capital funding, people have to be spun out of the university environment. Many of them are not eager to do that, but they are eager to become involved in franchising, consultancy and other aspects of commercialisation. We have to take a broader view of the ways in which business and the university community can relate to each other.

I do not blush when I say this, but there has to be self-interest on both sides. I say that because of my involvement as the chairman of the court of Napier University. Almost a year ago, we launched a £50 million development campaign, which was in part a major indication of the fact that we see ourselves as a modern university that needs to be resourceful. As part of the campaign, I visited businesses in and around Scotland, many of which, I am rather sad to say, the university had not been to before. The discussion that we had was about creating relevance. What could the university do for business? I do not think that that question had been asked in a sufficiently broad or imaginative way before. I mention again the Lambert report, parts of which address in a wider setting the sort of themes that you and I have explored in this exchange.

**Mike Watson:** That point impacts on an issue that I want to raise. In your opening remarks, you spoke about the need for a review of graduate opportunities in the SME sector. You have just asked what universities can do for business, which seems to turn around your earlier point about what business can do for universities in relation to funding. Whatever happens, it is clear that the process has to be a two-way one.

Where do the problems lie in the SME sector in respect of lack of opportunities? Is the problem the

lack of opportunity for graduates leaving our universities, some of which, because they have good business schools, have a lot to offer the business community? Are those graduates not being taken up by the SMEs or are graduates not taking the risks that are necessary to start up a business that could grow into a SME? Which end of the scale are we at? Does one follow the other? Graduates could be given experience in the SME sector before they go on to launch their own companies as a result of that experience.

**Dr Cubie:** As ever, a bit of each is involved. You rightly say that we have some excellent business schools, but we can develop further some of the existing good practices and initiatives. I am aware of one initiative in which students are paid from a competitive fund to work not in McDonald's or Safeway but on a project in their university that is entrepreneurially based. Richard Baker, from days gone by, might be interested in that example. The students are paid to be active in a form of activity that is probably within their discipline, although it could be in any discipline within the university. That sort of culture and engagement can easily persuade small businesses to take an interest.

Another project in which I am interested is the graduates for growth scheme that operates in Edinburgh. All four higher education institutions in Edinburgh contribute to it, as does the Edinburgh Chamber of Commerce and Scottish Enterprise Edinburgh and Lothian. The City of Edinburgh Council was an original contributor to the scheme. Over the past three and a bit years, the scheme has placed 200 graduates in the SME sector. It offers mentoring to the SME sector and the student community in order for them to see relevance of the scheme. Graduates for growth is now regarded at careers fairs as a legitimate form of recruitment. I declare an interest in it, as I chair a steering group that relates to it. Graduates for growth is an example of the practical outcomes on which we need to focus in what is an SME society.

**Brian Adam:** I want to be absolutely clear about your suggestions for finding the extra money that might be needed to bridge the gap. Significantly, you have suggested that the money should come from the graduates. Do you mean that the graduate endowment, which I understand is ring fenced to provide bursaries, should now be opened up to provide money for universities to allow them to be competitive? Would that mean that the graduates' contribution to the endowment should be increased?

**Dr Cubie:** No, I was not suggesting that. Forgive me if I did not make that clear. There are two strands to the issue. First, I believe that the Executive must contribute a larger proportion of its overall expenditure to higher education, which is why I cited those figures a moment ago. I most

certainly do not think that the existing graduate endowment scheme should not be ring fenced if it is better funded—that money should continue to be ring fenced. However, as I sought to say earlier, if the graduate endowment fund did not exist, the Government would, in a society that recognises the value of inclusion and widened access, have to find that expenditure from elsewhere.

I think that both things will happen. If an adjustment in the endowment arrangements were judged appropriate, that would help an aspect of policy—widening access—that I think is wholly right. However, that is balanced by other core funding from the wider Exchequer account.

**Brian Adam:** So you are suggesting that the only ways in which graduates should bridge the gap are either directly and voluntarily as alumni or through any business that they might generate in their successful futures.

**Dr Cubie:** Without repeating what I have said, I should point out that a graduate endowment contribution addresses the needs of the sector and the community. Over and above that, there are other opportunities for graduates as alumni to make contributions; indeed, there would also be an opportunity to increase such contributions. However, I am in no sense suggesting that that should become core funding.

**Brian Adam:** So the contributions are all voluntary.

**Dr Cubie:** Apart from the graduate endowment contribution.

**The Convener:** If there are no further questions, I ask Dr Cubie whether he wishes to make any concluding remarks.

**Dr Cubie:** I would simply be repeating myself, convener. Perhaps scenario planning is the only issue to which I would wish to return. Closer regard needs to be paid to the 15 to 20-year horizons when planning numbers. Of course, the same is true of primary and secondary education, but such an approach needs to wash through into what we expect the university sector to look like in 2020.

**The Convener:** That is quite difficult if one of the variables is education policy south of the border.

**Dr Cubie:** Indeed, but population predictions have been rather more clearly scoped for 2020. We must pay regard to the matter, as it will partly determine the whole range of higher education issues, including the number of institutions and how we consider the contribution of overseas students.

**The Convener:** I thank you very much for attending the committee this afternoon. Your evidence has been very helpful.

## Budget Process 2003-04

15:13

**The Convener:** The second item on the agenda is our consideration of an options paper on the budget process. The paper begins by outlining the process, with which most members will probably be familiar. It then notes that this year the process has been curtailed because of the election, describes the budgets that the committee deals with and gives us some options as to how we might approach our budget scrutiny in future.

One option is that we undertake two formal meetings each year, while another possibility is that we concentrate on particular budget areas and build up a body of knowledge over the four years of the parliamentary session. Alternatively, we could move away from the budget timetable altogether and simply receive briefings throughout the year. Of course, members might have other proposals that they wish to make.

Another recommendation is that we should appoint a budget adviser. Other committees have found that to be helpful in the past. The budget adviser will be appointed not for one year but on an on-going basis. We could call on his experience as necessary.

It is suggested that in our necessarily truncated consideration of this year's budget it might be an idea, in addition to having the ministers appear before the committee, to concentrate on one item of the budget. There is an interesting and rather large "Other" category in the enterprise and lifelong learning budget; it might also be illuminating to probe that in detail.

Members can now comment on the budget scrutiny process. First, I want to know what approach you want to take in general to budget scrutiny in the future—from among the options that I have outlined or any other options that you suggest.

**Susan Deacon:** I would welcome opportunities for the committee to receive an informal briefing as a precursor to a formal meeting. Unless I have missed it, I do not think that the report includes that option. If we start at first base in formal questioning to ministers and others, we do not get far. If members who wished to had the opportunity—it need not be obligatory—to meet Executive officials and/or the committee's adviser to receive an informal briefing, that would be valuable and make formal meetings more productive.

**Christine May:** I support that suggestion. It is important that the committee not only does the

scrutiny that it should do, but that we understand the background to the way in which the budget is worked out. It is better for that to be done in an informal briefing than in a formal committee meeting.

I would like us to mix and match the options in the report on the budget scrutiny process. There are advantages in having a single evidence-taking session but there are also advantages in undertaking detailed scrutiny of one element of the budget each year. It should not be a case of either one or the other. I also agree that we should appoint an adviser and I support investigating the "Other" category of spending.

I have a question on the list of planned expenditure in annex A. Does that include any European money that might be bid for to support any of the activities or is it exclusive of European moneys?

**Brian Adam:** I do not have any great objections to the proposals. However, one point that bothers me is that the paper does not mention the committee producing alternatives to the budget. A criticism that was levelled at the Parliament and its committees in the previous session was that almost no substantial amendments to the budget were produced at the committee stage of the process. Those of us who have experience of local government might suggest that it is the role of the Opposition to do that. However, that is not the situation in the Parliament. The role of the committee is to scrutinise what the Executive is doing and to suggest that ministers might want to consider doing something else.

The committee is not necessarily being asked to produce an alternative budget, but a mechanism must exist to make that possible. If we cannot do that, the process does not fulfil the principles laid down by the financial issues advisory group. That would be a weakness in the process. It might help that we have the privilege of having on the committee two former ministers, who can bring their experience to our scrutiny of the process. The lack of opportunity to produce amendments to the budget is a weakness. If we focus on only one element of the budget each year, that might not facilitate that process.

**Christine May:** That was partly what lay behind my suggestion that we familiarise ourselves with how the budget is made up. The report states that it is difficult to get a single, comprehensive figure across the range of activities and range of departments involved in funding the areas that the committee covers. It is incumbent on the committee to do what it can to ask the right questions of Executive officials so that we get that comprehensive figure and can understand what is being funded and from where the money is coming. If there are alternative suggestions, it is



our job—whether we are members of parties in the Executive or otherwise—to consider alternatives.

**Mr Monteith:** I am interested in Brian Adam's comments about amending a budget. In my opinion, the structure and nature of committees militates against their proposing amendments to a budget. Part of the reason for that is that, for committees to produce amendments, it is necessary to achieve a cross-party consensus on changing the programme. That requires a committee essentially to take itself out of the usual procedures, agree what it might do that is different and propose the amendment.

As Christine May suggests, if there is to be any possibility of amending a budget, we would have to focus on a small part. It would be too hard to go for amendments across the board, because it is in the nature of committees to break into party divisions on issues relating to spending programmes. If that happens, amendments are unlikely to be made to the budget, because the Executive parties have the majority of votes on the committees.

**Mike Watson:** I agree that the danger that Brian Monteith outlines exists. However, we have to be clear when we are talking about making amendments that the budget is finite. The overall Scottish Executive budget cannot be changed. If we propose changes to the budget, we have to be clear in our minds about what we are saying. Are we suggesting that some money should be taken away from one of our non-departmental public bodies and given to another or are we saying that money should be taken from the health budget and given to the sport budget? I use that example deliberately, as it might be possible to categorise something that is included in the health budget as sport related or having to do with physical exercise and therefore make the case that it should be included in the sport budget.

**Brian Adam:** I accept what Brian Monteith says about the difficulty in reaching cross-party agreement on the overall enterprise budget. However, if we focus on one area of the budget each year and conduct a major inquiry into another area into which we believe that funds should be redirected, we might be able to come to an agreement on an amendment.

For example, if, having conducted an inquiry into the area, we felt that the balance within—I stress that I mean within—the Scottish Enterprise part of the budget was wrong, but had chosen to focus our scrutiny on the tourism part of the budget that year, how would we have the expertise to make the amendment that we believed necessary?

I accept that there will be party-political influences. Nevertheless, if, following an inquiry, the committee wants the Executive to change its

direction, there would have to be changes to the financial arrangements. I do not want us to lock ourselves into procedures for scrutinising the budget that would prevent that from happening. Indeed, I want us to create the opportunities for doing precisely that. I think that that was the intention behind the recommendations of the financial issues advisory group, but we have failed to fulfil that aspiration in the first four years of the Scottish Parliament.

**The Convener:** In response to Christine May, I should point out that the figures come from the Scottish Executive's budget document. By definition, therefore, they are simply expenditure from the Scottish block. If the organisations concerned are getting money from other sources, that is fine, but it is nothing to do with the budget that we are scrutinising. Of course, it might be of interest if an organisation had a slush fund somewhere.

**Mike Watson:** The figures do not include lottery funding, for instance.

**The Convener:** Clearly, we do not approach the budget with the intention of changing it simply to show how macho we are. On the other hand, I certainly think that we will get the kind of information and detail that we need only if we hone our focus down to particular bodies. However, if we decide that we want more money to go to the area that we have examined, that creates the difficulty that we do not necessarily find out where to get that money from. To know that, we have to have examined another area in which we think that there is a surplus. We obviously could not have reasons for thinking that until we had examined that area.

**Christine May:** My point relates to something that Mike Watson said. The issue is not necessarily the existence of a surplus. Everywhere in officialdom there is a wish to hang on to funds and, if they are not necessary for their original purpose, to use them for something else in the same silo. The committee's remit extends across a number of departments. Mike Watson makes a good point about money for something that is currently in the health budget but could arguably be covered under the sport budget. Sometimes, the reason why it is still in health is because it has aye been in health. It is like getting blood out of a stone trying to make it move from health to somewhere else. There is a good deal of scope for questioning on that sort of issue—as much as there is for saying, for example, "Should Scottish Enterprise put X per cent more of its global funds into tourism rather than cluster development?"

**Mike Watson:** If we wanted to do something like that—and we might be able to consider it—we would have to ask the Minister for Health and Community Care or his deputy to come before the

committee to find out what he thought about it.

**Brian Adam** is right about the FIAG recommendations. I do not think that any committee at any stage in the four years of the previous session made any changes to the budget. There were no amendments moved at any stage—they could only be moved at stage 1 or 2—of the budget. It never happened.

**Brian Adam:** I remember only one amendment to the budget in those four years, which came not from a committee but from an individual member.

**The Convener:** That was on the haemophiliacs.

**Brian Adam:** Yes, on hepatitis C.

**The Convener:** I am not sure that the discussion has been helpful in giving me a steer about what to do—did I expect anything else? In due course I will suggest to the committee an item to add to the work programme, and we will find out at that stage whether it fits with members' wishes.

**Mike Watson:** Are we moving on from discussion of the paper? I have one or two points on other aspects of it.

**The Convener:** I am trying to agree some of the points in it first of all. For this year, are members content to have the minister before us to try to scrutinise the "Other" heading in the enterprise and lifelong learning budget? If not, they should tell me what they would like to do instead.

**Christine May:** In addition to that, can we pick up on Susan Deacon's point about having some sort of informal briefing for those members who are interested in the structure of the budget?

**The Convener:** Under the heading "Year-round approach", the paper refers to

"scheduling briefings throughout the year."

That point is meant to have been covered. That is normal.

**Susan Deacon:** I note the reference and appreciate it, but I still have difficulty answering your question in the absence of the basic information. Forgive me: I know that some of the information will be available in the Executive's budget documents, and I readily confess that I have not yet interrogated the section on enterprise of my own volition, but I do not feel able to answer the question about the "Other" heading without knowing a wee bit more about what is under that heading. Half a side of A4 might give me enough information to address my questions. On the other hand, I can readily think of a number of huge questions in other areas. Do we have to button the matter down right now? The answer to that is yes, I suppose.

**The Convener:** The other reason why I included the "Other" heading is that although much of our

budget is under the control of agencies and NDPBs, that section is under the minister's control, and I thought that, given the truncated time scale, we could manage to scrutinise it in the time available.

**Susan Deacon:** I appreciate that clarification and, although I still have some anxieties—I would like to have some more information before I give an answer—I can see the logic in your plan for this year.

**The Convener:** We might discover that what is under the "Other" heading is trivial, but, if the heading does deal with trivia, it is £100 million-worth of trivia.

**Susan Deacon:** I do not think that I used the word "trivial".

What written information will we request or receive from the Executive in advance to short-circuit the process and to ensure that we are as well armed as possible beforehand?

**The Convener:** We will probably seek an informal briefing first to inform our public meeting. We will try to obtain in advance as much documentation as the Executive is able to provide—at least level 3 figures, but more if they are available.

**Mike Watson:** The Executive should fulfil the undertaking that it gave to the predecessor committee on outturn figures. When those are available at the end of the year, we will want them to inform our scrutiny process.

**The Convener:** I take it that we have agreed recommendations 1 and 2. Do we agree to appoint an adviser for the budget process, as outlined in recommendation 3, and the specification, as outlined in recommendation 4?

**Members indicated agreement.**

**The Convener:** Do we agree to invite the minister to appear before us?

**Members indicated agreement.**

**The Convener:** We have agreed recommendation 6.

## Work Programme

15:30

**The Convener:** A paper detailing the result of the voting process has been circulated to members.

**Mike Watson:** I have not seen that.

**The Convener:** The paper was e-mailed to members.

**Brian Adam:** When?

**The Convener:** I received it yesterday by e-mail.

**Brian Adam:** I did not receive it. It was not e-mailed to the rest of us.

**The Convener:** The top three choices for major inquiries, in order, were business growth, renewables and broadband. The top three choices for minor inquiries were intermediary technology institutes, the Bank of England and the area tourist board review. I suspect that those results are not a great surprise. They reflect most members' voting pattern.

Because business growth and renewables are the two favoured areas for major inquiries, I suggest that we agree to make those our next two inquiries, with a view to starting around the turn of the year. We will begin by drawing up a remit for each inquiry, so that we can start to take evidence. The broadband inquiry will follow on from those two. Is that a reasonable approach?

**Mike Watson:** There is a problem with the outcome—democracy has its problems and complications, and this is one of them. All of the six subjects that we have chosen come under the enterprise heading. There is nothing on culture and sport, although there is one inquiry into energy, which is a distinct issue. Given that our current inquiry is into higher education, it is not possible for none of our next six inquiries to deal with culture or sport—that would be publicly indefensible. We must find a way round it.

**The Convener:** I take your point. To address that problem, we could attempt to make major inroads into the budget lines for the arts, culture and sport. One of the inquiries that members have chosen—the ATB review—concerns tourism.

**Mike Watson:** That comes under enterprise—it is about business, rather than culture. There are cultural and sporting aspects of tourism, but those do not affect the area tourist boards to a great extent. The point that I made stands.

A number of aspects of culture and sport are being examined. The Minister for Tourism, Culture

and Sport has announced a review of cultural bodies, so it would not be appropriate for us to consider that issue at this stage. We have a broad remit and there is no doubt about what the most important part of it is, but it should not dominate to the exclusion of all the other parts of our remit. If we are looking this far ahead but are scheduling no inquiries in the two important areas of culture and sport, we will come in for immediate criticism—and justifiably so.

**Susan Deacon:** I support Mike Watson's general point entirely. I defer to his more detailed knowledge of the subject and the issues that we might consider.

The debate about the national theatre continues—I refer not to the planned time scale for further announcements by the Executive but to the concerns I raised at the committee's first meeting about the balance of funding between the national arts bodies and other forms of local artistic endeavour in schools, communities and so on. Might it be possible to have one or two limited and focused sessions—I hesitate to say inquiries because the word implies a series of meetings—on an aspect of those on-going debates? That would provide a forum for scrutiny of the minister on current issues, but would fall short of us taking on something that we cannot do properly in the available time.

**Brian Adam:** In the light of the controversy over Scottish Natural Heritage and the fact that the Scottish Arts Council might be the next body to be on the move, perhaps we should consider, publicly and openly, where the SAC might best go, which might take some of the heat out of the issue in advance and should not take for ever and a day.

**The Convener:** The relocation of jobs is not within the purview of either of the ministers with whom the committee deals. Although the bodies that report to those ministers might at some stage be relocated, the same could be true for almost every other minister. As our ministers are not responsible for any relocation programme that the Executive might have, we would be taking our eye off the ball if we considered it.

**Chris Ballance:** I was a little worried by how we were asked to vote on the five issues, because it seemed to me that the inquiry on the creative industries, which I thought was one inquiry, was split into two inquiries, which might have affected the voting.

One issue relating to the Scottish Arts Council is the putative new body to cover everything that could be seen as cultural in Scotland. If we are to consider any issue relating to culture and the arts, how the bureaucracy should be organised would be the most inclusive and wide-ranging one.

**The Convener:** I will answer one of those points. Two of the possible inquiries had the syllables in the word “creative” in them—one concerned creativity and the other concerned the creative industries. We were clear at the meeting that those were not the same issue because, if we considered creativity, we would consider its effect on business and entrepreneurship, which is not the same topic as the creative industries.

**Christine May:** Given that the minister will shortly announce the terms and scope of his work on the structure of arts organisations, we should leave that issue for the moment. We are in danger of trying to find something for the sake of finding it. I agree with Mike Watson, but I am concerned that we are struggling to come up with a subject for an inquiry in what is an important area of the committee’s work. If the committee agrees that we cannot possibly do our first three major inquiries solely on the enterprise part of the brief, we should take time to consider which aspects of the culture and/or sport part of the brief are suitable subjects for an inquiry or need to be inquired into. We should guard against doing something for the sake of it, which, I am sure, is not what Mike Watson wants and not what the committee should do.

**The Convener:** That is helpful. We did not arrive at the proposals by accident; they are the combined result of our deliberations the other week.

Once we get the first two inquiries out of the way—by Easter next year or whenever it turns out to be—we will presumably be able to start two new ones. I would not like broadband to be bumped in favour of something else, but I am sure that we can have another inquiry going on at the same time as an inquiry on broadband. I am sure that, as I think Susan Deacon suggested, we also have the scope to slot in some small issues as they crop up or once we have reflected maturely on what those could be. That could even be done between now and Christmas, if we can suggest something suitable for a smaller, more targeted inquiry. I am open to suggestions.

**Christine May:** It would be good for the committee to decide to do something on the other part of our brief.

**The Convener:** Yes, but we do not know what.

**Christine May:** Indeed—we do not know what as yet.

**Mike Watson:** If you will forgive me, convener, I would like to develop the argument that Christine May has put forward. I am aware that we are reinventing the wheel with regard to what we decided last week, and perhaps I should have made this contribution then and not now, but if we lock ourselves into those six inquiries, it will be difficult to cover any other subjects. We should

bear in mind that we will have to deal with the budget process too.

Rather than agreeing on three major inquiries and three minor inquiries, I think that it would be better at this stage to agree on two major ones and two minor ones, which would give us more flexibility. Those four inquiries will take us a considerable distance down the road. We have flagged up the issues and the order in which to consider them based on preferences, but we are leaving ourselves open to criticism from those in the cultural and sporting sectors, who might ask, “If the Enterprise and Culture Committee is not looking at issues in our area, who is?”

**The Convener:** That is a perfectly reasonable view. We would be taking no action on the later inquiries at this stage anyway, so we are not prevented from doing anything. Would that be acceptable to the committee, if we had two—

**Mike Watson:** I have an alternative suggestion, in fact. I think that we should go down that road, although the other possibility is to revisit a decision that we have just made—although that is always a dangerous thing to do. We could investigate the arts and cultural bodies in relation to the budget, and not necessarily in relation to their organisation, which we know is being reviewed.

Although I am attracted to what Brian Adam said on the possible relocation of headquarters of bodies such as the Scottish Arts Council, I suggest that that does in fact fall within our remit—relocation of such bodies falls within the remits of the respective ministers. Members will be aware of the controversy last week, when Ross Finnie was alleged to have passed responsibility for the SNH move to Allan Wilson. We could claim legitimacy on that, although that might be some way further down the road.

It is my understanding that the SAC, sportscotland and VisitScotland all have leases that are coming up for renewal. It has even been suggested that they might all co-locate somewhere. There is ground for a future inquiry on that subject, although I would not suggest that as the subject of a short-term inquiry. I would prefer to nominate two subjects for inquiry in each section of our remit, which would give us a bit more flexibility.

**The Convener:** Okay. I will see what I can do to work the arts side of things into our budget scrutiny. That is a separate issue, dealt with by a separate minister.

**Christine May:** I wish to raise a separate point, and I apologise to the committee for failing to do so before now. Under the partnership agreement, the Parliament and the Executive were to develop a community business model. It was my understanding that that was to form part of this

committee's remit. I am not sure whether we need to wait for that to be referred to us by the Executive before we can start work on it, or whether we can do that proactively. I think that that is to form part of our work, so we should have an eye to that.

**The Convener:** If something happens in that regard, you will be the first to know about it.

**Christine May:** Thank you.

## Petitions

### Wind Farms (North Argyll) (PE493)

### Renewable Energy Programme (Strategic Environmental Assessments) (PE559)

### Wind Farms (National Strategy) (PE564)

15:43

**The Convener:** Item 4 concerns three petitions. The titles of the petitions are all on the agenda, so I will not read them out. They are all to do with wind farms. There are several choices open to us. We have to agree a response to the Public Petitions Committee. We should either accept the Public Petitions Committee's referral of the petitions and further consider the issues raised; refer the petitions back to that committee on the basis that, although the issues merit further action, we do not have the time to carry it out; or agree that the petitions do not merit further action.

I suggest that we accept the referral but deal with the petitions as part of our inquiry into renewable energy, because we will be covering the issues anyway. Would that be acceptable?

**Mike Watson:** I am quite happy with that, but why do we not have the petitions with our papers? They did not come with mine. As a member of the Public Petitions Committee, I have seen the petitions, but members cannot make decisions on petitions without seeing them. In my experience, petitions are not all that long. I am seeking to establish a general pattern so that, when we are asked to think about petitions, we have the details. A précis is provided to the Public Petitions Committee and that usually runs to a couple of pages.

15:45

**The Convener:** The précis are not in the hands of our clerks but I am happy to get them circulated if you take it on trust that what we already have gives us the gist of the petitions.

**Mike Watson:** In this case, that is fine. I am just saying that we should have a bit more information before deciding what to do with petitions.

**The Convener:** I am quite happy to adopt that approach in the future; that is not a problem. Are members happy to include the petitions in our inquiry into renewable energy?

**Members** *indicated agreement.*

### **Football Fans (Participation in Decision Making) (PE380)**

**The Convener:** The first part of agenda item 5 is petition PE380 from Mr David Macnab. We do not have the huge précis that Mike Watson is used to, but there is a note in front of us.

The petition gives us an opportunity to try and get some direct evidence on the matter. It did not seem as if we would otherwise have an opportunity to deal with it in the immediate future. We discovered that Supporters Direct had been set up—Mike Watson probably knows more about it than I do—and we took the opportunity to ask James Proctor of the development office of Supporters Direct to come along to the committee.

Thank you for coming, Mr Proctor. I am sorry that you have had to wait and listen to some administrative business but we will be talking to you shortly.

**Mike Watson:** I have two interests to declare. First, during my time as the Minister for Tourism, Culture and Sport I was responsible for providing the funding that started Supporters Direct. Secondly, I am a member of ArabTRUST, the Dundee United supporters society.

**The Convener:** What curious names those trusts have.

**Mike Watson:** I will explain it to you later.

**The Convener:** Having been a supporter of Dundee Football Club a long time ago, I recognise the name.

**Mike Watson:** You have the grey hair to prove it.

**The Convener:** That was in the days when there was only one team in Dundee that was worth supporting.

Mr Proctor, do you want to make some introductory remarks to accompany your submission and tell us what your organisation is doing in Scotland? More particularly, how do you believe your organisation has been addressing the petitioner's concerns?

**James Proctor (Supporters Direct):** Thank you for inviting me along. I see that I have managed to see a few members off and I am quite comfortable with that. I deal with committees regularly now. Supporters Direct has helped to start up 23 different supporters trusts in Scotland and each of those has its own committee that I deal with regularly. I have also come here to get some tips on how committees could work better and I have picked up a few during the hour or so I have been here.

I have already given the committee some information and I do not want to go back over all of

that again. We are now about 18 months into the funding that will last until March 2004. We are putting together a funding proposal for the two years after that and we hope that that proposal will be supported.

So far, we have achieved the setting up of 23 different supporters trusts. That is 23 different clubs in Scotland where the fans have got together and formed a supporters trust. A supporters trust is set up as an industrial and provident society—sometimes known as a community mutual—and is similar to credit unions or housing associations.

How trusts are set up fits particularly well, because fans are essentially excluded from the decision-making process in football. An equal consideration, therefore, is how to form a group that has some validity and some democracy, to put fans' voices across to the incumbent directors of football clubs and to express fans' opinions on decisions that have a material effect on what is their passion and on something that they feel is a community asset. The model of an industrial and provident society fits well, because it is democratic, mutual and non-profit making, so fans can come together under one banner and be represented.

The initiative has been a bit of an underground success in the past 18 months. Not too much has been heard about it in the media, because we have not been intent on garnering great headlines. It is easy for such initiatives to expand greatly, but that would not serve us well. We have followed an organic strategy of not advertising our services too widely. We have let word of mouth do its job. The result is that 23 groups have gone through the process.

Mr Macnab, the petitioner, is a member of the Kilmarnock east of Scotland supporters association. Before Supporters Direct started, he was heavily involved in lobbying the Parliament to accept that Supporters Direct, which was up and running in England and Wales, should be extended to Scotland, too. At that time, the main purpose of the petition was to show that football clubs were not taking advice from their fans, using their fans' voices or the obvious talents of their fan bases. The question was whether the Executive could do something to progress that. As a model in England and Wales, Supporters Direct had worked successfully. With the help of the then Minister for Tourism, Culture and Sport, Mike Watson, Supporters Direct was established in Scotland.

That is the stage that we are at. I will give the committee an idea of football supporters' participation in the decision-making process. There are 23 trusts, and at the last count—I just received more information today—we had eight directors at senior, professional football clubs in

Scotland who could be considered fans' representatives or who are board members because of their work with fans: they have been directly elected by fans or made board members because of their work with a fans group or a supporters trust. Without blowing our own trumpet too much, I think that for eight clubs to have accepted that a fan on the board is not such a bad thing represents a sea change in attitude from 18 months ago.

I do not want to bore the committee too much; I could talk for ever on the subject. I would be happy to take any questions.

**The Convener:** Perhaps the figures provide the answer, but how have fans reacted in general to the innovation? What is their opinion of the exercise?

**James Proctor:** What is terrific about fans is that it is difficult to put them in one pigeonhole. I will go for two pigeonholes. I will not say that one group is ecstatic, but the initiative is what they have been waiting for. They have long searched for a way to influence their football club, not out of spite or lack of interest in what is going on, but because they felt that they could give the club something. We say that we assist fans to play a responsible role in the running of their football club. The aim is to play a responsible role and not to be a faction or schism.

A second group, which probably represents the majority, is not sure of what is going on, needs a bit of convincing and is a bit worried that the trust might be a vehicle for some people to further their points of view ahead of others. The simple fact is that when some people hear the phrase "supporters trust", they do not understand what it is. Slowly but surely, Supporters Direct must undertake the process of educating fans that a trust provides a great opportunity to come together.

**The Convener:** What is your vehicle for providing that education?

**James Proctor:** Our role is to be the central point—the network—and to pass on best practice from other trusts. Much of our work is in education, training and forming opinions for the initial committee. Once we have that up and running, our role is to provide support and advice. The committees must get that across, because there is no one better to do that. There is no way that we could tell fans of any club what they should and should not do. The idea is to put the vehicle in place through the industrial and provident society, which will allow fans to make those decisions themselves.

There are two scenarios. One is utter crisis, when we need all hands to the pump. That tends to have happened more in England, because of

the number of clubs that are in administration as a result of the ITV Digital situation.

The second is the slow-burning situation in which there is a bit of a problem and the club is walking a financial tightrope, although it has not actually fallen off. In that scenario, when a supporters trust is formed, it will grow more slowly and regularly, but will have better foundations.

We leave the education of the ordinary fan partly up to the trust, although we hold a couple of seminars. We held a conference last year in Tynecastle stadium in Edinburgh and invited anyone who wanted to come. Fans of about 30 clubs attended the conference, which was part of the education process. As we do not have sufficient resources to speak to huge numbers of fans, we must allow individual groups to do so.

**Mike Watson:** I am not sure whether you have contacted the petitioner, David Macnab, but are you aware whether he feels that the points that were made in the petition have been met by the establishment of Supporters Direct?

**James Proctor:** Strangely enough, the call requesting me to attend this meeting came two minutes after I had spoken to Mr Macnab for the first time in around a year. Unfortunately, as those calls came in the wrong order, I cannot say expressly whether he is happy with the situation. However, the Kilmarnock group with which Mr Macnab is involved recently set up a trust, which has 265 members—Cathy Jamieson attended its launch. Mr Macnab is generally supportive of the trust and the direction it is taking. I cannot say expressly whether he is content, but one of the key hopes that we had when we talked two or three years ago was that Supporters Direct in Scotland would come to fruition.

**Mike Watson:** I think that 23 clubs now have supporters trusts. Do you foresee a time when all 42 clubs in Scotland will have trusts? Has there been a failed attempt to form a trust at a club?

**James Proctor:** I would be surprised if all 42 clubs had trusts, because that would seem a little unnatural, but the opportunity exists. Queen's Park Football Club, which is an amateur club, and Arbroath Football Club still have unincorporated associations, which means, in effect, that they are still members clubs. When people buy a season ticket at Arbroath, they can vote on who should be the chairman, treasurer and secretary. Stenhousemuir Football Club recently changed from that structure because the club was fearful that somebody might asset strip it by buying up a few hundred season tickets, voting to sell the ground and pocketing all the cash. That might be a concern at Arbroath at some point.

What was the second part of the question?

**Mike Watson:** I asked whether there have been unsuccessful attempts to form trusts.

**James Proctor:** We have had a couple of cases of that, notably in Inverness, where a supporters group already owns a shareholding in the club there. It was formerly a members club, although that changed when the two clubs in Inverness merged. The group has dragged its heels somewhat and it has been some months since we were last in touch with it, but I still have Inverness on my map as a possible. I would not say that that case was a failure, because we never got to the stage of having a public meeting for fans.

Our organisation feels that supporters who try to start a trust should be able to get over certain hurdles, such as organising themselves, including people and holding an initial public meeting. We ask for a free and open public meeting to be held, at which supporters say yea or nay to the idea of a supporters trust. It is important that the trust has the fans' backing from the start, otherwise it would simply be trying to impose a solution on people. I have a sneaking suspicion that we will get something done at Inverness.

**Mr Baker:** I am glad that Supporters Direct is doing well. I have a question about the eligibility criteria for supporters groups, one of which is that groups must be

"Broadly Representative of supporters".

I imagine that that is difficult, because not all supporters are members of a supporters club. I was a season-ticket holder last year, but I have never been part of a supporters club. You also say that you make people aware of the trusts through word of mouth, which must mean that it is difficult to reach a huge number of fans, apart from with the bigger clubs. How do groups ensure that, as far as possible, they are broadly representative?

16:00

**James Proctor:** The key to that is affordability and not excluding people for economic reasons. Do not make it £100 to join, because you will miss out an awful lot of people. That is the first point—make it affordable.

The second point is a restatement of the fact that fans should not be allowed to exclude any other sets of fans just because they want to. That is a heads-up to them, which says, "You've got to do what you can. You can't go excluding people just because you don't get on with them." How do we go about that proactively? I am afraid that trust is involved, but it will come to us fairly quickly. You will all be aware that football fans are not slow in making their opinions known when things are not going right. We would definitely hear back if things were not going right. We are very open with fan

groups, and they know our address and have our information. We would certainly chase it up if such a thing happened.

Further, the organisations are regulated by the Financial Services Authority. Complaints could be made to the Financial Services Authority if it was felt that people were being excluded. We have rules about the reasons for excluding someone and how to go about it, but generally speaking no one should be excluded. There is recourse if you are excluded, which is more than can be said if you are a fan of a club and you do not think that your opinion is being heard. You can write to the club, but if it doesn't want to respond that is the end of the road. You could write to the Scottish Football Association but, generally speaking, it does not have the powers or abilities to tell a club what to do. There is greater protection with an industrial and provident society than with an unincorporated association, a club or a private or public limited company.

**The Convener:** Do the ladies have any questions? Is football still a male preserve on this committee?

**Christine May:** It is a closed shop.

**Mike Watson:** I have a general question. I did not intend to dominate the discussion to such an extent. Supporters Direct has funding for about another six months. Do you plan to meet the minister or to make a submission to the Executive for the funding to be extended for a further two years, or whatever?

**James Proctor:** Yes, we hope so. We have given a funding proposal to John Gilmour, the head of the sports policy unit. We hope to take that forward and meet the minister. We have helped to establish 23 organisations that have sound foundations, but slightly fragile membership. They can go on to do good things. Over the coming two years the focus of our work would be on that. We are talking not just about influencing football. We are talking about using football clubs as community assets, which in a sense they were always meant to be. That is why we have one club in each big town, and there are plenty more in the juniors. We are talking about using them as community assets.

Some good work has been done recently by a think-tank called Mutuo, which is in the co-operative sector. It talks about using stadiums as community hubs. That is the way we have to go. Quite simply, football has got to the stage where it is suffering because of severe financial pressures. It is struggling along. How will it reinvent itself? One of the ways to reinvent itself is to put football back at the heart of the community. Supporters trusts are partly about doing that. We are keen to be involved in taking that forward. We have an



opportunity to do some excellent work. Another two years would allow Supporters Direct to seek funding from other areas, and not rely on a grant from the Scottish Executive. We would be keen to do that. We have spent the past 18 months establishing ourselves. We have not shouted about it too much, but there might be more shouting in the next little while.

**Christine May:** A useful point arises from what you said about one of the objectives of trusts being to use the facilities of clubs as hubs in local communities. That flagged up for me the tie-in to the community planning agenda and the role of local organisations in helping to identify, not just the issues in communities, but the responsibilities of some of those who live in and entertain themselves in communities. Have you participated in any of the community planning framework groups in any part of Scotland in which you are established?

**James Proctor:** No, not at the moment. The most advanced trusts, in Greenock and Aberdeen, would be keen to get involved, but because they are not the clubs—they are merely side-on to the clubs—there is difficulty in relating to them. However, we are keen to get involved in the community side of things. That is essential to supporters trusts. As industrial and provident societies, they are community benefit organisations. That is key to what we are trying to do.

**Christine May:** That would be useful to pursue.

**The Convener:** You talked about how you have meetings, and then supporters have to decide whether to go ahead with setting up trusts. With the exception of whatever is happening in Inverness, at any meetings did they say, “No, we’re not going to go ahead with this”?

**James Proctor:** No, not at any general open meetings.

**The Convener:** To clarify it in my own mind, no part of your budget goes directly to trusts, does it?

**James Proctor:** We provide a small amount of start-up assistance. We pay for the registration of the organisation, which is a substantial hurdle that it is difficult to get over, because it can cost up to £1,000, although we use a set of model rules, which keeps the costs down. We are also sponsored by Cobbetts Solicitors in Manchester, and by the Co-operative Group, which has brought the cost down.

The other small amount of our budget that goes to the trusts directly is our budget of £1,000 per trust, but they only get that on a matched-funding basis. If they want to do a leaflet drop or have a meeting and it costs £100 for a room, we can help with 50 per cent of the costs, but they have to

make the outlay and claim the costs back with invoices attached.

**The Convener:** Do you see that being an on-going process with the trusts that are being set up?

**James Proctor:** Our belief is that they should be helped to start up, but that is about as far as it goes. The budget of £1,000 per trust is a one-off. We would not expect it to be a continuing commitment.

**The Convener:** There are no more questions. Thank you, Mr Proctor. It has been illuminating to me and to members of the committee, although obviously Mr Watson had prior knowledge of this item.

The committee now needs to consider its response to the petition. I suggest that we write to the Public Petitions Committee saying that we feel that the petitioner’s concerns have been addressed effectively by the Executive, but that we will bear the petition in mind with regard to future questions about the budget process, in particular given the fact that funding may be running out in the near future.

**Members indicated agreement.**

### Traditional Arts (PE307)

**The Convener:** I apologise because there has been a slight foul-up in the procedure with the other petition that is before us, PE307 on the traditional arts. It is nothing to do with this committee, I am glad to say. The Education, Culture and Sport Committee in the previous Parliament appointed a reporter, Cathy Peattie, who prepared a report on the subject. I will arrange for it to be circulated to members along with the next mailing.

Given that, we should write to the Public Petitions Committee, saying that we believe that the matter has been dealt with. However, once we get a chance to read the report, which I have not been able to read, I suspect that the recommendations may give us some material about which we can interrogate ministers at our budget session. Would that be a sensible approach? Do members have other ideas?

**Susan Deacon:** I agree with that approach. Maybe I am just being pedantic, but I reacted slightly to your use of the phrase “the matter has been dealt with”. The subject has been examined and various recommendations have been made. Like you, convener, I am aware of the work that was done, but I would not profess to be conversant with the detail. As you indicated in your proposal, there are still questions to be explored, be it in the context of the budget or elsewhere. I want to ca’ canny and not imply to the petitioner

that we regard the petition as being done. Rather, work has been done, but we will continue to ask questions.

**The Convener:** Yes. The issue arises with every petition that many of the matters that are raised cannot be said to be totally closed off. Some work has been done in response to the petition, but there are matters that require continuing scrutiny.

**Christine May:** It would be helpful if we could have a summary of the petition.

**The Convener:** Yes, indeed. You will get that for all petitions in future and it will make your envelope even heavier than it is already.

With that I conclude the meeting. Thank you for attending.

*Meeting closed at 16:08.*

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