



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

EDUCATION AND CULTURE COMMITTEE

Tuesday 22 April 2014

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EDUCATION AND CULTURE COMMITTEE

11th Meeting 2014, Session 4

CONVENER

*Stewart Maxwell (West Scotland) (SNP)

DEPUTY CONVENER

Neil Bibby (West Scotland) (Lab)

COMMITTEE MEMBERS

*George Adam (Paisley) (SNP)
*Clare Adamson (Central Scotland) (SNP)
*Jayne Baxter (Mid Scotland and Fife) (Lab)
*Colin Beattie (Midlothian North and Musselburgh) (SNP)
*Gordon MacDonald (Edinburgh Pentlands) (SNP)
*Liam McArthur (Orkney Islands) (LD)
Mary Scanlon (Highlands and Islands) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Lorne Boswell (Equity)
Angela Constance (Minister for Youth Employment)
Gavin Gray (Scottish Government)
Scott Gray (Scottish Government)
Bobby Hain (Scottish Television)
Ailsa Heine (Scottish Government)
Paul Holleran (National Union of Journalists Scotland)
Richard Holloway (Sistema Scotland)
Jeremy Peat
Rosina Robson (Producers Alliance for Cinema and Television)

CLERK TO THE COMMITTEE

Terry Shevlin

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament

Education and Culture Committee

Tuesday 22 April 2014

[The Convener *opened the meeting at 09:33*]

Interests

The Convener (Stewart Maxwell): Good morning. I welcome everybody to the Education and Culture Committee's 11th meeting in 2014. I remind everybody present that electronic devices, particularly mobile phones, should be switched off because they interfere with the broadcasting system.

The first item on our agenda is to welcome Gordon MacDonald to the committee. He is our new member and is here in place of Joan McAlpine. I also welcome Kezia Dugdale, who is here as a substitute for Neil Bibby.

I invite Gordon MacDonald to declare any relevant registrable interests.

Gordon MacDonald (Edinburgh Pentlands) (SNP): Thank you, convener. I have no registrable interests. However, I highlight that I am a member of Historic Scotland and the National Trust for Scotland. In addition, I am an unpaid trustee for Dads Rock, Scotland's only free music playgroup for dads and their children.

The Convener: Thank you very much, Gordon.

As this is Kezia Dugdale's first meeting on the Education and Culture Committee, I invite her to declare any registrable relevant interests.

Kezia Dugdale (Lothian) (Lab) (Committee Substitute): I have no registrable interests.

The Convener: I also welcome back Liz Smith, who is here as a substitute for Mary Scanlon. She has not been away long, but I welcome her back.

Subordinate Legislation

Young People's Involvement in Education and Training (Provision of Information) (Scotland) Order 2014 [Draft]

09:34

The Convener: Our second item is evidence taking on a draft affirmative instrument, namely the Young People's Involvement in Education and Training (Provision of Information) (Scotland) Order 2014.

I welcome to the committee Angela Constance, the Minister for Youth Employment, and her supporting officials from the Scottish Government. I remind everybody that officials are not allowed to contribute to our next agenda item, under which the minister will formally move a motion that the committee recommend that the draft order be approved. However, this item provides an opportunity for members to question the minister and her officials on the draft order.

I invite the minister to make any opening remarks that she wishes to make.

The Minister for Youth Employment (Angela Constance): Thank you, convener, and good morning, colleagues.

The draft order is a positive piece of legislation that supports the key objectives of our post-16 education reforms, which are to improve the life chances of our young people, to support Scotland's economic ambitions and to create a more sustainable and secure system.

To improve the life chances of our young people, it is fundamental that we are able to identify the young people who need our support. We must ensure that the partners who are most familiar with our young people's education and training needs work together to help young people to make a successful transition from school to sustainable employment and that those partners offer targeted extra support to them where and when it is needed. We must put in place the systems that enable the right professionals to get the right information at the right time to give our young people the help that they need when they need it, and that approach must be consistent across all parts of the country.

As members will be aware, the Parliament last year passed the Post-16 Education (Scotland) Act 2013, which provided the enabling powers to achieve that. The draft order is secondary legislation and gives us a more detailed framework through which to put in place some necessary steps and systems.

Skills Development Scotland will have the information that it needs proactively to identify and engage young people who have disengaged from education or training. By using the information effectively and appropriately, it will be able to ensure that qualified professionals can provide the support and provision that a young person might need to move back into learning, training or work.

There are many local examples of information about young persons in education or training being shared, but the lack of a consistent national approach has had an impact on our ability to assist the young people who are most in need. The draft order means that Skills Development Scotland will be able to identify those young people more consistently and provide assistance and support that will encourage successful involvement in education and training wherever they are in Scotland.

It is not enough to wait for a young person who drops out to contact SDS for help, as the risks to that young person's future are far too great. Long-term disengagement from work, education or training has clear detrimental effects on a young person's future economic potential, and early intervention to support re-engagement quickly is vital. Sharing information about young people will enable us to identify more quickly when a young person drops out, to make contact with them proactively, to understand more about the reasons why they dropped out and, through our opportunities for all commitment, to offer an appropriate way forward.

I will be delighted to answer any questions that the committee has.

The Convener: Thank you very much, minister.

I will ask about the provision of information. The evidence that we took on the relevant part of the Post-16 Education (Scotland) Bill showed it to be less than clear—that is probably a reasonable description—so I seek clarity on some of the individual points on which we tried to get information at the time.

It seems that some of the information that is provided to SDS is also information that it already holds or information that it will provide to others. I want to get some clarity on that process. For example, one of the matters on which SDS will provide information to others and on which it will be provided with information is the young person's anticipated school leaving date. There are other examples.

How exactly does information sharing work? I know that it is the mutual sharing of information, but I am not entirely sure how it operates in reality.

Angela Constance: Different articles of the order set out the different responsibilities of

different agencies. As a result of the order, there will be an obligation on education authorities, colleges, the Student Awards Agency for Scotland and the Scottish Further and Higher Education Funding Council to supply information to Skills Development Scotland at least every calendar month. The order sets out the type of information that they must supply rather than its exact nature to ensure that there is local flexibility and that we do not have to keep amending the order.

Skills Development Scotland has the responsibility of creating a secure web portal, which must be updated continually so that the various partners can access the information that they require about young people whom they are or have been involved in working with.

The Convener: Thank you for that, but I am still not absolutely clear about the process. In effect, the same information is being requested and provided by SDS.

Angela Constance: There might well be overlaps in information, but we would expect the local authority to be best placed to supply information about, for example, a school leaving date. Gavin Gray might be able to provide you with more specific information.

Gavin Gray (Scottish Government): The order provides a framework for the provision of information. Rather than obliging SDS to give information back to local authorities, it will allow local authorities to access that information. The school would enter information such as a school leaving date and the local authority would provide the data, which would be held in the hub as part of the information that the authority would be able to access about that individual. It is just a case of being clear about what the parameters are.

The Convener: I am sorry, but I am now more confused.

Why would the local authority have to access the hub to find out someone's school leaving date—

Gavin Gray: Well—

The Convener: I am sorry—please let me finish. Surely, the local authority would be the organisation that supplied the information. If a local authority did not know the leaving date of children in its care, that would be odd to say the least.

Gavin Gray: The local authority would not have to access the hub to find out that information; it would be able to see the information that SDS was holding in the hub, which it would be able to check. Clearly, the local authority would own the school leaving date information.

Angela Constance: We expect Skills Development Scotland and its partners to share a range of information with each another. The *raison d'être* of the order is to capture information when it changes. Of course, local authorities are best placed to advise on information such as a school leaving date. We want routine engagement to take place and information to be shared, particularly when information about a young person changes—for example, when their circumstances or their needs change, or when they are at risk of disengaging from education or training.

The Convener: Do not get me wrong, minister. I am very supportive of that and I think that that is what should happen on a national basis. I was highly supportive of the relevant provisions when we considered the Post-16 Education (Scotland) Bill. I am simply seeking clarity on how the process will operate.

I am sure that other members will pick up on some of these points, but you mentioned a specific issue that I want to ask about. You said that the order provides for the information to be provided no less frequently than monthly. However, at stage 1, officials said to the committee that they expected information to be provided to SDS on a fortnightly basis. Why has the timescale changed?

Angela Constance: I ask Scott Gray to answer that.

Scott Gray (Scottish Government): Because of the nature of their business, it might be best for some partners, such as education authorities, to share information with SDS on a fortnightly basis. For others, it might work best to share information on a monthly basis. For our purposes under the scope of the bill, we deem the provision of information at least once every calendar month to be the most efficient way of identifying whether a young person is dropping out. Nevertheless, the various partners must have data-sharing agreements in place and, to help their business processes, they might deem it appropriate to share information more than once a month.

The Convener: I understand perfectly the rationale for the answer that you have given, but we were told at stage 1 that it was expected that information would be provided to SDS fortnightly. I am trying to ascertain what has changed between stage 1, when we took evidence, and now, when you are outlining that information should be provided monthly although some organisations could or might prefer to provide it fortnightly.

09:45

Scott Gray: The reason is pragmatism. We want to capture young people, but we do not want to create an industry. Sharing information once a month fits in with some partners' business

processes and meets the scope of what we are doing in the order and the policy. For other partners, sharing will be fortnightly. That is a matter of pragmatism.

Liz Smith (Mid Scotland and Fife) (Con): I agree entirely with the aims and objectives. As the minister has said, we desperately need to improve the quality of the information.

Like the convener, I was left thoroughly confused when SDS gave evidence at stage 1 about how it felt that the quality would be delivered and about the timescales. I say with respect that we are looking this morning for further clarity about who will co-ordinate the information. I am not sure which person or body will have the oversight of where the information is and how we will measure the quality of the information, which is essential—my colleague Liam McArthur will pick up on that.

I am also not clear about the timescales. It is confusing that one set of witnesses has told us that information will be provided every two weeks, whereas the Government thinks that it will be provided every month or so. It is particularly important to know the correct timescale if, as the minister said, there are discrepancies between different areas.

I will tease out the exact detail. Who is responsible for oversight of where the information is? Who has decided on the different groups' responsibilities?

Angela Constance: It is clear that Skills Development Scotland has the overall responsibility—it has the lead responsibility. Liz Smith's point about the quality of information is well made. Quality is a main driver for the order.

Individual partners have obligations in relation to data and their own practices to ensure the quality of information. The order and Skills Development Scotland's role will provide additional checks on that quality. I am sure that officials can answer more technical questions about that.

The order says that information should be shared at minimum every calendar month. I appreciate the committee's point that it is not always helpful to be told one thing at one meeting and another thing at a different meeting, but we must set the bar somewhere. As Scott Gray said, we need to be clear about the minimum practice for the framework of the national system. There will be some local variation, but that must be in the context of a national system in which we have reliable, quality information that tells us more about the story and the journey of young people and their transition from school, through education and training and into employment.

Liz Smith: You have clarified that SDS has the overall responsibility. That gives me some

satisfaction that the Government sees that as the way forward. However, I am concerned because SDS's answers to the committee were unclear about that responsibility, about how the key information would be delivered and about the timescale. It rather alarms me that one set of witnesses has said that information will be provided every two weeks when that will not be the case. I suggest that the issue should be discussed a little more.

It is crucial that youngsters feel well informed and that the people who look after them are well informed. However, we have a clear difference of opinion in too many areas about an element of the Post-16 Education (Scotland) Act 2013. People are not confident that the information is accurate or that it will be used in the most effective way. What are your comments on that?

Angela Constance: The order is a significant step forward in ensuring a baseline. As I have said, we will have sharing of information every calendar month as a minimum. Skills Development Scotland is ultimately responsible for leading this piece of work, particularly at the operational level, and Skills Development Scotland is responsible to me. Both Skills Development Scotland and I will be more than happy to keep the committee informed and involved every step of the way as things are delivered in practice.

The order is a significant step forward in clarifying who has responsibility for what and the need—on which we all agree—to take the matter forward and to have a consistent basis for the sharing of information. The order is clear: the information will be provided every calendar month as a minimum.

Liz Smith: I accept that entirely. The order is relatively clear, although I would not agree that it is 100 per cent clear. There is a practical issue in ensuring that the best-quality information is delivered in the right places. The committee was left in considerable doubt that that would happen. Could you ask SDS to provide the committee with frequent updates on exactly how the process is working? If we do not have such updates, we will be left in the dark.

Angela Constance: I am more than happy to ensure that that happens. I cannot change the past regarding the information that has reached the committee previously, but we can certainly move forward together with the recognition that the order is important. It is discrete and specific about who is responsible for what.

I am more than happy to ensure that the committee is fully involved in understanding and having an oversight of the practical implications of the order.

Liam McArthur (Orkney Islands) (LD): Good morning, minister. It is good to see you back on more familiar territory.

As Liz Smith indicated, the committee is fully signed up to the policy objectives, although you will no doubt be aware of concerns that were expressed about the creation of a kind of mega-database. We have been given assurances that the order is about collecting data that the various organisations have already obtained and about ensuring that it is shared more appropriately. Has any consideration been given to what happens to the data once a young person is no longer caught in the ambit—whether that concerns 16 to 24-year-olds or 16 to 25-year-olds? What happens to the data over the medium to longer term?

Angela Constance: Skills Development Scotland and its partners have data protection obligations and there are limits on how long data can be retained. In those circumstances, the data that are set out in the order can normally be retained until the young person is 25.

Much of the order's *raison d'être* is to get a far better handle on which young people are participating and when. It aims to identify young people who have dropped out of education or training or who are at risk of disengaging, so that we can act on that information. We have the mechanisms for gathering information, and it is important that, at an operational level, SDS and its partners are responding to the information that they receive.

It is important to note that, over time, we will get more qualitative information about young people and their journeys. That should inform some of our policy initiatives.

We are all aware of statistics and of some of their limitations. The order, which concerns the sharing of data, will help us to unlock information about a young person's journey and identify more clearly some of the risk factors that are associated with young people dropping out of education or training and the factors that are more likely to lead to successful engagement. That is important.

Another point is that the order is part of a journey towards better participation measurements. We know that we have record levels of positive school leaver destinations. However, those destinations are reached twice a year, at a particular point in time. We want to have a more meaningful measurement of young people's participation in education and training. That all starts with some of the basic housekeeping in and around the sharing of data.

Liam McArthur: As I said, I do not dispute the rationale for pulling together the information over the proposed period and I accept that the requirement to intervene with regard to specific

individuals might ebb and flow over that period. That is self-evident. However, people who are not in education, employment or training are not limited to the 16-to-24 age group. There is therefore a concern about what will happen to young people after the age of 24.

Is SDS obliged to dispose of the data in a safe and secure fashion? Will it simply hold on to data on the off-chance that the individuals might fall out of employment or training at some point in the future and might therefore need to be tracked by SDS? If that is the case, we are into different territory, and that is not something that the committee was made aware of when we considered the original proposals.

Angela Constance: On the purpose of the order, SDS will in most cases be under an obligation to get rid of data by the time that a young person is 25. I suppose that there could be some circumstances in which data has to be removed before then.

The order underpins the opportunities for all commitment. For some young people, that commitment extends up to the age of 24. Once we have more of a picture of and an insight into the journey of young people who are engaging with and disengaging from education and training, that might inform what we wish to do in the future. However, in the here and now, we are dealing with young people between the ages of 15 and 24.

The Convener: I will ask a brief supplementary question about something that occurred to me when Mr McArthur was speaking. It is perfectly rational and sensible that, under the Data Protection Act 1998, the data should be properly dealt with by SDS. However, if a young person reaches the age of 24 or 25 and is not in a positive destination, is having difficulties and still needs support, will SDS still just get rid of the data? I do not want to say that it would dump the data. If someone is not in a positive destination at that point, that data surely still has some value, does it not?

Angela Constance: I will ask Ailsa Heine for input on the legal aspects. I understand that we cannot pick and choose when we comply with data protection legislation, and the order sets out a framework for how we use information about young people between the ages of 15 and 24.

I understand the point that you make, particularly given that we have an all-age careers service. Ailsa Heine can talk about the data protection aspects.

10:00

Ailsa Heine (Scottish Government): It is for SDS to work out what it is required to do under

data protection legislation. However, I understand that, if it was still engaging with a person at the age mentioned and was providing services to them, it could maintain the records. The order would not apply to that information, as it applies only to the sharing of information between SDS and its various partners, and SDS would not be under a requirement to share with other people the information that it held. If SDS was using the information to provide services to the person, I see no reason why it could not maintain the record but, under the order, it would be under no obligation to share that information.

The Convener: That is helpful. The obligation relates not to retaining the data but to sharing it.

Ailsa Heine: Yes—it is purely about sharing the information.

The Convener: I know that other members want to ask questions, but this is crucial. What is the practical process for enabling what you described to happen? What steps would need to be taken to ring fence data in the hub and to separate data that may be shared or accessed by others from data that may not be shared?

Ailsa Heine: Certain parties—colleges and education authorities—are required to provide information to the data hub. SDS shares information that it holds in its data hub only with colleges or education authorities, so the sharing is much more limited. I do not know exactly how the database works—Scott Gray may be able to say more about that—but those records could not be passed on to the education authorities or colleges, because the person would no longer fall within the order's parameters.

Scott Gray: What Ailsa Heine says is exactly right. The partners would share records that they held with SDS and, in the fullness of time, people would leave the partner organisations and there would no longer be records to share. Partners that receive information from SDS receive it in the form of a report and, to complete that report, SDS extracts information from its own information management system. That would exclude information on anyone who has gone beyond the specified age ranges and include information on only those who have previously featured in information sharing with the partner. An education authority could access only information on someone whom it had previously provided information on.

The Convener: That is helpful—thank you.

Colin Beattie (Midlothian North and Musselburgh) (SNP): The convener has touched on the risks of overlapping. I have a concern about the potential for unnecessary bureaucracy. Colleges, the Scottish Further and Higher Education Funding Council and the Scottish

ministers all provide what seems to be fairly similar information on young people's participation in or withdrawal from college courses. Similarly, the Scottish funding council and the Scottish ministers provide what appears to be similar information on young people's participation in or withdrawal from higher education institution courses. Is that duplication and unnecessary bureaucracy?

Angela Constance: No. The order's purpose, which we have touched on, is to enable the sharing of information. The different organisations will need to have similar information about young people, and the order ensures consistency in the sharing of that information.

Colin Beattie: Let us touch on consistency in the sharing of information. Colleges, education authorities, the Scottish funding council and the Scottish ministers provide information to SDS, but only colleges and education authorities receive information from SDS. Does that seem correct?

Angela Constance: We have spent considerable time on consulting all the agencies and partners on which the order places obligations, and the consultation responses have been published. We have not developed the order—or the policy surrounding the order—in a vacuum.

Consultation in a broad sense goes back to various policy developments, such as the 16-plus learning choices programme, more choices, more chances and opportunities for all. A constant theme through that work is the need for consistent sharing of information. On the specifics of the order, the Government has consulted on its work on a participation measure for young people who are engaged in education and training.

We are in constant dialogue with our partners and we are confident that what is being proposed to the committee is pragmatic and workable. There will always be opportunities to amend the order at a future date by going through the usual processes.

Colin Beattie: I suppose that the concern is that, on paper, the order looks as though it is more or less about duplication of information. You have touched on this point, but are you satisfied that the information has been rationalised as far as possible and that we are not simply creating a bureaucracy and collecting data all over the place?

Angela Constance: There is an important point to make about quality assurance. I appreciate and understand what you are saying about duplication of information, but we need to be confident that the information is accurate and robust. The order and Skills Development Scotland's role in all this provide additional means and measures to ensure

the quality of that data, which will ensure that it is robust and correct.

George Adam (Paisley) (SNP): Good morning, minister. Will you confirm what the term "young person" means? The order does not define it. The policy memorandum and the bill suggested that "young person" covers 16 to 24-year-olds, yet the policy note and the instrument mention 16 to 25-year-olds. I know that this sounds pedantic and silly, but does the term cover 16 to 24-year-olds or 16 to 25-year-olds?

Angela Constance: The term covers 16 to 24-year-olds.

Ailsa Heine: The term is from the Post-16 Education (Scotland) Act 2013. It is clearly defined in section 20 of the act.

George Adam: I am happy with that.

The Convener: I am not. I am sorry; I know that the definition of "young person" is a bit of a pedantic point, but we had trouble with it during the stage 1 evidence, which is why we are taking some time over it. Mr Adam is correct that, in some places, 16 to 24-year-olds are mentioned, but the policy note for the order mentions 16 to 25-year-olds. You have just said that it is clear in the instrument that the term covers 16 to 24-year-olds, because it refers to the act, so why does the policy note mention 16 to 25-year-olds?

Angela Constance: I will ask officials to chip in, but I understand that the term covers people up to their 25th birthday.

Liz Smith: Can we have absolute clarity on the point? It may sound pedantic, but it is extremely important, because it concerns a sizeable cohort of youngsters. We need to know the facts. One document says 16 to 24-year-olds and the policy note says 16 to 25-year-olds. Which is it?

Angela Constance: The term covers 16 to 24-year-olds up to their 25th birthdays. Is that the right terminology, Gavin?

Gavin Gray: Yes.

The Convener: Paragraph 9 of the policy note that is supplied with the order says:

"The information provided will enable Skills Development Scotland to know which 16 to 25 year olds are in receipt".

It goes on to talk about

"those 16 to 25 year olds".

That is why we are confused because, elsewhere, 16 to 24-year-olds are mentioned. Are you saying that the term covers 16 to 24-year-olds up to the age of 24 years and 364 days?

Liz Smith: A lot of people are affected.

The Convener: For clarity, is that what we are talking about?

Angela Constance: Yes.

The Convener: Thank you very much.

Kezia Dugdale: Minister, can I be the first to congratulate you on your promotion?

Angela Constance: It is subject to parliamentary approval.

The Convener: It is subject to parliamentary approval this afternoon. It has not happened yet, which is why nobody has said anything.

Kezia Dugdale: Well, I offer congratulations, anyway.

When I shadowed the minister on the youth employment brief, we had a lot of debate about the number of young people who do not appear in the statistics—people who leave school but do not appear when the unemployment statistics come out. How confident are you that, when the new framework is in place, that cohort of young people will be caught?

Angela Constance: I suppose that I am more confident. Given that the order does not cover information from Her Majesty's Revenue and Customs, it would be foolish to have absolute confidence. We made attempts to get that information via two United Kingdom Government bills, but one was talked out and the other was withdrawn. We will continue to seek opportunities to make an arrangement with HMRC.

The order cannot compel the Department for Work and Pensions to provide us with information, because that is outwith the functions and remit of the Scottish Parliament and the Scottish Government. However, Skills Development Scotland has developed a partnership agreement with the DWP, which will share information about young people seeking jobseekers allowance. The order will place us on a far stronger footing, as we will have far more accurate and consistent information about young people over time.

Kezia Dugdale: Do you have a ballpark figure in your head for how much the number of people whom we cannot find should be reduced by? I might be wrong, but my recollection is that we cannot identify what about 17,000 young people do between leaving school and joining the unemployment stats. Do you have plans to reduce that figure by a certain amount?

Angela Constance: We want to reduce the 17,000 figure. It is important to stress that we are talking about young people whose destination is unknown. They may be young people who have disengaged or they may be in a destination that we have not yet ascertained.

There are no specific targets. However, given my interest and responsibility in the area, as well as the committee's interest and involvement, I am sure that we will revisit the position once the order has been implemented. The order will make the situation more transparent, because the information will be publicly available.

Kezia Dugdale: We will get a lot more data from the system. How will you report that data? Will it come to Parliament? How will reporting work? Will the data simply be in SDS's annual report? I hope that the data will be made available more regularly than that.

Angela Constance: I hope that we will be proactive with the information that the order helps us to gather. The information is important to inform the way forward. We want to get below the headline figures and to understand far more about a young person's journey and what works for young people, so that we can tailor a range of our policies.

Kezia Dugdale: Will you report at the same time as the annual population survey statistics are produced, to give unemployment stats some context? It would be sensible to produce a report based on the information, say, every three months.

Angela Constance: We could look at that suggestion. I agree that regular reporting of the information is crucial, because it informs everyone's thinking and the development of policy.

Kezia Dugdale: How will the order change SDS's operation in relation to the information that it holds? For example, I have always found it difficult to identify how many people have done more than one get ready for work programme. I have met a lot of young people who have participated in many employability programmes, but SDS cannot quantify the numbers involved. Will the new framework allow SDS to hold its data in a more accountable and transparent way that MSPs can access?

Angela Constance: I hope that the order will enable SDS and all its partners to gather far more meaningful information, so that we can monitor and track the journey of individual young people, and that SDS will be in a position to collate the information to give a broad national picture. Ultimately, we are gathering information so that we can make a difference to young people's lives. We must have a stronger evidence base about the success of interventions and about how each intervention helps a young person's journey towards and into work.

Kezia Dugdale: I want to be absolutely clear about who is responsible. It will be the responsibility of an education authority, a college or any other part of the education establishment to

flag up that a young person has, for example, fallen out of education or an employability programme and that SDS is responsible for making an intervention. Is that correct?

10:15

Angela Constance: In many instances, that will be the case, but that depends on the information that is supplied about a young person and the information that has changed. If a housing problem has resulted in a young person disengaging from education or training, SDS might not be the best organisation to follow that up; if the young person has a substantial social work background, there may be somebody better.

However, oversight and lead-in are clearly a responsibility of SDS. It will have—as it does now—responsibilities to follow up young people, and it has increased its interventions in relation to how often it attempts to contact a young person. It has a responsibility to discuss with partners—often guidance staff in schools, for example—who will follow up a young person best. Some of that depends on the circumstances in which young people find themselves.

Kezia Dugdale: Surely one person has to be ultimately responsible, and that has to be SDS. I am thinking about the logic of the named person, for example. The strength of that system is that one individual is ultimately responsible for all the information and everything to do with the person's journey. Surely that also applies here and SDS is ultimately responsible for everything to do with 16 to 24-year-olds.

Angela Constance: Yes—SDS is responsible. As I said, it has lead responsibility, but it may have a sensible and pragmatic discussion with partners—particularly in relation to young people who have complex and difficult backgrounds—about whether someone else is better placed to do the follow-up. There may be someone whom the young person already knows and has a relationship with, as opposed to yet another person stepping into their life.

Kezia Dugdale: But SDS is ultimately responsible.

Angela Constance: Yes.

The Convener: I will follow up on that with a supplementary question, again for clarity. You gave an example of housing being the underlying problem that may result in somebody falling out of training or education and said that there could be an underlying issue connected with social work. That is perfectly understandable. Under the order, SDS will not share information with either the social work department or the housing department. If information goes from one of those

departments to SDS that a young person is in danger of falling or has fallen out of education or training because of an underlying housing problem, what will SDS do? It does not deal with housing problems and it will not share information with the housing department, so what will it do?

Angela Constance: SDS will have to contact the relevant agency that deals with the housing problem, if that is the example that we are going with. A lot will depend on the young person's age and whether they are at school, in education or—

The Convener: So SDS will contact the relevant agency. I am just using this example as it is one that you gave. SDS will contact the housing department. It is obviously welcome that it will try to help, but I am trying to clarify the position. What would the contact be? SDS is not going to share the information that it has, so what would it do?

Angela Constance: Do you want to answer that, Scott?

Scott Gray: Yes. The sharing is really a signposting measure. If SDS is alerted to the fact that somebody has dropped out, the sharing improves the chances of SDS finding out about that, but the information sharing does not replace the professional contact. All that the order really does is to try to get the right information to the right professional. All local authorities have their own processes in place. If a young person has dropped out, regardless of the reason, the SDS front-line member of staff will be aware, but they will only be aware that the person is no longer attending either college or the training provision. It is then that the professional will take over and contact the individual or the training provider and say, "I understand that Scott is no longer there. What has happened?"

The Convener: Sorry—maybe it is me, but I am still struggling a little bit. When you say "the professional", do you mean the professional within SDS?

Scott Gray: Yes.

The Convener: Would the professional within SDS then contact the housing department and say that there is a problem, or would they not do that?

Scott Gray: You would imagine so. The original point was about SDS, through the scope of the information sharing, finding out that someone had dropped out. It is more of a procedural thing for SDS, but I would imagine that if, through the scope of that sharing, SDS was alerted to the fact that someone had dropped out of their course of provision, it would want to understand the circumstances around why the young person had left. The sharing of information would trigger that conversation.

The Convener: The conversation that you are talking about is between the SDS professional and whom?

Scott Gray: This gets into how SDS provides services to individuals. It would either be with the individual themselves, to ask them why they had dropped out, or with the training or learning provider, to ask why the young person was no longer there.

The Convener: So the SDS professional does not contact the housing department.

Scott Gray: I imagine that that would be the next step down the line.

The Convener: So they do contact the housing department.

Scott Gray: In that circumstance, you would imagine so. The first conversation would be to understand the circumstances around why the person had dropped out.

The Convener: I understand that, but I am trying to understand the process. If somebody contacts SDS and says that a young person is in danger of dropping out or has dropped out because of a housing problem, the SDS professional contacts the individual, and they might have a conversation about it. Does SDS then contact the housing department and ask about the problem and why the person is having difficulty with their housing?

Scott Gray: I would imagine that SDS would contact the local authority.

The Convener: You would imagine so.

Angela Constance: If SDS has established why a young person has dropped out from education or training, it will have to forward that information to a relevant agency. If the reason is to do with housing, you would expect SDS to contact the local authority. If the young person was known to social work, it might contact the social work department.

It is my expectation that all professionals involved with young people act on the information that they receive. We are not gathering information for the sake of it; we are gathering information so that the relevant professionals can act on that information. We know that that is in the interests of young people and their economic future.

It is essential to the future of our country that we intervene early. Part of the Government's agenda, across a range of policy initiatives, is to intervene early in the lives of young people, particularly where there are risks. In the case of the draft order before you, it is to intervene early for young people who are at risk of disengaging from education and training. We are in the business of preventing long-term unemployment.

The Convener: There is no argument about that, and I am 100 per cent behind the intention of the order. The committee's role is to follow up on the evidence that we received during stage 1 consideration of the Post-16 Education (Scotland) Bill and to clarify that the process is practical and realistic and will work.

I am trying to clarify the point that the draft order provides for the formal relationship between certain bodies with respect to data sharing. However, there is nothing in it that prevents SDS from taking part in a discussion between professionals, for example about housing or a social work problem.

Angela Constance: Absolutely not. Let me reiterate this. I cannot turn the clock back. I have been listening carefully to the issues that you have raised about the stage 1 evidence. In the here and now, I expect professionals involved with young people to act on the information that they receive.

Jayne Baxter (Mid Scotland and Fife) (Lab): Listening to those last few exchanges, I cannot help but raise the issue of the named person and the getting it right for every child process. Some people under the system fall within the age range covered by GIRFEC. I note from schedule 1 to the draft order that education authorities will be expected to supply

"information in relation to a young person's support needs".

I presume that that will come via GIRFEC. I do not know whether that question can be answered this morning, but I would like at least to ask it. There has to be a link between the systems that are already in place for that to happen and the functions that are expected to be carried out under the order.

Angela Constance: The short answer is yes. Information needs to be shared and linked.

The Convener: Given the time, short answers and short questions are useful. I apologise—I know that it is mostly my fault.

Liz Smith: I wish to clarify something about the last answer that you gave to the convener, minister. You said that it was your "expectation" that those involved would act on the information, if there was an issue concerning the housing department. Do you believe that that would actually happen? There is a difference between that and a Government minister saying that there is an expectation of that happening. Do you think that it will happen? It is crucial to the quality of the information that is shared and to the help that we give to the youngster that that problem is sorted.

Angela Constance: We are straying into the area of professional practice and away from the terms of the order. When it comes to my responsibilities as a minister and the agencies that

I sponsor, we will continue to work daily, if need be, and give assurances and further information to the committee to satisfy its concerns about what happens in practice. Professionals have clear responsibilities, and it is appropriate that I state clearly my expectation that people exercise those professional responsibilities. However, the purpose of the order is for people to act on the information that is shared.

Liam McArthur: I welcome the clarity in the minister's statement, and her expectation. However, paragraph 3 of the order says:

"Skills Development Scotland must provide to the persons listed in column 1 of Schedule 2 to this Order the information described in the corresponding entry in column 2 of that Schedule which Skills Development Scotland holds about a young person."

The order lists governing bodies of colleges of further education, education authorities, the Scottish Further and Higher Education Funding Council and Scottish ministers. I cannot see where the latitude is for SDS to have the sorts of conversations that you have stated would, quite rightly, be your expectation. I am struggling to know whether, even with those assurances, we are in a position to pass the order, because it does not appear to do what we would expect it to do.

Angela Constance: With respect, it is a very focused and quite discrete order, which is specific about what information is shared with whom and when. It is important that we move forward with the order to ensure that we have more consistent practice in the sharing of data. We are straying into the area of professional practice. One thing for sure is that we cannot expect professionals to act if they do not have the information. It is important to the nuts and bolts of the system that we ensure that they get that information.

Liam McArthur: With respect, we cannot ask or expect professionals to act when they do not have the latitude to do so. You have set out clearly what your expectation would be. However, in respect of the sharing of information, it is difficult to see how somebody in SDS could have the sorts of conversations with housing or social work officials that we have discussed, on the basis of the order that we are about to pass. Such conversations may not be as numerous as the conversations that need to be had with the bodies outlined in column 1 of the order, but it is not beyond the realms of possibility that, on occasion, housing or social work officials will be required to act in those areas.

Angela Constance: I think that I have been clear about the purpose of the order and the responsibilities of professionals. However, I will ask Ailsa Heine to add some comments.

Ailsa Heine: It is worth saying that there is nothing in the order that prevents SDS from taking

action and speaking to local authorities and housing authorities. As the minister has explained, the order is quite discrete. It is trying to provide for the provision of information to SDS so that SDS has information on which it can act. All the information listed in schedule 1, to which the member has just referred, is information that is to be provided to SDS. That is the bulk of the order; less of it is concerned with the provision of information by SDS—

Liam McArthur: Excuse me but, with respect, the paragraph that I read out was headed "Provision of information by Skills Development Scotland".

Ailsa Heine: That refers to schedule 2, not schedule 1. Schedule 2 sets out the information that SDS is to provide and that is much more limited in the sense that SDS provides information only to colleges and education authorities. It is a much more restricted set of information because it relates to providing information only to the bodies that are providing the training or education so that they are aware of support needs in particular—it is about that type of information.

10:30

The information that is set out in schedule 1 is information that has to be provided to SDS and that is the bulk of the information. SDS will have that information, on which it can then act, but there is nothing in the order that deals with how SDS intervenes in relation to a young person. That is beyond the scope of the order. It would simply be within the current powers of SDS to intervene in relation to a young person. In a sense, that work is already going on, as SDS can intervene.

The Convener: It is helpful to clear up the difference between what the order does and what SDS currently does. Liam McArthur still looks puzzled, but we will move on.

Clare Adamson (Central Scotland) (SNP): Good morning, minister. I think that you may have answered my question in answering the questions about the pragmatic approach to the timescales. The consultation report was published in March. Did the consultation reveal any significant areas of concern? If so, how were they resolved?

Scott Gray: The feedback that we got from the consultation was again about partners' issues to do with quality. Everybody was keen to understand how we could address those issues through sharing information. There were no significant concerns about taking this forward. Everybody bought into it. It was more about asking how we get it done.

The Convener: We move to agenda item 3. I invite the minister to speak to and move the motion.

Angela Constance: I have nothing to add.

I move,

That the Education and Culture Committee recommends that the Young People's Involvement in Education and Training (Provision of Information) (Scotland) Order 2014 [draft] be approved.

The Convener: Do members wish to add any comments?

Liam McArthur: To go back to my earlier point about what would happen in relation to the data when a young person ceases to fall within the ambit of the order, I understood the minister to say that the data would be disposed of appropriately. However, in response to questions from the convener, officials indicated that where it was felt to be necessary for SDS to continue working with that individual, the order would simply cease to allow SDS to share that data with those listed in the schedule. I am therefore slightly unclear as to what happens to the data. Does SDS simply retain it but stop sharing it, or does it dispose of it when a young person reaches the age of 25 and, at that stage, does not appear to be in need of engagement with SDS?

The Convener: As no other members wish to comment at this point, does the minister wish to respond to that point?

Angela Constance: SDS will retain information until there is no further use for it, in compliance with the Data Protection Act 1998.

The Convener: The question is, that motion S4M-09744, in the name of Angela Constance, be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Baxter, Jayne (Mid Scotland and Fife) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)

Abstentions

McArthur, Liam (Orkney Islands) (LD)
 Smith, Liz (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 7, Against 0, Abstentions 2.

Motion agreed to,

That the Education and Culture Committee recommends that the Young People's Involvement in Education and Training (Provision of Information) (Scotland) Order 2014 [draft] be approved.

The Convener: I thank the minister and her officials for coming along this morning. It was very helpful. I will suspend the meeting to allow a changeover of witnesses.

10:34

Meeting suspended.

10:36

On resuming—

Scotland's Educational and Cultural Future

The Convener: This is the third evidence-taking session on our inquiry into Scotland's educational and cultural future. Today, we will cover broadcasting and culture.

To discuss broadcasting, I welcome our first panel of witnesses: Bobby Hain, the director of channels at Scottish Television; Paul Holleran, the Scottish organiser for the National Union of Journalists Scotland; Jeremy Peat, a former member of the BBC trust; and Rosina Robson, head of policy for the Producers Alliance for Cinema and Television. I thank them all for coming along and for their written submissions.

I will start with a question directed at Mr Hain, who is representing STV. The BBC declined to appear this morning, but it gave evidence some weeks ago. During that evidence-taking session, we asked it specifically about the research by Professor Robertson of the University of the West of Scotland. I am sure that Mr Hain has seen that evidence and research. I ask him to respond to the research that Professor Robertson and his colleagues produced, specifically some of the numbers, which—certainly to some people—showed that the BBC and STV provided more information for the no side of the independence referendum campaign than was balanced out by contributions from the yes side.

Bobby Hain (Scottish Television): I am happy to give a response on the research. I will make three points that, I hope, will give you some detail on the research and our consideration of it.

I should say up front that we welcome scrutiny of what we do. We are a public service broadcaster. It is crucial to our performance within the terms of our licence under the legislation and regulation under which we operate and for the trust of our audience that what we do is balanced, fair, accurate and impartial.

I have met Professor Robertson. We are interested in his research and methodology, which we have not seen before—it is new—and in understanding exactly how he has examined our output.

The examination of the output appears to be centred on our evening bulletins at 6 o'clock. That represents around 25 per cent of our total output so, although it is quite a large body of work across a year, it is not a comprehensive view of STV's news bulletin output on our other services around the country at other times of day or, indeed, our

current affairs output—which is also under consideration for impartiality—as far as "Scotland Tonight", which is on at half past 10 every night, is concerned.

My first point is that we have a committed and dedicated staff who absolutely have editorial compliance running through their DNA. We have 120 talented, professional journalists who make our programmes every day, and it is part of our process to arrive at a reasonable and fair treatment for every story that we produce.

The second point is that there is a clear set of terms of reference within our licence, which is overseen by the Office of Communications. Not only is there explicit information in the licence itself as to what we must do by way of impartiality and how we must do it, but there are the Ofcom code, to which we must adhere, and the notes of guidance that Ofcom issues, which give further information on compliance, the treatment of stories and the inclusion of material in our stories.

The third point is that 3 million people in Scotland watch STV news and current affairs programmes every month and we invite their views on the stories that we create, produce and transmit and on our output. The comments, inquiries and feedback that we get contain a very small number of complaints about the way in which our programmes are framed and about the stories. We are duty bound to point those complaints to the regulator if we cannot resolve them ourselves, but we do resolve the vast majority ourselves. We point literally a handful of complaints a year to Ofcom and, during the period concerned, no complaints on partial or unfair treatment within stories were entertained.

Although the research is interesting and although it is important for us to be curious about it and engage with it, it is not corroborated by STV's performance within the terms of its licence or the response of viewers who watched the material every evening.

The Convener: You said that you had met Professor Robertson. Did you mean that you had happened to meet him along the way or was it as a specific response to his research?

Bobby Hain: It so happened that I was at the University of the West of Scotland in Ayr on another matter and took the opportunity to meet Professor Robertson, who is based there. Of course, I am curious about the research because, as I said, there is not a lot of such research around. It is a new methodology and a new piece of work. Indeed, I understand that it continues. Therefore, it is important for us to understand what the research is, how it has come about and what it tells us about impartiality and the perception of stories by not only academics but the wider public.

The Convener: Your meeting with Professor Robertson was in response to his publication. Is that correct?

Bobby Hain: Yes, indeed.

The Convener: I ask specifically because, when Professor Robertson gave evidence to the committee, it was clear that he was extremely upset about the response that he had received from the BBC, so I was trying to be clear about what STV's response to his research had been.

You said clearly that you have looked at the research, that it is interesting and that you have met Professor Robertson but you then balanced that out by saying that the number of complaints that you had received was not particularly high and, therefore, I think that, by implication, you are saying that there is not a problem. Do you not accept any of the numbers in his research, which clearly showed throughout the categories an imbalance between what was broadcast about the yes campaign and the no campaign? I accept that that relates to a particular programme.

In particular, one instance that stands out in my mind is the personalisation of the campaigns—or, rather, one of the campaigns: the portrayal of the yes campaign as being about the First Minister and the no campaign as being about a general, broad grouping.

Bobby Hain: We have to exercise some caution in considering what the numbers mean.

As I said, the body of work that was examined represents around 25 per cent of the total of what we transmitted across the period. It is limited, I think, to the two and a half hours per week of peak-time news in STV central west. We have another programme in the east; we have two programmes that go out in the north, which are differentiated by news for Dundee; and, of course, we have "Scotland Tonight" and other, ad hoc current affairs programmes across the piece. The research is not a comprehensive study of what STV transmitted in the time period.

At the point at which the research goes into 10 pages or so of data charts and brings out some of the examples, we are at the tip of the iceberg of the body of work that STV transmits. I urge caution about reading anything into any individual instance because, by its nature, it is only a snippet of what we do. We approach our compliance by asking, for every story, bulletin and point of transmission, whether the context of the story is reasonable, whether the story is being told fairly and accurately, and whether it constitutes an accurate and fair presentation for the viewer. As I said, everyone is free at any point to comment and feed back on our output and we have not seen that line of criticism until now.

10:45

Liam McArthur: You have provided a fairly diplomatic response, Mr Hain. You will have heard the evidence from the BBC representatives when they appeared before the committee. It was not simply the BBC that did not accept the numbers in Professor Robertson's initial report; Professor Robertson himself held his hands up and said that some of the figures that were initially produced were wrong.

Do you share some of the misgivings that the BBC highlighted to the committee and to Professor Robertson with regard to the accuracy of some of the assertions that were made in the report and the recalibration of the number of hours of output, which was initially given and then amended subsequent to Professor Robertson's appearance before the committee?

Bobby Hain: At the heart of this analysis, and of any similar analysis, is that it requires some degree of subjectivity in the coding. You start with counting all the minutes and the stories, and then you apply filters to those and put them into one box or the other. From those boxes, you make some conclusions. What then happens is that people talk only about the conclusions. Without going back and investigating all the raw data—as I said, it is not a methodology that we have seen before—it is not for me to say how good the data is. I have not seen the raw data; we do not collect such data in the form in which it is presented in the report, and therefore it is not easy—or indeed possible—for me to compare over the same timespan Professor Robertson's analysis with the raw data or with any other methodology.

Liam McArthur: There is a risk here. You said that the methodology is a new way of gathering data and of trying to assess and analyse output. Nevertheless, there has been a fair amount of publicity around the report, perhaps not initially but following Professor Robertson's appearance before the committee.

Without anyone being able to analyse the data, those assertions are made and accusations are levelled at both STV and the BBC about the quality and impartiality of their output in relation to the referendum. Many people who do not necessarily follow the detail of this committee's deliberations will take that at face value as a fair reflection of your output. I would have thought that there would have been a real incentive for you and the BBC to demand of Professor Robertson the raw data on which he has based some fairly serious and damaging accusations.

Bobby Hain: I do not think that it is for us to do that, in all honesty. Our obligations are very clearly framed in our licence and we adhere to them. As a public service broadcaster, it is right and proper

that we do so. We are open to scrutiny and we welcome it.

The regulatory goalposts are very clearly established and are what we adhere to. Equally, we constantly take soundings from our audience and I am absolutely confident, given the response of the audience throughout the same period. I have a detailed and exhaustive list of every call, email and inquiry, and I can point to an audience reaction that is not similarly worried about the output as described in the professor's work. Our priorities are the terms of our licence and the response of our audience.

George Adam: I would like to ask Paul Holleran a question—

The Convener: Sorry—before that question, does no one else want to ask questions directly on Professor Robertson's evidence? I started on that specific point because we had heard from the BBC previously.

If we are finished on that point, then George Adam can by all means go ahead—sorry, George.

George Adam: When the BBC representatives were here—it is unfortunate that they are not here today—I asked them about staff, including the number of journalists that they have and the current challenges that they face. They told me that they have a higher number of journalists than they have had in the past—in fact, at one stage I think they said that the number was higher than it had ever been. Is that hyperbole, or is it true? What is the current situation?

Paul Holleran (National Union of Journalists Scotland): Our members in the BBC throughout Scotland were listening to the evidence being given by the BBC management. It is most unfortunate that the BBC is not here to share a platform on the issue. It would be fair to say that most of the staff whom I spoke to afterwards did not recognise what the BBC management said as reality.

At the moment, there are major problems with industrial relations in the BBC. I am trying to get a meeting with Ken MacQuarrie to sort those things out. He said that he has an open-door policy but we have are having major problems.

I am just back from the middle east, where I spent four days working with the Palestinian Authority, the Palestinian Broadcasting Corporation and the Palestinian Journalists Union. We made more progress in those four days than we have done at BBC Scotland in the past four months. That gives you an example of how difficult it is at the moment.

The main problem is the cuts that the BBC made last year, front loading redundancies at a time when it should have been expanding. We are

not certain of how the BBC is spending the £5 million for referendum coverage. My members certainly do not see an expansion of jobs and the replacements that the BBC talked about were not new jobs. It talked about Lucy Adams coming from *The Herald*. She is a very good reporter and will be a great asset to the BBC, but she is there to replace Raymond Buchanan. It talked about Laura Bicker being moved into a more senior political position. Her position in news and current affairs has not been replaced.

I have shop stewards who are having difficulty getting time off for union business. They are being refused time off and having to take holidays to do their union business because there are insufficient staff. This time last year, there were seven senior broadcast journalists on the rota for "Good Morning Scotland"; at the moment, there are three.

There are major difficulties and I have no doubt that that has an impact on people providing quality product.

George Adam: So, when the BBC says that it has more journalists than it had previously, you do not recognise that as a fact.

Paul Holleran: Our union committee said, to paraphrase the words of one senior member of management, "We do not recognise that as reality."

George Adam: The BBC made quite a big thing about it when I asked. When I pressed further, it went on to say that quite a few trainee staff were part of the independence referendum unit. Are those possibly the staff that it was talking about? I think that they were on a two-year contract and a trainee does something like three years.

Paul Holleran: Well, there are apprentices within BBC Scotland. I am not sure whether you are talking about them.

The BBC set up an independence referendum unit within news and current affairs, but it appears that there are difficulties in that. There appears to be dysfunction in the management.

The trainees are all capable young people. However, we are not sure whether they are being used properly. In one or two cases, they have been used to fill gaps in rotas and do jobs that took some of the senior members of staff by surprise.

George Adam: When I asked the question, I was told categorically that the trainees that were attached to the independence referendum unit were working there all the time. I asked whether they were used to cover gaps elsewhere. You are saying that they probably are. I was told by the BBC management that that was not the case.

Paul Holleran: I know for a fact that they did not work totally on the independence referendum team. There obviously needed to be an induction period in which they were introduced to how the BBC works and in which some of them worked in different departments. That would make sense because it would enable them to get used to operations in the BBC. However, I can assure you that some of them have been used as stopgaps in other areas.

George Adam: We have already talked about the evidence that Professor Robertson gave us. BBC management said that some of the trainees were used to go through his evidence. Would that be a normal thing for a trainee journalist to do when they embark on their career in journalism?

Paul Holleran: I suppose that, in work experience, people are given various jobs to do to try to broaden their knowledge but, if that was done as an exercise in assessing the investigation, it would not be appropriate, to be honest with you.

Liz Smith: Mr Holleran, I will ask you about the accuracy of the information that you believe is available. Two years ago, I think, the convener of this committee asked some searching questions of both sides in the BBC dispute about the accuracy of the information that was available on employment. Is there accurate information that the committee, whether it agrees with your position or with the management of the BBC, can use to drill down into the trends and statistics?

Paul Holleran: I believe that there is. The question is whether we can find it and in whose head it is.

Liz Smith: How can we find it?

Paul Holleran: We are in the same position that you are in. The NUJ has been heavily criticised to our face and behind our back by various managers in the BBC for being too political in this situation. I find it quite unfortunate that people are trying to tell me how to do my job. We work on an industrial front on a day-to-day basis, but we also have to take legal action occasionally.

In the NUJ's view, political pressure is essential to the media's accountability, and working with the politicians is part and parcel of our work. We would argue that, although politicians should be kept at arm's length from editorial independence, work on issues like this in respect of resources is essential. We have had conversations about how the £5 million that was returned to BBC Scotland from previous cuts that were made in it has been spent—it was not new money, it was returned—to help to fund the independence referendum team. However, it would be fair to say that there is a lack of transparency for the workforce, and certainly the union, on where the money is being spent.

Liz Smith: If we accept your view that there is a lack of transparency and try to do something about that, do you believe that there would be a difference in the interpretation of the statistics that are available?

Paul Holleran: We try to take a straight line on the matter and say to the BBC management, "We expect you to stand by BBC policies." At the meeting that we are trying to organise, part of our complaint to Mr MacQuarrie will be that those policies are being breached in a number of areas and we need to deal with that. Obviously, a number of them are confidential, but there is the question of editorial independence and whether there should be further interference once someone has made a programme and it has been signed off by their managers. We are trying to get round the table to discuss such issues.

In February, we were promised a series of meetings to deal with six or seven specific grievances, but they still have not been dealt with. Therefore, there are problems.

Liz Smith: I accept that. Obviously, you need to have contractual discussions with BBC Scotland, but for our scrutiny and the public's perspective, do you believe that there is a set of statistics that the BBC management and you would agree on the correct way to interpret?

Paul Holleran: It is difficult to know. We have asked for specific details, but they do not seem to exist, except in certain people's heads. We have tried to pin them down to say whether we can look at the breakdown of how the money has been spent, what jobs have been created, and how they are working. Currently, we are just trying to fire fight by ensuring that gaps are filled in the day-to-day operations. It would be fair to say that we and the BBC management would not agree on interpretation whatever is arrived at in respect of how the vacancies have been or should be filled.

Colin Beattie: My question is probably for Mr Hain. I am interested in hearing more about STV's commitment to the referendum and what programmes are being produced. "Road to Referendum" was well advertised and, I think, well received. Is there a specific budget allocation? Have a specific number of hours been allocated? I would be interested to hear about the approach.

Bobby Hain: Of course. The mainstay and backbone of our current affairs coverage, which will increasingly be given over almost exclusively to referendum affairs, is "Scotland Tonight". In line with most current affairs programming, it would normally take a summer break when the Parliaments are in recess, but we will stay on over the summer so that we can cover the lead-up to the referendum.

We have special programming planned, although the dates and so on are not quite confirmed yet. We are about to make a further announcement about a raft of programming in the lead-up to the referendum and preparations for through-the-night coverage as announcements are made and results come in. That will be one of the biggest operations that we have ever mounted, with multiple live sources and so on.

We do not disclose details of programming budgets per se, but that is a significant commitment and it represents a large number of hours in our overall portfolio of programming for our Scottish material this year.

11:00

Colin Beattie: Is it correct to say that you are putting—for want of a better phrase—new money into the referendum? In other words, are you providing additional funding and resources?

Bobby Hain: Yes, that is absolutely the case.

Colin Beattie: Are you able to indicate the additional reporters that you are putting into that?

Bobby Hain: We already have a very strong team. As I have said, we carry 120 journalists around the country. We have a dedicated team for “Scotland Tonight”; we are bringing in additional people for our city service in Glasgow, which will launch this summer, on 2 June; and we have a very strong online presence. We will use our existing resource, and our additional investment will include additional people as well as additional resources by way of live links, satellite trucks, studio production and so on.

Colin Beattie: Do you have any plans to update “Road to Referendum”, which I mentioned earlier?

Bobby Hain: We are considering a updated version of the programme. One of the challenges that we face is that our summer schedule is very busy; we lead with the world cup, and then go into the Commonwealth games. We are allocating a lot of time to the former, but I should point out that we will not be covering the latter, which is in the BBC’s domain as far as the rights are concerned. It will be awkward to get “Road to Referendum” into our schedule, but if we can find the space, we will update and transmit it. In any case, I hope that it will find a home on the new STV Glasgow service.

Colin Beattie: Do you have a figure for the number of extra hours that you will broadcast for the referendum? By extra, I mean additional to your current news production.

Bobby Hain: There will certainly be an uplift of hours across the year. Normally we are, if you like, regulated to provide a minimum of 39 hours in

peak time and another 39 hours elsewhere in the schedule, or a total minimum of 78 hours. We will be significantly in excess of that figure this year. A lot of that will be material that finds a home on, for example, “Scotland Tonight” and will by its nature be dedicated referendum coverage.

Liam McArthur: I want to broaden the discussion to look at the potential implications of the outcome of the referendum rather than the lead-up to it. Having read PACT’s written submission, I think that it is fair to say that the white paper has not necessarily answered all the association’s questions; indeed, it has probably set one or two hares running. The submission mentions future co-production treaties in the event of a yes vote, UK network financing, the regulatory regime that would be in place and the impact of a Scottish broadcasting service on other broadcasters such as Channel 4 and other licensees.

The submission raises a range of questions, but have you made any progress in getting answers to some of them? I suspect that some are unanswerable at this stage, but I presume that others merit some reassurance and evidence that some of your members’ concerns are being addressed.

Rosina Robson (Producers Alliance for Cinema and Television): First, I thank the committee for the opportunity to answer your questions.

As you said, the white paper poses as many questions as it provides answers. Our submission outlines a number of areas in which our members are looking for clarity on certain fundamental questions for the independent production sector, including whether the terms of trade will continue under the Communications Act 2003 and whether Scottish production companies in Scotland would still qualify under the indie definition in England.

However, our members also see a certain opportunity in the introduction of a Scottish broadcasting service and in the service being a publisher-broadcaster, which would open up more opportunities for the independent sector through a competitive and open market and offer more opportunities that independent companies could exploit to ensure greater diversity and more innovative programming for the viewer.

Liam McArthur: Your submission mentions the different options that have been mooted for the regulatory regime, including retention within Ofcom and the establishment of what is called ScotCom or some kind of hybrid regime. PACT members have expressed a fear of political interference with regard to ScotCom. Why would that be more likely with a Scottish regulator than it is with the current UK regulator?

Rosina Robson: There is a certain amount of information in the public domain about what could happen after independence and whether an aspect of Ofcom's current functions would form part of the combined economic regulator that has been outlined or whether there would be a separate regulator. We have been having discussions with the Scottish Government, but obviously certain details still have to be worked out.

We are particularly aware of the principle that any regulator must be independent. However, if there is to be a separate regulator, it should work closely with Ofcom to ensure that expertise and resources are exchanged as necessary. In any case, the regulators should work in a constructive collaboration. Those are the two principles that we are most keen to see put in place, whatever happens post September.

Liam McArthur: Can you explain a little about the workings of the co-production treaties? You seem to be indicating that the treaties would not automatically transfer in the event of independence and that they would require subsequent negotiation, which you suggest might not be straightforward and could take some time.

Rosina Robson: We have held two meetings with our members who are based in Scotland, the first fairly soon after the white paper was published and the other more recently, and they highlighted this area, saying that there is a lot of value in a number of co-production treaties. I think that there are about 10 such treaties in Europe and worldwide, and they offer a very good framework for businesses to work with their international counterparts on co-production.

It is a bit similar to the debate on European Union membership. There will have to be some negotiation post independence to ensure that the international treaties still apply, and the time between the start and the end of those negotiations will be a period of uncertainty for independent companies, as they might not necessarily be covered by the treaties in the meantime.

The sector, which has grown year on year over the past 10 years, is currently worth £2.8 billion UK-wide and its exports are continuing to grow, which is obviously important to the Scottish economy. TV exports are now over £1.2 billion. They are a very important part of what the independent sector has to offer, and we must ensure that they are underpinned by the co-production treaties.

Liam McArthur: My next question on the white paper is for Jeremy Peat. It relates not necessarily to the independent sector but to his BBC background. It was suggested this week that, as

well as having an SBS, we would also have access to the BBC's current output simply because no one could prevent the television transmissions from coming across the border or because we would come to some agreement. What do you think is likely to happen in the event of a yes vote, particularly with regard to the establishment of an SBS and how it would operate alongside BBC output?

Jeremy Peat: It is difficult to give a short answer to that question but, with regard to access to BBC services post independence, my understanding is that digital terrestrial television could be cut off close to the border. There might be some marginal overlap, but essentially access to that television could be removed for the great majority of Scotland. I note that countries outwith the UK are required to pay for access to the iPlayer and the web, and the services that are provided are somewhat different. I therefore assume that the starting point would be that those services would be available to Scotland as an independent nation, but in a different way than they are at the moment; they might have to be paid for, and the services could be different.

As far as satellite and cable are concerned, Bobby Hain might know more about this than I do, but I assume that, although access could continue, it would be for the satellite and cable broadcasters to determine how access to those services would be achieved and whether they would be free or would have to be paid for. I understand that in Ireland access is available to the majority of BBC services, but I think that such access is provided on a commercial basis—that is the phrase that is used, although there is no clarity on precisely what that commercial basis might be. I do not think that it can be presumed that access to all services would continue on a free and unfettered basis. For Freeview and the like, there would initially be a means of truncating the service for satellite and cable, and other decisions would be required. It is difficult to determine in advance what would happen.

My reading of the white paper is that the proposal is that the licence fee plus some share of BBC assets, including BBC Worldwide assets, should be allocated to Scotland and that Scotland would wish to set up a joint venture arrangement with the BBC whereby the value of programming that is provided at the moment would continue to be provided. In exchange for that, the BBC would allow free access to BBC services for Scotland.

It strikes me that that arrangement would require a great deal of negotiation. It would have to be determined, first, what share of assets would be appropriate, and secondly whether what remained of the BBC would regard it as a fair deal to provide free access to the services that would

be required for the value of the programming that would be provided from within Scotland. That would be a matter of negotiation and discussion. Maria Miller, the former Secretary of State for Culture, Media and Sport, stated publicly that access would not be permitted post independence.

I understand the principle, but I think that a great many issues need to be discussed and debated before such an arrangement could be implemented. There is also the question of whether the sum of money that would come from the licence fee less the value of the programming delivered to the BBC would be sufficient to deliver a quality service through the Scottish broadcasting service, and what that service might be.

May I add one other point, convener?

The Convener: Yes, if you are brief.

Jeremy Peat: It relates to all the issues to do with impartiality and the like that have been raised. I remind the committee that the BBC trust has sole responsibility for impartiality and accuracy and, indeed, for oversight of all issues to do with public service broadcasting. If questions regarding impartiality et cetera arise from Professor Robertson's report or elsewhere, those are matters for the BBC trust.

I read the evidence that the BBC gave on the Robertson report. I am not in a position to comment on Professor Robertson's methodology or the accuracy of his work. It is clear from what I read how upset BBC Scotland was. I remind the committee that the responsibility for impartiality is vested solely in the BBC trust. It will have signed off the arrangements for broadcasting in the run-up to the referendum, as it has done over the years in the run-up to elections. It is responsible for ensuring that those arrangements are followed appropriately. If uncertainties remain, it is for the BBC trust to deal with those. It is for the committee to consider how it might wish to engage with the BBC trust, which does not report formally to the Parliament, in seeking any further commentary that it requires.

The Convener: Thank you very much for that.

Gordon MacDonald: I want to follow up on some of the points that Liam McArthur raised. As far as independent production opportunities are concerned, in the context of local television output, the BBC's management review for 2012-13 suggested that 10 hours of arts programmes, 10 hours of comedy, three hours of entertainment, 12 hours of factual entertainment and 13 hours of music performance originated from Scotland. Given that, between 2008 and 2012, the number of television production companies reduced from 35 to 24, would the establishment of a Scottish

broadcasting service not create more rather than fewer opportunities for your sector in Scotland?

11:15

Rosina Robson: I think that PACT members see it both ways. As I said, if the SBS was set up as a publisher-broadcaster, more opportunities could be opened up to the open market to drive efficiency and innovation. Over the past 10 years, the sector has certainly demonstrated that it can deliver across a range of genre and prove to be very agile.

Gordon MacDonald: So you agree that there would be more opportunities for your members in Scotland if a separate SBS was established.

Rosina Robson: To a certain extent, yes. Our members are aware that, so far, the sector has done a good job in producing content that is relevant to both Scotland and the UK network and also internationally, and they are keen that we continue to operate on that basis.

Gordon MacDonald: A number of years ago STV decided not to broadcast some network programmes and to produce its own home-grown programmes to fill the gaps in the schedule. How popular was that decision? How did it stack up financially?

Bobby Hain: It was certainly an important move at the time, when we were in dispute with ITV about the terms of our network arrangements, which underpin how our services work together. I am pleased to say that we are very much beyond that point in our commercial arrangements with ITV and enjoy a much better relationship with it.

If you look at the evidence from the time, you will see that some programmes were very popular with viewers in Scotland and others were not so popular. From that experience, we have been able to define a balance and we have the network programming, which is very high budget and is expected to be enjoyed across the transmission area as a whole—the whole UK—but, equally, we recognise the importance and value of providing Scottish content. That is why, as I said, we are not returning to the bare minimum of programming required under our licences. We will be in excess of that, because there is a commercial basis on which we can do that.

Gordon MacDonald: Finally, before I move on to my own questions, on access to BBC 1 and BBC 2 et cetera, is there an arrangement in the Republic of Ireland and Northern Ireland about what is broadcast in the Republic of Ireland and in Northern Ireland?

Jeremy Peat: My understanding is that there is such an arrangement. A commercial agreement has been entered into whereby there is sharing of

access, at least in large parts of Ireland. Of course, as would be the case in Scotland, it is impossible to cut off the service precisely at the border, so there is an overlap in the border areas. However, in addition, a commercial agreement has been entered into.

Gordon MacDonald: There was an agreement in 2010 between the Irish and Westminster Governments that BBC 1 and BBC 2 could be broadcast free to air throughout the whole of the Republic of Ireland and, in addition, RTÉ 1 and RTÉ 2 would be shown in Northern Ireland free to air or on the Sky platform.

Jeremy Peat: You are better informed than I am on the precise details, but I am sure that there was such an agreement. However, that does not necessarily apply to BBC 3 and BBC 4.

Gordon MacDonald: BBC 3 is going off air.

Jeremy Peat: Sorry; the agreement does not necessarily apply to all the services on a free to air and free to Ireland basis—some form of commercial undertaking is in place, the precise nature of which I do not know. However, that arrangement between Westminster and Dublin was an agreement that was negotiated rather than one that just happened.

Gordon MacDonald: I move on to my own questions about the establishment of a Scottish broadcasting service. Does anybody have an opinion on what size of budget would be required? We should bear in mind the current position that we start from and the fact that, in a normal broadcasting situation, the service would broadcast for something like 8,700 hours with, if we look at RTÉ, something like 60 per cent of the programmes being home grown and the rest being bought in or repeats. What size of budget would be required to provide such a service?

Paul Holleran: The question epitomises the difficulty that we are in: until a dialogue gets going among all the broadcasters, including PACT, independent and commercial companies and the BBC, and political groupings such as the committee, and we get into the nitty-gritty of what that would entail, most people are in the dark and we can only clutch at straws. Consequently, we end up having discussions in which people start making unhelpful suggestions about everything being cut off at the border. STV and ITV are clear examples to consider. A number of years ago, when they were in a very difficult situation, they negotiated a mutually beneficial deal. We need to discuss the issues at the earliest possible stage.

At previous committee meetings, the BBC—I think this was when Mark Thomson was director general—has refused to engage with any suggestion of the need for discussions to consider what a future BBC or Scottish broadcasting

corporation might look like because it felt that to do so would impinge on its role of providing independent journalism. That dialogue must take place. People would then be able to make up their mind about what type of broadcasting corporation would be in existence.

Regardless of the outcome of the independence referendum, something needs to be done, particularly with the BBC because the current situation is not sustainable.

Jeremy Peat: I will comment briefly. I gave evidence to the Blair Jenkins review—I think that I did so six or eight times—when I was a BBC governor and then a trustee for Scotland. We engaged fully in that inquiry. I hope that that was supportive of the examination.

On the sums that would be required, the funds that would be available to a Scottish broadcasting service from the licence fee minus the amount of programming provision by Scotland to the BBC would be around £250 million a year. Others are better placed to argue what that would provide. However, the proposal is that such a service would start off with an additional programme for SBS television, followed by a programme for radio.

That £250 million sum is substantially less than the cost of providing BBC 1 or BBC 2 but substantially greater than the cost of providing BBC Alba. Questions arise about the type of television service that would be required and for how long; the extent of drama programmes, which are very expensive; the extent of other programming; and how much programming should be bought in. One could look at the example of Ireland, where a channel is provided at low cost, but is that the type of channel that a Scottish broadcasting service would provide or that people would want it to provide?

The sums involved would be relatively limited compared with the cost of providing the channels that the BBC provides, so the discussion would be about what is wanted, the costs of such a programme and how it could be made efficiently while, at the same time, providing all the opportunities to the creative sector, which is an important part of the equation. Indeed, the matter is about not just providing services to viewers and listeners, but providing a means of enhancing the creative sector, which has great potential for exporting and developing value added in Scotland. Would that sum be enough to do all that? That is something that must be discussed. It is a big question and that would be quite an ask of the sum of money that is on the table, as I understand it.

Gordon MacDonald: RTÉ is the only example of a public sector broadcaster that we have outwith the BBC. Its latest accounts, which are for

2012, show that it provided two TV and four radio stations for £272 million. On the popularity of its programmes, 19 of the 20 were home grown and, on the popularity of television stations, BBC 1 and BBC 2 came fourth and fifth.

Jeremy Peat: That is very encouraging.

Gordon MacDonald: Absolutely. My understanding is that the licence fee that is raised in Scotland is between £320 million and £325 million, of which £102 million comes back to Scotland. By 2016, that figure will be cut by £16 million.

Jeremy Peat: The latest figures that I have seen are £320 million. That is the approximate figure for the licence fee that is raised—unfortunately, there are no accurate figures; there are figures on the number of licence fee payers but not on the extent to which there are subsidised licence fee payers—and the latest expenditure estimate is £175 million. That is the gap as I understand it.

Of course the £95 million figure that I quoted was in relation to the current level of network TV programming that is provided by Scotland, which it is stated would continue to be provided as part of the agreement with the BBC to permit the continued transmission of other BBC services in Scotland on a free basis. That is why I deducted £95 million from £320 million and gave a slightly bullish estimate of £250 million. It probably comes out at £225 million if my maths is correct. That is the figure that we are talking about.

Gordon MacDonald: In terms of—

The Convener: Sorry, Gordon—Paul Holleran wants to come in.

Paul Holleran: The NUJ has just started a process and one issue that we are looking at in respect of future broadcasting is funding models. RTE was mentioned as a comparator. Our view is that perhaps we need to look at a number of options with regard to future funding and we have commissioned someone to do some work in that field.

We should start with comparators but there also needs to be an element of the white paper attached to the process; we need to consider exactly what kind of news coverage and news and cultural programme making will be required in future. The dialogue needs to start as soon as possible, but I do not think that we should go down just one route.

Rosina Robson: On the point about the budget, obviously the viewers—the Scottish public—will demand continuity of the quality of what they have been used to in the past. There is cost attached to buying quite expensive, high-end drama, such as “Sherlock”, through UK commissions—drama that

is produced by independent companies. Viewers will demand that level of drama into the future and there are certainly cost implications attached to that.

Gordon MacDonald: But there is no reason why that could not be done as a joint venture, in the same way as the BBC has joint ventures with other countries abroad.

Rosina Robson: No.

Gordon MacDonald: My last question is about commissioning costs for various types of TV programmes. Would I be right in saying that it is actually cheaper to produce a programme outwith the London area? I saw the BBC commissioning rates and, although I might have misunderstood the figures, they suggested that the costs for BBC programmes that are established centrally—for drama, for example—are up to £900,000 per hour; but the costs for programmes that are done in the nations or the English regions—that was the terminology that was used—are up to £450,000 per hour.

For comedy, the starting figure was £110,000 per network hour centrally for independent producers; whereas the starting figure in the English regions and the nations was £50,000 per hour. Therefore, the costs would be substantially lower. Is there a reason for that and does that suggest that we could get the same quality of programming but at a lower cost?

Rosina Robson: It is no secret that production expenses can be lower outside the M25. On investment in Scotland, there has been a lot of progress on quotas and spend in Scotland over the past few years from the BBC, Channel 4 and others. Certainly, we are keen to see that level of commitment continue into the future.

The Convener: Just to follow up on that, I was interested in the numbers around the commissioning costs, as set out in a table in the PACT submission. It depends how you interpret everything, of course—numbers are always very interesting—but PACT seems to be suggesting that the number of commissions in the UK is 47 and the value of those commissions is just over £42 million, therefore the average value of a commission is just under £900,000. That is what is in your submission. Yet for local—I presume that means Scotland?

Rosina Robson: Yes.

The Convener: Yet for local commissions, PACT gives the average value of a commission as being approximately £360,000.

The figures are given in the context of PACT trying to suggest that Scotland would somehow drive towards niche programming and there would be a brain drain from Scotland to London. Why on

earth would we do that? That sounds like a dead end to me.

11:30

Rosina Robson: The table comes from a report that was done for Scottish Enterprise in 2012. It is one part of the picture, as I think that it was based on a survey of a certain number of companies. However, it demonstrates that UK commissions have a lot more value.

The Convener: I am sorry, but that is the point that I am trying to drive at; you got to it very early. Does the table show that UK commissions have more value or that they are more expensive?

Rosina Robson: They would be more costly to purchase. One thing that has come out in the conversations that we have had with our members is that, whatever happens post September, they are keen to see a continuation of programming that is attractive to a local Scottish audience, a national UK audience and an international audience as well. I think that some UK companies that have a presence around the UK would potentially think twice about having a presence in Scotland if it became independent.

The Convener: Why?

Rosina Robson: Because of the programming that might result post independence.

The Convener: Where does that come from?

Rosina Robson: I am merely reflecting views that have been expressed by a number of members.

The Convener: I am trying to understand the evidence base for the assertions that you have made in your paper and the assertion that you have just made that broadcasting in Scotland post independence would somehow end up being a dead-end niche, and low value and low quality. You seem to be suggesting that, and that, therefore, people would not want to be here. What is the evidence for that?

Rosina Robson: There are two sides to the story. We have been very open in listening to a variety of views from our membership. I have also articulated the opportunities that would come from independence. We see that there are both opportunities and threats in some of the proposals that have been put forward so far and a number of question marks about a number of policy areas. We would like to see more answers.

The Convener: Do you accept that nobody is suggesting that we should do something that would result in a brain drain or people not wanting to produce work here? Nobody is suggesting that, are they?

Rosina Robson: That would be a fear in some parts of the independent sector. They may see that there are more attractive opportunities in producing UK-wide programming south of the border.

The Convener: I am still trying to get to the bottom of where that comes from. We have already agreed that it is much more expensive to produce the programmes in London or the south-east. The same programme with the same value, quality and number of hours can be produced for a lot less if people go elsewhere—I include the English regions as part of that equation. I am trying to understand what you are suggesting. I do not know anybody who suggests that, post independence, we should head down a route that would cause us to be some sort of backwater in broadcasting.

Rosina Robson: I did not suggest that. There are opportunities and threats from independence and a number of questions still remain to be answered. We represent members who are based in Scotland, UK companies with a Scottish base and companies with bases around the UK. The reality is that there may well be negotiations and costs attached to the Scottish viewer having access, post independence, to some of the programmes that they have had access to so far, the underlying rights to which in some cases will be owned by independent companies.

The Convener: Okay.

Mr Peat, you mentioned the idea that programmes would be blocked at the border. Maria Miller, the Westminster Secretary of State for Culture, Media and Sport, came up and tried to scare us with that particular story. You accept that, in the week when the secretary of state suggested that we would not get access to "Doctor Who", it was broadcast to more than 50—or more than 70—countries around the world. Is that kind of story tenable in any reasonable person's view?

Jeremy Peat: I have no idea what the outcome of negotiations would be. I was not saying that services would be blocked; what I said was that DTT could be blocked. The only example that I have considered is that of Ireland—I have looked at it briefly. There, there was a commercial arrangement before access was provided.

The Convener: The service is free to air on both sides of the border there.

Jeremy Peat: Yes. I take that point. All that I am saying is that, as is set out in the white paper, an agreement would have to be reached on providing continuing access, the basis of that access and the quid pro quo that Scotland would provide to compensate for the free-to-air provision of the full BBC service in Scotland. The statement that I read was not from when Maria Miller was in Scotland; it

was made in Oxford, so she has said the same thing more than once.

The question is whether it would be possible to negotiate an arrangement whereby the full panoply of BBC services was available in Scotland through all transmission mechanisms on a continuing basis at the same time as having funds available for the establishment of a Scottish broadcasting service, with continued production of programmes here for BBC network services—which opens up wide opportunities for producers and production companies in Scotland. The deal that is set out is extremely attractive to Scotland, if it can be negotiated and implemented. I am simply saying that it is not a deal that can be deemed done until negotiations and discussion have taken place.

Jayne Baxter: I am looking at the evidence that has been provided by Equity. I will follow up on a similar thread. In relation to performers' global exposure, Equity says:

"the exposure that can be achieved through the BBC is essential in the English Speaking World market. BBC Worldwide, BBC America, the iplayer and a sophisticated sales and commissioning network all combine to give unparalleled exposure to BBC productions."

It goes on to say:

"It would be almost impossible to recreate this distribution system from scratch."

I appreciate that there are no representatives from Equity here today—

The Convener: There are—they are among the next panel of witnesses.

Jayne Baxter: Right. Scrub that, then. I beg your pardon.

The Convener: That is okay. I am sure that we will come back to that point.

Jayne Baxter: Forgive me.

Liam McArthur: To follow up on the convener's line of questioning, I think that everybody at this end of the table wishes to maximise the opportunity for production companies and for the production of content in Scotland, whatever our differences over the question that will be posed in September. Presumably, were Scotland to vote for independence, part of the delicate negotiations to which Jeremy Peat has referred would involve consideration being given to licence payers in the remaining part of the UK and to their expectations in relation to spend. I suspect that there is probably a growing number of people who would expect further progress to be made in taking production outwith the M25. However, the difficulty for production companies in Scotland would be the demand on politicians and on the BBC to secure as much content as possible from the remaining

part of the UK. Is that not a fair assumption to make?

Jeremy Peat: I am very pleased about two things that happened during my time as governor and then as trustee. The first was the agreed increase in the share of network programming that is produced outwith central London and the fact that we reached a per capita share for Scotland of the value of programming. It is hugely important that that is available in addition to the production for opts on BBC1 and BBC2 programmes and for Radio Scotland and the like.

The second thing that I am very pleased about is the fact that BBC Alba exists and that it is provided on Freeview, which is something that I worked hard to achieve. BBC Alba is an example of a channel that provides smaller production companies with an entrée into the television business. Although Gaelic production might be termed a fairly niche area, involvement in it gives such companies experience and expertise and enables them to develop, spread their wings and compete to provide programming to the BBC or whomever.

It is important that opportunities are available for the creative sector in Scotland to get involved in programming through the likes of BBC Alba and the opts. In addition, the arrangement whereby a 9 or 10 per cent share of network programming is made in Scotland provides extremely important opportunities for production companies. Having a major stable story such as "Waterloo Road" made in Scotland also helps.

The Convener: I assume that you know that "Waterloo Road" has been cancelled.

Jeremy Peat: Over the period during which it was made in Scotland, it provided a major—

The Convener: I am sorry to interrupt, but does that not illustrate the point that some members of the committee are trying to make? The people who made the decision to gift "Waterloo Road" to Scotland are the same people who can take it away. The lack of control in Scotland creates the very problem that you are suggesting is solved by the gifting of programmes such as "Waterloo Road".

Jeremy Peat: But there is still an agreement, which is for the BBC trust to implement, that a per capita share of network programming will be produced in Scotland. Therefore, if the production of "Waterloo Road" is taken out of Scotland, other network programming to an equivalent value must come to Scotland to ensure that that per capita share is maintained. I hope that that outcome can be sustained. It forms part of agreements that it is the role of the trust to enforce. That is the position at the moment.

Liam McArthur: I presume, however, that this committee's equivalent at Westminster would be under additional pressure to maximise the amount of programming that was produced in the remaining part of the UK in any negotiation that took place post independence.

Jeremy Peat: That is why the white paper refers to an agreement being negotiated whereby Scotland would provide an agreed amount of programming to the BBC for network purposes on a continuing basis. I am sure that many parties in the rest of the UK would like an opportunity to be created for more programming to be produced in the rest of the UK, but the agreement that is proposed in the white paper would result in the present share of production remaining in Scotland.

Liam McArthur: I presume that that is why some of PACT's members are apprehensive, at least, about the possibility.

Rosina Robson: There are opportunities, some of which were well articulated in the EKOS report that was produced for Scottish Enterprise, which was mentioned earlier. It suggested that Scotland needed more of a strategic plan for engaging with independent production companies. The beginnings of that were demonstrated last summer, when it was announced that the BBC and Channel 4 were to collaborate in engaging with the sector and that, instead of just going to a handful of tried and tested companies, they would open up the umbrella and work to develop the sector and nurture talent. That is the sort of thing that we hope will happen in the future as part of a plan for Scotland to develop a sector that is in pretty good shape and which has a lot of potential for the future.

Clare Adamson: I have a supplementary question about "Waterloo Road". Although I appreciate the argument about the value of production being moved away from London and the south-east and distributed across the country, is there not a real danger that the production model arrives in Scotland, but because Scotland has no intellectual property rights, as it were, in relation to "Waterloo Road", in effect, what happens is that someone else's production is assembled and no added value is provided as far as the development of talent and the nurturing of creativity in Scotland—which Rosina Robson has just mentioned—are concerned?

11:45

Jeremy Peat: I certainly agree that it is a significant loss for "Waterloo Road", with its continuing base, to move away. Scotland must avoid having programming that is deemed to be made in Scotland but involves people coming up on the sleeper or the plane and going down south

again. That is not a way to add value to the creative sector in Scotland. There has to be a firm basis for the programming so that it is genuinely made in Scotland.

It is very welcome that more commissioners and their colleagues have moved to Pacific Quay than was the case in the past. The deal is not yet firm and certain to remain, but the BBC trust is responsible for BBC compliance with the arrangements for nations and regions television programming and for maintaining it.

The arrangement is in place but, as I said, it is important that there is not up-and-down programming provision; it has to be programming that is firmly embedded in Scotland, that has a high percentage of Scottish talent involved throughout the process and that adds value in Scotland to the creative sector not only when it takes place but going forward, as a result of the experience that is gained. The type of programming matters as much as the theoretical cost.

Clare Adamson: I will ask in more detail about the regulation that is proposed in the white paper. The Scottish Government has said that it wants to reduce regulation across the board in Scotland and it has suggested a combined economic regulator that would cover broadcasting. I think that Rosina Robson mentioned some specific issues, so I would like to get more information about what the issues would be for the broadcasting community. I would also like to understand a bit better the BBC trust's regulatory responsibilities and how those might be implemented in the model that is presented in the white paper.

Jeremy Peat: There are probably three elements to regulation that need to be taken into account. The first is the responsibilities that are currently with the BBC trust for impartiality, accuracy and oversight in general of the delivery of public value. Those are appropriate responsibilities for an arm's-length body of some sort and are very different from economic regulation of the type that the Competition and Markets Authority, the Office of Gas and Electricity Markets and the like undertake. It is important that there be an arrangement whereby issues such as impartiality, the delivery of quality and the handling of complaints are considered. There must be a body that can undertake that responsibility and that is itself seen to be impartial and arm's length. Therefore, something would have to replace the BBC trust to oversee that element in the event of a Scottish broadcasting service being set up.

Ofcom clearly has a role with regard to commercial broadcasters—Mr Hain and others are better placed to comment on that—but it also has joint responsibilities with the BBC trust for various

elements of oversight of broadcasting per se. One needs to consider whether that can be undertaken within the joint regulator that is proposed or whether a separate entity is required.

The third element is that Ofcom effectively acts as a first-stage competition policy regulator and can refer matters to what was the Competition Commission and is now the Competition and Markets Authority. For example, if there is a dispute over the way in which advertising revenue is distributed between channels and whether that is an effective means of stimulating competition or is impeding the proper workings of competition, Ofcom can currently refer the matter to the CMA, which can undertake a full investigation. I understand that it is proposed that in Scotland a joint regulator would undertake that type of investigation. However, the question is whether there should be separation between the initial consideration, which currently takes place in Ofcom, and the full investigation, which currently takes place in the CMA and would take place in the combined regulator.

So various aspects need to be considered in addition to licence fee collection decisions, including what payment restrictions would be made, how one would follow up non-payment and whether that would be a criminal offence. One must consider how the BBC trust would be replaced, how Ofcom with its public sector and other broadcasting responsibilities would work and how one would deal with the competition aspects fairly. I am sure that all those matters would be manageable, but one needs to consider them in those separate categories.

The Convener: Rosina, some of Clare Adamson's questions were directed at you.

Rosina Robson: I am not sure that I have too much to add to my comments about the options for regulating the sector. We are just keen to be part of the discussions and the processes as the detail is worked through and ironed out.

Clare Adamson: A lot of comparison has been made with Ireland, and I am going to do that, too. The relationship between Ofcom and the Commission for Communications Regulation—ComReg—which is the Irish regulatory authority, has been described as a spectrum of co-operation, depending on what is required. Does anyone care to comment on how their relationship works?

The Convener: Can anybody comment on that? I think that that is a no.

Clare Adamson: Fair enough.

The Convener: Liam McArthur asked about paragraph 4.2 of PACT's evidence and its

reservations about whether a regulator for Scotland

"would have the appropriate independence from the Scottish Government".

Mr McArthur asked why the situation would be any different for a Scottish regulator than is the case for the current regulator. I do not remember that you answered the question, Ms Robson.

Rosina Robson: As I have mentioned, none of the detail has been worked through yet and we have not had direct conversations with the Scottish Government about regulation. However, we were keen to get across in that section that it would be important for a regulator to maintain independence and to work positively with Ofcom to share expertise, knowledge and skills to ensure that regulation could function effectively UK-wide.

The Convener: You said in your evidence that you have

"reservations around a separate regulator for Scotland particularly around whether they would have the appropriate independence from the Scottish Government".

What leads you to suggest that there would be any problem with the Scottish Government providing a regulator with appropriate independence and that that would be any different from the UK Government providing appropriate independence to Ofcom?

Rosina Robson: In our evidence, we tried to collate a range of members' views and distil them into one response. The aim was merely to reflect that that issue is an important part of how a regulator functions in an independent and well-respected way.

The Convener: If I can summarise your point, you are actually saying that, in an independent Scotland, it would be important that the regulator, however that is formed, should be independent. That is what you mean.

Rosina Robson: Yes.

The Convener: Mr Holleran, in response to Gordon MacDonald's question about the £5 million funding for the referendum unit, you said that that money was in effect being returned. Does that relate to the £16 million cut?

Paul Holleran: I understand that that is where the funding came from.

The Convener: The reality is that, instead of BBC Scotland taking a £16 million cut, it is taking an £11 million cut.

Paul Holleran: Yes.

The Convener: Will you put that £5 million into context for me? That sum is to cover the entire costs of the referendum unit and BBC Scotland's intended production from now—or perhaps it

started production several months ago—up to and including the referendum date. Is that a lot or is it a small amount of money to spend? What would £5 million buy with regard to other programming.

Paul Holleran: I think that that was part of the frustration among the staff. There was very little discussion of what that might entail for staffing levels and the programmes that were being planned. Early last month, the head of the independence referendum unit issued staff with an open invitation to a briefing on the plans for various programmes. Obviously, the £5 million would go towards that, too, but it is difficult to quantify that. Going back to Liz Smith's earlier question, I think that part of the problem was getting statistics on who was being hired, the salaries that they were on and the roles that they were playing, and that lack of transparency makes it difficult to answer your question.

When one of our union representatives raised the issue at the meeting with the director general, Tony Hall, he said that he would make £5 million available, and more, if required. Our questions for the management of BBC Scotland, therefore, are whether the £5 million is sufficient for what it is doing, whether it will have the opportunity to go back for more, whether it has done so and, if not, why not. That is the type of dialogue that we need, and it is unfortunate that the BBC is not here to throw some light on the matter.

The Convener: Following that comment from Mr Hall, have you asked BBC Scotland's management whether they have gone back to the BBC in London and said, "We want to spend £6 million"?

Paul Holleran: That was part of the discussion at our big open meeting when Tony Hall was up here.

The Convener: But do you know whether BBC Scotland management have done that work?

Paul Holleran: No.

The Convener: Is that, "No, I don't know," or "No, they haven't"?

Paul Holleran: No, we do not know.

The Convener: Okay.

I have a final question for Mr Hain. If Scotland were to vote for independence, what would be the relationship between STV and the ITV network post independence?

Bobby Hain: We have just signed an agreement that is required under the current Ofcom regulatory framework for channel 3 licences and under which the cost of the network productions that everyone shares are met by all the different licensees chipping in. In fact, the structure has worked since we came on air in

1957. To be able to proceed on that basis over the next licence period, which we have just entered into, we have struck a deal on new commercial arrangements with ITV under which we will continue to receive ITV network programming and contribute our own programming into the service. In order to ensure that that deal can persist through the licence period and that we are able to accept the licences that have been offered, we have been able to rely on the Scottish Government's announcement that it will respect the terms of those licences until 2024, when the next term starts for our licence and for the Channel 4, Channel 5 and new local TV licences. Our relationship with ITV will remain the same as it is at the moment.

The Convener: So the licences for STV, Channel 4 and Channel 5 will go to 2024—or was it 2025?

Bobby Hain: 2024.

The Convener: In any event, it would be the mid 20s. What you are saying is that post independence there would be no change.

Bobby Hain: Not over the licence period.

The Convener: Okay. That is helpful.

I thank our witnesses for coming and answering our questions in what has been an interesting and helpful evidence-taking session. We appreciate the time that you have taken to appear before us.

I suspend briefly to allow a changeover of witnesses.

11:58

Meeting suspended.

12:03

On resuming—

The Convener: I welcome our second panel of witnesses to discuss the rather broad topic of culture: Lorne Boswell, the Scottish secretary of Equity, and Richard Holloway, the chair of Sistema Scotland. There was a very interesting programme about Sistema Scotland on television last night—I think that it was last night.

Richard Holloway (Sistema Scotland): It was. I am not entirely sure why I am here, convener, but it is always nice to come to Holyrood. *[Laughter.]*

The Convener: You are here because of the breadth of your experience in and knowledge of the area.

Richard Holloway: Oh, God. That is a bad start, then.

The Convener: Thank you both for your interesting and helpful written submissions. We will go straight to questions.

Jayne Baxter: I am going to ask the question that I put inappropriately to the previous panel. It is for Mr Boswell, but either of you may answer.

Mr Boswell, can you expand on the comments in your submission about the networks, the distribution system and the exposure that performers receive through the BBC's global presence? In your submission, you say:

"It would be almost impossible to recreate this distribution system from scratch",

and I imagine that the lack of such a network would be detrimental to performers.

Lorne Boswell (Equity): When we formulated our policy on what is going to happen in September, we tried to look at it from the point of view of what an actor living in Scotland might want and what their expectations might be. When we looked across the breadth of everything that is happening, broadcasting was the obvious area of change. In many ways, it is a matter of regret that Sir Kenneth Calman did not address the issue because he might have been able to do something about it. However, broadcasting has not been addressed although it will have to be addressed whatever the result in September.

Actors want to be still able to work, and they will need as much exposure as they can possibly get. Much has been made of Danish productions such as "Borgen", but had BBC Four not picked up those programmes, the actors would still be total unknowns.

I beg members to look at our submission in the round and not to pick off little bits of it. I am fully aware that various sides of the argument might say, "Well, this bit suits us but that bit doesn't." When it was put to our national executive in London, who entirely endorsed it, there was one dissenting voice who suggested—a bit bizarrely—that it had been written by Alex Salmond himself.

We are advocating that, as part of the social union of these islands, the BBC should be kept post independence. We are also advocating a national broadcaster for Scotland, but it will be incumbent on the Government of the day to define what that should be. After all, it could be anything. For the sake of argument—I warned Bobby Hain that I was going to say this—we see no reason why STV could not be the national broadcaster. There is a slight issue in the south of Scotland, but I am sure that that could be addressed.

The BBC is a fantastic organisation and I bow to no one in my admiration of it, but it is far from perfect and there is a growing movement across the whole of the United Kingdom as it currently

exists against the BBC's being so horribly London-centric. Colleagues in the midlands who have a fantastic website called the campaign for regional broadcasting midlands—if you have a chance, you should look at it—have pointed out that the amount of licence fee raised in the midlands that is spent there is absolutely negligible. If you think that the situation in Scotland is bad, you should look at the midlands—the situation there is terrible.

There is a growing movement across these islands to get the BBC out of London. We are calling not only for a proportionate BBC—Jeremy Peat said that it is moving towards that position, but its definition of what constitutes a Scottish programme really needs to be looked at quite closely—but for a BBC that is protected from Westminster. For the past 35 years, since the ascent of the blessed Margaret, various Governments of all political hues have kicked the BBC quite viciously, and I suggest that the attempt to decriminalise non-payment of the licence fee is simply another attempt to weaken the BBC in the run-up to the next charter renewal.

Jayne Baxter: I accept that your written submission goes much broader than the point that I highlighted. Indeed, you have already alluded to some of the other topics that it raises.

If, as you have suggested, it is

"impossible to recreate this distribution system from scratch",

are there ways in which it can be imitated or circumvented? Are there any alternatives that can be used?

Lorne Boswell: Inevitably, there will be. We were very pleased with the suggestion in the white paper of an almost federal arrangement with the BBC, as we were slightly concerned that it would go down the RTÉ route. We did not favour such a move because, as Irish actors will tell you, the vast majority of them move to London once they start their careers, as that is where the decisions are made. That situation needs to be unpicked, and I urge members of all parties to take an interest in ensuring that we wrench control of what is, in effect, public spending away from there and offer fairer opportunities not for people like me—it is too late for that—but for our kids.

The Convener: That is a very interesting point. Jayne Baxter commented fairly on the statement in your submission that

"It would be almost impossible to recreate this distribution system from scratch".

My understanding of what is proposed is that we would not try to create something from scratch, but expand on what already happens in Scotland. We would use the money that is raised in Scotland more effectively, but we would be part of that

larger group in what would be, if you like, a federal or confederal set-up. How do you think such a set-up would operate?

Lorne Boswell: I think that it could work but, inevitably, there are a lot of ifs and buts about it, and there is a massive negotiation to be had. The BBC's record of appearing before the committee is not glorious, so I am not sure how those negotiations would work out. However, being able to plug into that network would be very desirable.

The Convener: To be fair to the BBC—although that is not in my nature—it said that it would not comment on any of the outcomes of negotiations prior to a decision being taken by the Scottish people in September. I am sure that, afterwards, the BBC would be more than happy to enter into those discussions.

Liz Smith: Could I ask about Scottishness? In the context of the referendum, irrespective of our views, the debate is asking us to look at what we identify as our Scottishness and, particularly in the culture debate, how we can make the best possible use of the significant resources that we have.

We have sat through many committee meetings at which there have been discussions about the correct strategic direction of the arts and culture in Scotland. I have to say, in tribute to the Cabinet Secretary for Culture and External Affairs, that I think that she has taken the right principled and philosophical approach to the arts in Scotland. However, we have had debates about Scottish Screen, about some issues in Scottish Opera and about Creative Scotland, and we are now debating a bill that will bring together Historic Scotland and the Royal Commission on the Ancient and Historical Monuments of Scotland. What do we have to do to improve the strategic direction of culture and the arts in Scotland?

Richard Holloway: We probably have to return to the old philosophical debate about the difference between the intrinsic value of the arts and their instrumental value. What happened with the stushie around Creative Scotland is that it got its discourse mixed. Creative Scotland wrongly thought that it would be more attractive to politicians if it punted the instrumental view of the arts—the view that the arts are good for gross domestic product and so on. However, that is a secondary effect of the main good of the arts, which is the health of the human community—for art's sake.

It is undoubtedly true that, if someone makes a good film or writes a good book or a great play, money comes in, but they do not do it for that reason. We probably need to get our heads clear about that in Scotland. Culture is intrinsic to our humanity—it is what we have done with our spare

time and it is what distinguishes us from the other creatures that we share the planet with. It is a mistake to let the market start dominating it. The market dominates too many of our values in the world.

I hope that Scotland will develop a kind of flourishing attitude to the arts for their own sake because Scotland is an intrinsically creative place, although it was not always that way. It has always been good with words but, after the reformation, Scotland got slightly less enthusiastic about some of the other things. I would like a great efflorescence of artistic creativity in Scotland for its own sake, recognising that it has to be managed. We must have good producers, good actors and good writers, and then everyone will benefit. If we got that particular recognition settled, everything else would follow, but that point got lost in the Creative Scotland debate.

Liz Smith: Some of our most important, successful and outstanding artists make the point that the natural resources for the flourishing attitude to the arts that you mentioned are there but the resources need to come together. Leadership and a strategic direction are needed to maximise the benefit of that artistic colour in Scotland. I take your point about the intrinsic values, education and so on—those are crucial—but does it not need something else? If I am not mistaken, you mentioned leadership in your evidence. Where do we get that from?

Richard Holloway: We get that leadership from artists and social reformers. We can also get that leadership from politicians. Fiona Hyslop has been offering a very interesting philosophical position in her recent speeches. I think that she gets it. It is interesting that her rhetoric is very different from the English culture secretary's rhetoric, which is still intrinsically related to the instrumental view that if it is good for the economy, we will push it.

Up here, we could recognise all round that the total health of the nation is tied up with the arts. My experience of children's orchestras in Raploch and Govanhill is that everything gets better with them. The children become more determined and studious as well as happier and healthier. I would hope that the new Scotland could somehow recognise that.

12:15

Traditionally, Scotland has been rather economically grudging towards art. It tends to be the first thing to suffer in schools, although it is the very thing that should be emphasised in the more deprived schools. I do not think that it would be difficult to do that, but there would be severe funding implications. In my work, I say to the Scottish ministers, "This isn't just about culture; it

is about health, housing, wellbeing and criminality.” It costs us around £1,500 a year to keep a kid in a Sistema orchestra, whereas some £200,000 a year can be spent on keeping a kid in secure accommodation. The logic is clear: if we save only five kids, we can fund a whole Sistema.

Liz Smith: There are artists—I saw some of them on television last night—who are adamant that more needs to be done to allow them to flourish to their full ability. Do we need an independent Scotland to do that, or could that be addressed on a UK or international basis?

Richard Holloway: Artists are never happy. When I was the chair of the Scottish Arts Council, I got used to their whingeing. It almost comes with the psychology. You should liberate them to do their work, but not necessarily allow them to dictate politics because you would then be all over the place, frankly. The best thing that artists can do is make art. Some of them are also very interested in politics, but they are no better guides or judges of politics than plumbers or fishmongers.

Lorne Boswell: I beg to disagree with the previous speaker. [*Laughter.*]

I will give a two-part answer to the question.

We passed a motion at the Scottish Trades Union Congress last week that urged Creative Scotland to invest in people and our kids. That is how to address Scottishness—by developing individuals and forcing the focus down on to them.

Creative Scotland is the successor to the Scottish Arts Council, which grew out of the Arts Council of Great Britain. It used to be about institutions—it was about creating an opera company and bringing a ballet company up from Bristol. We argued that the infrastructure existed and that we should not worry about it, but that we should drill down and put the accent, emphasis and funding on the people, so that future generations would be able to emulate stand-out artists in all fields across the world.

The other part of my answer to the question is specifically about television. We have been having meetings with Ofcom, which has definitions for programmes. It defines programmes as coming from different parts of the United Kingdom. It is Alice in Wonderland time—it is absolutely crazy.

I will give just one example. I do not know whether members saw a beautiful programme about a year in the Hebrides that featured Monty Don or Monty Halls—one is a gardener and one is an adventurer; I cannot remember which is which. The adventurer spent a year living in the Hebrides. One would have thought that there was a clue in the title as to what the programme was all about, which was the fantastic landscape, but the programme was allocated to the south-east of

England because an executive producer’s buttock hovered over a chair for 15 minutes on a wet Thursday. It is absolutely crazy.

We have challenged Ofcom to allow front-of-camera talent to determine whether a programme is about Scotland and therefore eligible to be nominated as a Scottish programme. Currently, it is simply a matter of the behind-camera talent, where the producer is based and where a lot of the production spend is. Of course, a lot of the production spend on a television programme is on post-production. Ofcom promised us a reply before the autumn, but it is sitting on that. I wonder whether it will wait until after September to give us a reply.

Liz Smith: I would like to finish on finances. There are many people across Scotland, including in local authorities and schools, and even among us parliamentarians, who have never known culture to receive a huge amount of Government spending. Does more need to be spent to do what you are telling us that we need to do, or is it a matter of addressing priorities? In respect of education, Mr Holloway suggested that it is about how the money is spent. Is it about spending more money?

Lorne Boswell: We are not going to say, “Spend less.” We would argue that you should maintain and increase the spending. We would never tell you to spend less. “Focusing spending” is the language of cuts. I would hope that the Parliament recognises the importance of the confidence that our kids get from using the expressive arts as an educational tool.

Liz Smith: The likes of Scottish Screen and Scottish Opera say that we will not maintain the international prestige of our arts unless we spend a bit more money. That is obviously a concern.

Richard Holloway: If we consider the amount of money that goes into the Danish film industry compared with what goes into the Scottish film industry, the point is made. Yes, spend more, but spend it more imaginatively and recognise that you are spending it anyway. In my area, we are spending a lot of money to keep Scotland unequal. It is very expensive to maintain the poverty-stricken districts through the welfare state. Out of the best possible motives, we want to help those areas but, in a way, we simply fund the misery. If you spent some of the money on early intervention programmes, you would get people out of that misery. We need more imaginative, risky ways of using spending.

I was very impressed by the way in which Fiona Hyslop persuaded five or six portfolios in the Scottish Government to put money into the big noise projects in Raploch and Govanhill. The argument was always that the culture budget is

the smallest, so it cannot help organisations such as Sistema Scotland. However, if you recognise that culture cuts right across everything, you can expand the culture budget because you recognise that it also improves health and decreases criminality. You do not have it just under Fiona Hyslop's portfolio; you recognise that she is the point person for making Scotland a bigger and better place. We need more strategic use of money to that end, and we need someone to lead that.

Colin Beattie: I am looking at the written evidence from Equity. I was curious about the phrasing. Paragraph 10 says:

"After much debate Equity believes the BBC should continue to operate in Scotland after the referendum".

It is the "After much debate" that I am curious about. Was there a huge debate over that?

Lorne Boswell: There was fairly significant debate, yes. There are lots of Equity members who advocate chopping off at Hadrian's wall and who do not understand why there cannot be a budget to fund everything that they want to be funded. There were other views, but the consensus that was eventually arrived at was that, for an actor to have a meaningful career, to be based here and to stay in Scotland—we define a Scottish member as somebody who has an address here—they need the exposure that they can get through the BBC networks.

Colin Beattie: Was there a large majority in the end supporting the BBC continuing to operate?

Lorne Boswell: Yes, I think so, although some folk are still quizzical about it. Some folk say that they do not understand how the BBC could continue if Scotland became independent. If we consider the matter in terms of exposure, that is the part that was overwhelmingly supported.

Colin Beattie: I am always a wee bit cautious putting economic value against culture and the arts, but are there areas in which Scotland clearly has a lead, and where it clearly outperforms?

Lorne Boswell: Do you mean television?

Colin Beattie: In general.

Lorne Boswell: I think that it is in people. Just after Chris Hoy won his umpteenth Olympic gold medal, I said at a public meeting in this building that if people tried to identify the most significant Scots on the planet, a significant cohort of them would be actors. I could not tell you why that is, but it is undoubtedly the case. Our people are our biggest asset.

Richard Holloway: We also produce a disproportionate number of great authors and poets. In Fife alone there are about six world-class poets. Poets do not make much money, but they

make their nation greater, more beautiful and more compassionate. Think of the work of John Burnside and Don Paterson. That enriches the whole culture, but not in directly economic ways.

Look at the impact of the Edinburgh international book festival and the fact that book festivals have sprung up all over Scotland. I do not know how many there are now, although certainly there are about 40. Wigtown—that little, depressed town in Galloway—was restored through its book festival, then people came along and stupidly wanted to half-close the library. People just do not get these things.

We also produce not many but some very interesting musicians and we have some wonderful orchestras. You cannot control this and you certainly could not corral authors into any kind of agreed policy in all this; they disagree about the referendum in September. That is part of the glory of writers: they are always at each others' throats.

Scotland is amazing at the moment. It has always been good at the word, of course: the reformation gave us a genius for argument, the authority of the bible in every school and all that, and we have expanded that into other forms, too. We also produce a disproportionate number of wonderful actors.

Colin Beattie: Is there a significant number of young up-and-coming people to continue that tradition?

Lorne Boswell: Yes, but one looks at them and wonders whether they will get the lucky breaks. That is how someone leaps into the stratosphere—they get one or two lucky breaks and they are in a different ballpark. A significant majority of those people would love to be able to stay and work in Scotland, but until we can re-engineer things—particularly the television industry—that will often be very hard for them to do.

Liam McArthur: I will follow up on Colin Beattie's question. We have been warned not to pick different parts out of the written evidence, but the temptation is too great when it is presented to us.

You suggest towards the end of your evidence that

"the BBC should become more answerable to the people of Scotland (and by implication of Wales and Northern Ireland)."

It is difficult to see how that would happen in a post-independence world.

Earlier you referred to the demands of the production sector in the midlands, which looks not just at what is happening in London and the south-east but at what Scotland has been able to

achieve, albeit that that is not as much as it would like. Is there not a risk that in a post-independence environment, such claims for a larger slice of that production budget will become more difficult for politicians to answer?

Lorne Boswell: I do not think so, because the claim is against London—particularly with the BBC. Its spend in London is totally disproportionate to any measure of population or any sense of equity. Bear in mind that we are a UK union and we have taken our policy through our UK annual conference; we have been able to argue it and get support for it.

There is growing support across the UK for more proportionate spend by the BBC in the different parts of the UK.

Liam McArthur: I think that that holds because we are part of the UK. If Scotland ends up being an independent country, it will be more difficult for your members to say that this should be coming out—

Lorne Boswell: We advocate something that I am not sure anybody else is advocating. We advocate that, post-September, what is left on both sides of the border should still support the BBC. The only sensible way to do that is on a proportionate, per capita basis, so that folk look for a fair spend in whatever part of these islands they live in.

Liam McArthur: I will take you on to the area that Liz Smith was exploring—the idea of Scottishness, which is the subject of much debate and discussion in the run-up to the referendum. Is there a risk that we may try to create Scottishness out of something that, in reality, is a multiplicity of different cultures and expressions of identity? I speak as someone who represents Orkney, which has a different view of itself and of its relationship with the rest of Scotland from that which those in Edinburgh, Aberdeen or even the Western Isles might have. In a cultural sense, is there a risk that we try to create Scottishness much along the same lines as the rather foolish attempts to define Britishness in a single identifiable way?

12:30

Richard Holloway: I sympathise with that view. Scotland has always been plural. The Mearns of Grassic Gibbon and Irvine Welsh's Leith could not be more different, and Sandy McCall Smith and Irvine Welsh live in the same city and see very different aspects of it, so I think that Scotland is intrinsically plural. Reaching for some kind of definition of Scottishness is a bit risky, especially if it hardens. There is a rich Gaelic culture, which I do not have access to because I am a monophone, but I am aware of the beauty of the language and I can read it in translation.

I wonder what it is about Scotland and whether there are certain elements of distinctiveness, and I think that there are. Scotland has always been a little more challenging to power structures and systems, including fashionable intellectual ones, and that may have come, to some extent, from the Presbyterian polity, which was itself more democratic than what preceded it. It is an ethos, rather than anything that one can too empirically define.

I would not want Scotland to define itself too narrowly, because if more people come flooding in it will become ethnically more plural; it is already getting that way, so I am a wee bit suspicious of a narrow definition. Any definition should be generous and should understand that humanity is incorrigibly plural.

Great art unifies. I am reading a great Russian novel at the moment. It is Russian but it is also human. All particular art becomes universal once it is expressed, so let us not be too narrow.

Liam McArthur: I certainly echo that sentiment. My sister's children learn Gaelic at a Gaelic primary school in Glasgow, but I know that in my constituency there is considerable resistance to any suggestion that there is Gaelic heritage in Orkney, because Norse heritage is far more important to people there. Perhaps there is a challenge in the way in which culture and politics interrelate, and if we are not careful we could take the political imperatives, apply them to culture and come up with something that is a potent mix but perhaps not in the best interests of art and culture more generally. Would that be a fair observation?

Richard Holloway: Politicians use almost anything for their own ends, so you can do that both ways.

The Convener: Liam McArthur certainly does. *[Laughter.]*

Richard Holloway: Can I make another plea? There is a danger that we professionalise the arts in a way—if we think of writers we think only of published writers, or when we think of actors and musicians we think only of those who make it big—but if we truly educated the country we would all become artists and get in touch with our creativity. I am as interested in that as I am in the people who actually make it publicly. We have good amateur arts organisations in Scotland and lots of things are happening all over the place, so there is no reason why a little bit of funding could not trickle into that. That is the glory of the arts.

We expect to make professional musicians through our work in Sistema Scotland, but more importantly we will make big, rounded human beings. Some of them will go on playing their instruments professionally and some will go on playing in an amateur way, and others will just go

on to become good plumbers, solicitors and politicians.

Clare Adamson: I want to pick up on the theme of nurturing new talent, which has been mentioned a couple of times. Is Creative Scotland's youth arts strategy, "Time to Shine", setting us on the right road for that?

Lorne Boswell: Yes, I think that it is. It shines a spotlight on the area that we need it to.

To put it in context, Edinburgh international festival is brilliant, but it is about bringing the best of the world to Scotland, whereas we want to move into a world where we show the rest of the world the best of what we have here. Anything that shines a spotlight on the talent that we have here, and recognises that talent in Scotland rather than forcing it to go somewhere else to be recognised, can only be good for everybody.

Clare Adamson: Does Mr Holloway want to comment?

Richard Holloway: I can say no more than that, although I will add one point about Edinburgh international festival. It came out of world war two, and it was created in a sense by refugees from fascism who knew that art glorified and united in a way that a lot of other stuff does not. We should try not to lose that, because we are in an increasingly divided world. It is interesting that the arts can reach right across everything—for example, a bunch of musicians from all sorts of different places will forget their conflict in making music.

Clare Adamson: My second question is on the idea of exposure that was mentioned. There have recently been some very successful tours by the National Theatre of Scotland in America, and Celtic Connections was out in America this year too. Those things offer physical opportunities for people to appear.

However, I am intrigued by whether, when we talk about the BBC model and a federation and all the rest of it, and all the wonderful bits of art from other countries that we watch, we are really up to speed with the impact that the internet is having on the consumption of content. I am thinking in particular of some of the subscription services that allow users from around the world to see content from the BBC, and the impact that they have on distribution.

Lorne Boswell: The internet is having an impact. A friend of mine who—for her sins—has had to take a job in the Cayman Islands has just sent me a message telling me how much she enjoyed "Shetland", although she said that she does not miss the weather. It is a way of internationalising things.

The problem with the internet is that not much serious content is offered for free, because the minute that someone puts it on there, they cannot control it. Anybody who makes a programme wants to control it so that they can get the revenue from it. The iPlayer, for example, normally limits viewing to 30 days after a programme's transmission; that is the deal for something to which there are dramatic rights. Other programmes on the iPlayer to which there are no dramatic rights are there for longer.

There will always be a question of control. Whoever pays to employ Equity's members will want to exploit that work in whatever way they can.

Clare Adamson mentioned the National Theatre of Scotland; Scottish Ballet is also doing an enormous amount of international touring at present. Those organisations are fantastic ambassadors for Scotland. There is an interest, which everybody attributes to the play "Black Watch". That was a great event, but I think that it was down to a culmination of a lot of other things that were happening. There is a self-confidence and a burgeoning talent.

If we are talking about Scottish artists, I note that actors would want to thank the golden generation of playwrights that we have at present, as most actors hate not having someone else's words to speak. There is a self-confidence in the projection of Scotland, which is only positive.

Richard Holloway: I will come at the subject from another angle. I am not a digital native—I am too old to get it—but one of the things that I like about the internet is the way in which it deprofessionalises a lot of stuff. Humans have a way of expropriating things that belong to everyone, so book critics and film critics become professional and tell us what to think of a movie, for example.

The web has horizontalised all that. If you want to buy a book, you can tap in and get 50 reviews of it on Amazon.com, without necessarily believing what you read in the Sunday papers. I quite like that because I am interested in flattening hierarchies, and in many ways there is something very democratic about it.

The internet is also democratically dangerous, because there are also a lot of bad people out there who use it. However, I celebrate it because I like the way that it enables people who might not otherwise be discovered to have their moment and have their say—it is the amateur principle.

Gordon MacDonald: I have a couple of quick questions about the opportunities that are available to Equity members. Lorne Boswell said earlier that a lot of actors who would like to stay and work in Scotland are all looking for that lucky

break. Looking at BBC Scotland's local television output for 2012-13, I see that there was—excluding news, current affairs and sport—only 143 hours of broadcasting from Scotland that could have had Equity members involved.

What are your views on the establishment of a Scottish broadcasting service, whether it is part of the BBC family or not? Would that give your members more opportunities?

Lorne Boswell: I hope that it would; I hope that any serious consideration of a national broadcaster would not be limited to news and current affairs, but would look at Scotland in a wider sense.

The programmes that most people want to see are the ones that our members are in. For that simple self-interested reason, we would support a national broadcaster. I think that folk would be genuinely interested in having a national broadcaster, but it would depend on what its remit was, and that would be up to the Government to work out. I do not think that we would be interested in a version of the Romanian state broadcaster, but something that reflects cultural life in Scotland and which shows the country as it is would be of massive interest.

Gordon MacDonald: We have called for one of the BBC's channels to be based in Scotland if a Scottish broadcasting service is not established. What is the major problem with that happening?

Lorne Boswell: The major issue is that people at the top of in the BBC hierarchy do not believe that they need to move out of London. They eat in the same restaurants, they all look at the same views and they all see the world from the same point of view, and the pinnacle is to be in London.

I am old enough to remember that when "Taggart" first started, the first thing that was put in the budget—allegedly—was two trips to London for the producer. It took a long time for that to come out of the budget, because the television industry was so London-centric. If the BBC is really to be British—whatever that means—it should reflect everything that happens here. I think that it would be better known as the London broadcasting corporation at present, because it is so centred on London.

The Convener: I will finish by asking you to speculate slightly. There are views on both sides of the debate about what will happen if there is a yes vote or a no vote. Perhaps I am biased, but it certainly feels to me that the larger side of the artistic community is on the "yes" side of the debate. What are the reasons for that? Do many artists see opportunity in independence? Many artistic flourishings come from change in society, so I wonder whether artists, in the broadest sense, see great opportunity in that possible change.

Richard Holloway: I will hazard a reply to that, because I puzzle about it, too. Aside from your specific question, it seems to me that, on the whole, artists are strange creatures who have more of a feel for the future than other people. When there is an evolution or a revolution in an art form, for instance, it is usually some unexpected new way of doing something.

Artists are probably almost intrinsically more disposed towards new futures than are the rest of the population. Most people are a bit cautious about change, and are innately—and appropriately—conservative. If that was all we got, however, we would just have endless repetition in human history. The people who make evolution possible are usually the people on the edge—the slightly odd people out—who are somehow in touch with what is coming because they are less thirled to what is. That is perhaps one reason why they tend to anticipate trends.

12:45

I do not think that one can necessarily give that moral value, however, because artists might anticipate trends that are not going to be very healthy. It is not, however, surprising that artists were, for example, at the forefront of the argument for devolution. They tend to be of the nature of change agents. We need change agents, but just as we need accelerators in a car, we need brakes. Artists are more on the accelerating side, but there are a lot of people with a big heavy foot on the brake. That is my hunch.

The Convener: That is an interesting analogy; I am not sure that I want to go there.

Does Mr Boswell have any comments?

Lorne Boswell: Equity does not have a vote, so it is not going to say one way or the other. Our members have very strong feelings; many of their points of view are out there in the public domain. Our job is to protect our members' interests because, no matter what happens in September, there will still be bad employers out there and actors will still need a trade union, so we aim to focus on representing them on 17, 18 and 19 September.

Richard Holloway: We have perhaps not spent enough time thinking about what will happen after the vote. No matter the result, there will be a lot of very hurt and disappointed people, and we will have to find strategies to gather round.

I suspect that artists and creative people will be a part of that too, because they are used to disjunctions and disconnects. We need to start paying attention to that issue, particularly if there is a narrow yes vote. In that case, almost half the country will to some extent feel nakedly rejected,

and we will have to spend a lot of emotional, psychological and artistic time working through that.

It will not be a good future for Scotland if half the country has to be dragged into it. Whether we will take long to achieve that I do not know, but the committee should be putting its mind to that, no matter what.

We will be one country no matter which way the vote goes, and I hope that there will be no gloating on either side. I like what Churchill said:

"in defeat, defiance; in victory, magnanimity."

There will be scope for both those things.

The Convener: On that point we will leave it—that is a good place to stop. Otherwise, the politician in me will come out, which I suspect will be a bad thing.

I thank you for your evidence today—it has been very helpful and we appreciate your giving your time to come to the committee. Our final evidence session on the inquiry will take place next week, when we will hear from the relevant cabinet secretaries.

Meeting closed at 12:48.

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