

The Scottish Parliament Pàrlamaid na h-Alba

# Official Report

# **EQUAL OPPORTUNITIES COMMITTEE**

Thursday 20 November 2014

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# **EQUAL OPPORTUNITIES COMMITTEE** 19<sup>th</sup> Meeting 2014, Session 4

#### **CONVENER**

\*Margaret McCulloch (Central Scotland) (Lab)

#### **DEPUTY CONVENER**

\*Marco Biagi (Edinburgh Central) (SNP)

#### **C**OMMITTEE MEMBERS

- \*Christian Allard (North East Scotland) (SNP)
- \*John Finnie (Highlands and Islands) (Ind)
- \*Alex Johnstone (North East Scotland) (Con)
- \*John Mason (Glasgow Shettleston) (SNP)
- \*Siobhan McMahon (Central Scotland) (Lab)

#### THE FOLLOWING ALSO PARTICIPATED:

Julia McCombie (Scottish Government)

Cecilia McCullough (Scottish Government)

Alex Neil (Cabinet Secretary for Health and Wellbeing)

Shona Robison (Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights)

Simon Stockwell (Scottish Government)

Yvonne Strachan (Scottish Government)

John Swinney (Cabinet Secretary for Finance, Employment and Sustainable Growth)

Alison Taylor (Scottish Government)

#### **C**LERK TO THE COMMITTEE

Ruth McGill

#### LOCATION

The James Clerk Maxwell Room (CR4)

<sup>\*</sup>attended

## **Scottish Parliament**

# **Equal Opportunities Committee**

Thursday 20 November 2014

[The Convener opened the meeting at 09:30]

# Decisions on Taking Business in Private

The Convener (Margaret McCulloch): Welcome to the 19th meeting in 2014 of the Equal Opportunities Committee. I ask everyone to switch their electronic devices to flight mode or turn them off altogether.

I will start with introductions. We are supported at the table by the clerking and research staff, official reporters and broadcasting services, and around the room by the security office. I also welcome the observers in the public gallery.

I am the committee convener. I ask members to introduce themselves in turn.

Marco Biagi (Edinburgh Central) (SNP): Good morning. I am the MSP for Edinburgh Central and deputy convener of the committee.

**Siobhan McMahon (Central Scotland) (Lab):** Good morning. I am a Central Scotland MSP.

Christian Allard (North East Scotland) (SNP): Good morning. I am a North East Scotland MSP.

John Finnie (Highlands and Islands) (Ind): Madainn mhath. Good morning. I am a Highlands and Islands MSP.

Alex Johnstone (North East Scotland) (Con): I am a North East Scotland MSP.

John Mason (Glasgow Shettleston) (SNP): I am the MSP for Glasgow Shettleston.

The Convener: Thank you very much.

Moving to agenda item 1, I seek the committee's agreement to take in private item 7, which is consideration of our approach to our report on the draft budget 2015-16. Are we agreed?

Members indicated agreement.

**The Convener:** For agenda item 2, I seek the committee's agreement to take in private at future meetings consideration of our approach to an inquiry on age and social isolation. Are we agreed?

Members indicated agreement.

# **Subordinate Legislation**

Marriage Between Civil Partners (Procedure for Change and Fees) (Scotland) Regulations 2014 [Draft]

# Marriage (Same Sex Couples) (Jurisdiction and Recognition of Judgments) (Scotland) Regulations 2014 [Draft]

09:32

**The Convener:** Agenda item 3 is an evidence-taking session with the Cabinet Secretary for Health and Wellbeing on two Scottish statutory instruments.

As the instruments have been laid under the affirmative procedure, the Parliament must approve them before the provisions can come into force. Following the evidence session, the committee will be invited to consider motions to approve the instruments under agenda item 4.

I welcome to the meeting the cabinet secretary and his officials. I invite them to introduce themselves, and I invite the cabinet secretary to make some opening remarks.

The Cabinet Secretary for Health and Wellbeing (Alex Neil): Thank you, convener. I will let the team introduce themselves, after which I will make my opening remarks.

**Cecilia McCullough (Scottish Government):** I am from the Scottish Government legal directorate.

**Simon Stockwell (Scottish Government):** I am head of the property law team in the Scottish Government.

Julia McCombie (Scottish Government): I am from Scottish Government's family and property law team.

**Alex Neil:** The two instruments that we are discussing relate to the introduction of same-sex marriage in Scotland.

The first instrument is about changing civil partnerships into marriages. The Marriage and Civil Partnership (Scotland) Act 2014 contains two ways for persons in a civil partnership registered in Scotland to change their relationship into a marriage. Section 8 of the act allows couples to make the change through a marriage ceremony. The alternative is an administrative route laid down by regulations made under section 10—and those are the first regulations that we are discussing today.

The Marriage Between Civil Partners (Procedure for Change and Fees) (Scotland)

Regulations 2014 provide that couples in a qualifying civil partnership will be able to apply to any district registrar in Scotland to make the change. Those couples are, first, those who have registered their civil partnership in Scotland and, secondly, those who have registered their civil partnership through United Kingdom consuls or UK armed forces overseas and who have elected Scotland as the relevant part of the UK.

Couples must present together in the registration district where they want their marriage to be registered and to provide an application form that has been completed but has not yet been signed; their civil partnership extract—in other words, their certificate; and any forms of identification requested by the district registrar. The registrar general will provide guidance to registrars on what type of identification will be acceptable.

The district registrar will change the civil partnership into a marriage if satisfied with the information provided. For couples who register their civil partnership before same-sex marriage is available in Scotland, the change into marriage through the administrative route will be free for the first year. Should the couple wish to receive a marriage certificate, there will be a £10 fee for each certificate in line with the usual charge in Scotland for such certificates.

The second SSI is on the jurisdiction of the courts. The Marriage (Same Sex Couples) (Jurisdiction and Recognition of Judgments) (Scotland) Regulations 2014 make provision on when Scottish courts have jurisdiction in relation to proceedings for divorce, separation and nullity of marriage; on when Scottish courts have jurisdiction in relation to proceedings on the recognition of decrees from outwith the European Union concerning such matters; and on Scottish courts recognising judgments from elsewhere in the EU on matters such as divorce, separation and nullity of marriage. They follow similar regulations made at the time that civil partnerships were introduced.

The regulations make provision similar to that contained in European regulation EC 2201/2003, commonly known as Brussels IIa, which deals with court jurisdiction and the mutual recognition of judgments in relation to matrimonial matters within most EU member states. It is generally accepted that Brussels IIa does not extend to cases involving same-sex couples, which is why we need to make the new regulations.

I am happy to take questions on both instruments.

Christian Allard: I have just a small question about what may be a point of detail relating to the possibility of fraud. The Faculty of Advocates has expressed concern about the problem that application can be made with any form of identification. Would it be possible for the regulations to designate the form of identification that would be required?

**Alex Neil:** You are asking about the possibility of fraud.

Christian Allard: Yes.

Alex Neil: We think that the possibility of fraud is absolutely minimal. Couples may apply to any district registrar; however, all registration offices in Scotland have access to the details of registrations made in other districts. Furthermore, National Records of Scotland will be producing guidance for registrars on accepted forms of identification.

After discussion with registrars, we thought it best to lay down in guidance rather than prescribe in the regulations the forms of ID that would be acceptable. We felt that being too prescriptive could negatively impact on an applicant who does not have exactly the correct, prescribed form of ID but who could present an equivalent document. We do not want people to be unable to make the change simply on the basis of not having exactly the right form of ID.

In addition, the chance of fraud is minimised because both applicants are required to attend together to sign the application form before the district registrar when making the change from civil partnership to marriage. Finally, the regulations contain provisions making it a criminal offence for any person to falsify or forge the application form.

I think that we have covered all the different ways in which someone might try to defraud the system. We think that the possibility of fraud is very minimal indeed.

John Finnie: My question is not specifically on the SSIs, but on an issue that I raised previously and that you addressed—the issue of same-sex couples with foreign partnerships seeking to marry in Scotland. It is accepted that further SSIs will be required to fully enact the Marriage and Civil Partnership (Scotland) Act 2014. Could you give us an update on that particular matter, given the previous undertaking to do everything possible to facilitate it?

Alex Neil: Absolutely. That is something that I would have liked to have been able to do more quickly, but the law is very complicated to get right. We issued a draft discussion document to the committee just a couple of days ago—I do not know whether you have had a chance to look at it. We are interested in seeing the committee's comments on the draft before we issue the formal documentation. As soon as we get your comments back, we intend very quickly to formally launch the

consultation through that document. Clearly we need to legislate next year on the matter.

The issue is quite complicated mainly because of the different attitudes of other jurisdictions. I think that I am right in saying that Denmark, for instance, does not regard it as a major problem, but our friends in London think that it might be a problem in relation to English legislation.

I will ask Simon Stockwell to give you more detail, but that is the problem. We therefore need to end up with legislation and regulations that make sense while at the same time ensuring that people who have had a civil partnership overseas but who come to Scotland to get married can do so. That is obviously the objective.

**Simon Stockwell:** We have asked some of our EU colleagues about their views. We have also asked our colleagues in England, Wales and Northern Ireland. The Dutch have said that if, for example, Scotland converted a Dutch civil partnership to a marriage, they would regard that as ending the civil partnership in the Netherlands and they would recognise the marriage.

The Germans and Austrians have said that they are not certain but that the chances are that they will continue to recognise the civil partnership as a civil union in Germany and Austria. The Poles have said that there is no such thing as civil union in Poland—we would not be converting any Polish civil unions, because there is no such status there.

The Northern Irish plainly have concerns, as they are just against same-sex marriage generally. They have concerns about the possibility of us changing Northern Irish civil partnerships to a marriage here. The expectation is that people will continue to be recognised as being in a civil partnership in Northern Ireland.

As the cabinet secretary has said, our English colleagues are raising a number of issues. I am hoping to go down and see them, possibly next week, to discuss some of those issues. So far, the most difficult response that we have received has come from our English opposite numbers, rather than from colleagues elsewhere in the EU.

New Zealand is unlikely to cause a problem, as New Zealand already converts overseas civil partnerships to marriage in certain circumstances.

**Alex Neil:** Fundamentally, the problem is that we are dealing with so many jurisdictions with so many different approaches. We have to be able to write legislation in Scotland that can accommodate all of them.

**John Finnie:** I sense that there is a strong political will to deliver on this, notwithstanding those challenges.

Alex Neil: Absolutely—totally. Had we been able to do it sooner, we would have done so. I recognise the importance of the legislation. I hope that everybody will agree, however, that it is far better to take our time and get it right than to rush into it only to find all sorts of complications. If we get it wrong, it is not us who will suffer; it is the couple who will suffer. We have a duty to get it right.

Marco Biagi: On a parallel point, we obviously recognise the divorce and dissolution of civil partnerships from all those countries. A similar process was gone through to set up the legislation on that—how long did that take? That is possibly going back into the dim and distant past of Scottish Governments, but are you able to shed any light on that question?

**Simon Stockwell:** The Family Law Act 1986 contains provisions on the recognition of overseas divorces. To be honest, I do not know how long it took for us to reach that decision.

Marco Biagi: Sorry—I was referring to the dissolution of foreign civil partnerships. We added to the law in 2004, and so the law then contained provision for the dissolution of foreign civil partnerships. This issue on the exchange of foreign civil partnerships is similar, and I take it that previously there was a similar process of checking for consequences in other countries. Are you aware of how long that process took?

Simon Stockwell: I do not know the answer to that question, to be honest. When civil partnerships were set up, quite a lot of the provisions in the 2004 act reflected similar provisions in respect of marriage. The same type of system was established: a parallel system was set up in respect of civil partnerships compared to marriage. Generally, the position is that we recognise overseas divorces of marriages. Similarly, we recognise overseas dissolutions of civil partnerships. The Civil Partnership Act 2004 generally mirrors the way in which marriage works.

The situation is slightly more complicated here. For instance, if someone from the United States is in a civil partnership and they change that to a marriage here, the existing civil partnership in the United States might continue, so the person might still have a civil partnership in the United States while being married in Scotland.

Marco Biagi: Yes—but I am specifically referring to what happens if a relationship that was registered abroad is dissolved here. In that American example, a civil partnership could be dissolved here under our current law but, if the person goes back to America, they might not have a guarantee that the dissolution of the civil partnership will be recognised there. That seems

to throw up the same issues as the exchange of foreign civil partnerships here.

**Simon Stockwell:** Yes. It is easier when there is just the one type of relationship: it is easier if it is either a divorce of a marriage or a dissolution of a civil partnership. It gets more complicated if the situation involves the divorce of a relationship that is recognised as something else in the other jurisdiction.

For example, there is specific provision in the section 104 order that has been laid at Westminster to enable a Scottish same-sex marriage to be recognised as a civil partnership in Northern Ireland. There is further provision to state that, if the Northern Irish courts then dissolved what is deemed to be a civil partnership in Northern Ireland, the dissolution of that civil partnership is recognised as ending the marriage in Scotland and in England. The difference is that the relationships might be treated differently in different jurisdictions.

09:45

The Convener: I will move on to the civil partnership marriage fee. The regulations state that there will be a £30 fee payable to change a civil partnership to marriage and a £10 fee for each requested marriage certificate. However, for those in civil partnerships that were registered before 16 December, when same-sex marriage was not available, there will be only a £10 charge for each extract from the marriage register and certificate provided.

The Scottish Government says that there are around 5,500 civil partnerships registered in Scotland. If 5,000 of those were to be changed to a marriage in the first year, the cost would be approximately £150,000. What plans does the Scottish Government have to reimburse the local authorities for those costs?

Alex Neil: We are doing it in a slightly different way. We have transferred resources of £100,000—because we think that the cost will be nearer that figure than £150,000—from the Scottish Government to the National Records of Scotland. The local authorities will bill the NRS and will receive money out of that £100,000. Administratively, that is the easiest way to do it so that local authorities will not lose a penny.

**The Convener:** That is great. I see that members have no more questions.

Moving to item 4, the committee will formally consider and recommend approval of motions S4M-11569 and S4M-11570.

Motions moved,

That the Equal Opportunities Committee recommends that the Marriage Between Civil Partners (Procedure for

Change and Fees) (Scotland) Regulations 2014 [draft] be approved.

That the Equal Opportunities Committee recommends that Marriage (Same Sex Couples) (Jurisdiction and Recognition of Judgments) (Scotland) Regulations 2014 [draft] be approved.—[Alex Neil.]

**The Convener:** I invite members to ask any questions.

Alex Johnstone: I have not a question but simply a statement. Members will be aware that I opposed the primary legislation that makes the instruments necessary, and I remain opposed in principle to what that legislation achieved. However, I am fully aware that the instruments are necessary to give effect to the will of Parliament and I will therefore not oppose them.

The Convener: Thank you.

Motions agreed to.

**The Convener:** That concludes our consideration of those affirmative instruments, and we will report the outcome to Parliament. I thank the cabinet secretary and others for their participation.

I suspend the meeting briefly.

09:50

Meeting suspended.

09:51

On resuming—

### Marriage and Civil Partnership (Scotland) Act 2014 (Commencement No 3, Saving, Transitional Provision and Revocation) Order 2014 (SSI 2014/287)

**The Convener:** Agenda item 5 is consideration of a negative instrument.

This instrument brings into force the remaining provisions of the Marriage and Civil Partnership (Scotland) Act 2014, with the exception of provisions relating to religious and relief bodies, satisfying qualifying requirements that are set out in regulations and provisions that increase certain notice periods from 14 days to 28 days. The order also makes transitional and savings provisions and revokes some regulations that no longer have effect.

The Delegated Powers and Law Reform Committee determined that it did not need to draw the instrument to the attention of Parliament. This committee will now consider any issues that it wishes to raise in reporting to Parliament on the instrument. Members should note that no motions to annul have been received.

As no members wish to make any comments, is the committee agreed that it does not wish to make any recommendations in relation to the instrument?

Members indicated agreement.

The Convener: I suspend the meeting to allow the next cabinet secretaries to take their seats.

09:52

Meeting suspended.

09:59

On resuming-

# **Draft Budget Scrutiny 2015-16**

**The Convener:** Agenda item 6 is an evidence-taking session to support our scrutiny of the Scottish Government's draft budget for 2015-16.

I welcome John Swinney, the Cabinet Secretary for Finance, Employment and Sustainable Growth; Shona Robison, the Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights; and their accompanying officials.

I invite the cabinet secretaries and their officials to introduce themselves.

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): I am the Cabinet Secretary for Finance, Employment and Sustainable Growth.

The Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights (Shona Robison): I am the Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights.

Yvonne Strachan (Scottish Government): I am the head of equality, human rights and the third sector division of the Scottish Government.

Alison Taylor (Scottish Government): I am the head of the integration of health and social care division of the Scottish Government.

**The Convener:** Would the cabinet secretaries like to make any opening remarks?

**John Swinney:** We could make some brief opening remarks if that would help, but we are very happy to go straight to questions, if the committee would prefer that.

**The Convener:** If you would like to make some opening remarks, that would be fine.

John Swinney: This is a welcome opportunity for us to discuss the draft budget with the committee. It is also welcome that the Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights is here with me today, given that we have changed our approach to the handling of equalities issues and equalities assessment in the budget process, and it is now a process over which both of us preside as part of the scrutiny of the wider issues of Government.

The draft budget is set against a contrasting time for economic performance in Scotland. Without doubt, we are moving from recession into recovery, and one of the challenges of that period will be to ensure that, as new economic

opportunities emerge, we are able to support individuals to share in them.

The challenges in the budget are in its focus on addressing some of the issues of economic recovery and on tackling the consequences of welfare reform. The Government has set out a range of measures to ensure that those are adequately and fully taken into account.

The Government has learned lessons from the referendum process, which demonstrated the strong level of public engagement in the political process. The steps that we have taken through the establishment of the equalities statement and the wider dialogue that we have with stakeholders around issues in connection with the formulation of the budget are more significant than ever given the climate of very active political debate at the moment.

One of the different features of the budget this year is the ability to set tax rates. As the Government has considered the issues in connection with setting the rates for land and buildings transaction tax and the Scottish landfill tax, it has taken into account a number of principles of taxation that we consider appropriately and adequately address the equalities questions.

Finally, before Shona Robison makes some remarks, I place on record my thanks to the members of the equality budget advisory group, who continue to advise the Government on these questions. This year, they have undertaken their role without the assistance and contribution of Professor Ailsa McKay who, sadly, died this year. Professor McKay made a significant contribution to the formulation of our approach to equalities budget issues. I am grateful to the members of EBAG for their continued input in the course of this budget process.

**Shona Robison:** Like John Swinney, I pay tribute to the work of the equality budget advisory group, which has been extremely helpful.

In our spending decisions, we are giving particular emphasis to those measures that will drive growth and help families and households. I know that the committee has a particular focus on age in its scrutiny this year, and members will see that a range of spending priorities will benefit younger and older people. One of the key focuses in relation to older people is the £173.5 million that we are investing in the integration of health and social care, which aims to improve the delivery of services to and, most important, the outcomes for older people.

Finally, we have been able to maintain our funding support for the third sector and equality activities. Without a doubt, the work of the third sector is absolutely crucial to supporting older

people in particular and to providing services in the health and care sector. Our equality budget enables us to support activities such as the Age Scotland helpline, which is well utilised, and the engagement of older people in debate and dialogue about public policy and issues of concern to them.

I have been pleased to have responsibility for equality and to have seen the strong commitment to making equality a key part of the budget process.

I am happy to take any questions.

The Convener: My first question concerns the reduction in Skills Development Scotland's budget. Coming from a training background and having worked with SDS, I am quite familiar with the costs that are involved and the way in which training is delivered.

You are reducing the SDS budget by 1.8 per cent, which is equivalent to £4 million, and there is a 1.5 per cent reduction in the budget for education and lifelong learning, which is equivalent to £15.8 million. What impact will that have on Skills Development Scotland?

John Swinney: The numbers that I have in front of me show that the budget line for SDS was £184 million in 2014-15 and will be £183.5 million in 2015-16, which is a reduction of 0.3 per cent. Given the challenges in relation to wider budget issues and the real-terms reduction in our budget that we face this year, I have tried to maintain a range of interventions that support the journey of people into employment. SDS is one aspect of that. We also have in the budget £12.7 million for the youth employment Scotland fund, which goes with a variety of other measures, such as the community jobs Scotland initiative, whose funding we have sustained between 2014-15 and 2015-16.

We face a strategic budget challenge, but we are trying to protect the resources that are available to support people to make that journey back into employment, because we believe that that journey into employment is the best route for all individuals. I also make the point that, in the sums that I have talked about, we have additional investment to support the implementation of Sir Ian Wood's report on developing Scotland's young workforce.

When members consider the elements in the round—SDS, the efforts around developing Scotland's young workforce and the youth employment Scotland budget—they will see that there is a strong level of support available. Of course, into the bargain, the college sector budget is going from £522 million to £526 million in 2015-16. Those are areas that are well supported by public expenditure.

The Convener: After hearing evidence from young people and the various organisations, I believe that it is important that financial support is available to ensure that young people transition from school into college or employment—or training, if they are not yet ready for employment.

You have said that, by 2020, we will have 30,000 modern apprentices. After hearing from training providers that the funding to deliver the same qualifications is staying the same or, in some cases, being reduced, my concern is that it will be harder for harder-to-reach young people to get jobs through the modern apprenticeship programme.

John Swinney: I agree whole-heartedly with your remarks about the importance of supporting young people through that journey. For every young person whom we are unable to support or engage with properly—as we all know, school does not suit every young person, so other interventions will be made available that are designed to be appropriate to the needs of young people—the longer-term costs on the public purse will be even greater. Without wishing to be depressing about it, I can imagine that there would probably be poorer outcomes further down the track and, therefore, greater demands on public services and public expenditure. Getting that support for young people correct is very important.

The various measures that we have in place are designed to do exactly that. There will be young people who will face other challenges, in meeting which they will be supported by other areas of public expenditure, whether through the assistance that we provide to support more vulnerable young people through the expansion of the getting it right for every child programme or the opportunities for all initiatives that relate to older young people.

It is clear that we will embark on a programme of expansion of modern apprenticeship capability to reach the 30,000 target by 2020. That will have to be done incrementally over the course of the next spending review and the next parliamentary session. Over the lifetime of this Government, we have managed to sustain a significant expansion in modern apprenticeships from 15,000 to 25,000. Such expansion is dependent on the participation of employers, who are key to the modern apprenticeship programme. I am optimistic that, as we move into stronger periods of employment growth in Scotland, employers will be able to partner us on that journey.

My final observation is about the cost of programmes and value. One of the constant themes on which I have pressed public services and public authorities throughout my term in office is the maximisation of value for the public purse. How we get value for money out of some of the

contractual arrangements that exist sometimes involves some pretty challenging conversations. Although those discussions might not suit everyone, I am satisfied that we are justified in engaging in them, as they help to ensure that we get value for money and that the resources that we have available to us can have as wide an impact as possible.

**The Convener:** Siobhan McMahon wants to come in on that.

**Siobhan McMahon:** I have a question on the modern apprenticeship programme; it is one that I have asked in a number of budget sessions and, as I do not wish to disappoint the cabinet secretary, I will ask it again.

There has been an increase in the number of participants in the scheme, but there has been a pattern of females not getting through to the higher levels of it, and only 0.5 per cent of people in the scheme are disabled. Moreover, we do not have information on some protected characteristics.

In previous sessions, you have said that you are working towards getting more information. We understand that there are problems with getting that information but that Skills Development Scotland is working on a new programme that will provide information on recruitment from certain sectors. What progress has been made on that? How much money has been allocated to that in the budget, given that—although we dispute the figures—there has been a reduction in SDS's funding?

John Swinney: On the sourcing of data, I am happy to ensure that the Government takes as much action as it can to address the committee's aspiration of getting more detailed statistics on this area of activity. The committee might wish to consider making a specific proposition about what information it would be helpful to collect, and the Government could respond to that. As I have rehearsed in my answers to Siobhan McMahon in previous years, believe me, there is no shortage of Government-collected statistics; whether they are all useful and up to date enough for our current needs is a completely different question. If the committee wished to set out a framework of statistical information that it considered would be helpful, I would be happy to look at that and to establish what was required.

On the funding question, I do not see the collection of statistical data on a cohort of the size of the modern apprenticeship grouping as a problem, given the fact that we already collect statistics on that cohort. The collection of such data does not strike me as something that would be of significant cost. However, if the committee wants to make specific proposals to the Government, we would happily consider them.

10:15

The Convener: When you gave evidence on the budget last year, we talked about the problems faced by the third sector and other organisations that deliver the training programmes, which had told us that they had issues with having only one-year contracts. When I asked about the matter, you said that you would look at it and come back to the committee. Are you any further forward in considering contracts of three years or longer for those organisations?

John Swinney: We have made quite a bit of progress on that. As members will recall, some time ago, we had a Conservative Party debate in Parliament on three-year funding for third sector organisations. During the debate, I agreed that the Scottish Government would lead a process of discussion with the third sector and local government, given that we and local government represent such a comprehensive part of the contracting approach.

The third sector has been involved in all the processes as we move towards a greater presumption in favour of longer-term funding. As you will appreciate, such funding can only be deployed on a case-by-case basis. However, our objective is to move more of our contracts to that longer-term period.

That also involves us in the crucial challenge that I responded to you about a moment ago: we must maintain very strong scrutiny of value over the length of the contracts. Those considerations are being progressed in the contracting structures that we take forward as a Government.

Marco Biagi: The third sector and opportunities for all are two important areas, particularly for young people with additional support needs. Can we be sure that there is adequate funding for those areas in the budget or will the great majority of the spending come through the local government settlement?

John Swinney: Some funding elements for the third sector and the opportunities for all programme will come out of some of the programmes over which the Government presides, and others will come out of the wider local government settlement.

For the Government's part, we have maintained funding for the third sector. That is part of the Cabinet's long-term commitment to ensure that third sector organisations are properly and fully supported, recognising the strategic role that we expect—indeed, require—the third sector to perform in the delivery of public services, in articulating on behalf of groups with particular needs and requirements, but also in finding new ways of working to improve outcomes for citizens. Our support has been very strong there.

Local government has to make its own decisions. I have worked strenuously to ensure that it gives adequate and due priority to the third sector's needs.

An issue on which I sympathise with committees such as the Equal Opportunities Committee is that the budget document's format does not lend itself to addressing directly the question that Mr Biagi raises. We set out information in various ways, consistent with our agreements with the Finance Committee, but perhaps a different configuration would make the budget slightly more obvious to committees. Indeed, other committees make that point to me as I discuss budget issues with them.

We are helped in the process by the alignment of our policy frameworks, whereby the Scottish Government and local government agree on strategic priorities and work to the same national outcomes and indicative performance targets. The approach is designed to give cohesion and focus to our spending decisions, so that they most effectively reflect the needs and aspirations of people locally.

Marco Biagi: The cost of delivering support for a young person with additional support needs, through the third sector or opportunities for all, is greater than the average cost of support for a young person. Can we be sure that priority is being given to people who have additional support needs and that the budget is coming through for them?

John Swinney: I think that that is the case. I acknowledge your fundamental point, which is that the cost of supporting young people with additional support needs is higher. That must be and is reflected in local authority decisions. Local authorities must put in place support packages that cost significantly more than support for young people who do not have additional support needs. The same maxim applies in relation to opportunities for all and to the support that is delivered through the budget for the college sector.

**Christian Allard:** In evidence, we heard a lot about young people with additional support needs and about the transition period. Many third sector providers in rural and island areas face extra costs. Have you factored that into the draft budget?

John Swinney: Some of the judgments in that regard are reflected in the decisions that Skills Development Scotland makes about the delivery of contractual arrangements in remote areas. In the local government settlement, provision is made to enable authorities to take due account of rurality and remoteness. The additional costs that are incurred in delivering services to island communities are reflected in the element of the

local government settlement that is influenced by the special islands supplement.

I give the committee a wider reassurance, in that the Government's purpose is to ensure that there are opportunities for all in Scotland—I stress "all"—to flourish, through sustainable economic growth. That means that whether someone lives in central Edinburgh or the Western Isles they are entitled to have access to opportunities. Therefore, the funding support and the way in which we deliver services are designed to address that requirement.

**Christian Allard:** Witnesses have talked about the cost of transport. Does anything in the budget target the cost of transport in rural areas?

**John Swinney:** Such factors will be reflected in judgments about the cost of delivering services in particular localities. It is incumbent on contracting organisations to take that point into account.

Christian Allard: You talked about the getting it right for every child policy. We scrutinise the draft budget in relation to the transition for young people, especially those with additional support needs. Might the Government extend the policy to older young people, perhaps post school, to ensure that we take account of the transition period?

John Swinney: The opportunities for all commitment extends, I think, to 16 to 19-year-olds—I am now doubting myself on that, but we have a commitment to ensure that every young person has a proper guarantee of support as they make their journey into the labour market. Some of that is done through schools and colleges and some is done through other Government programmes. That is an indication of the practical support that we make available to young people in that context.

Christian Allard: We had some evidence that a lot of young people, especially those with additional support needs, find it very difficult when GIRFEC stops and there is no more support. Is it possible for the Scottish Government to extend and fund GIRFEC for a longer period post school?

John Swinney: That is a fair point. I had not quite focused on the point about young people with additional support needs, and there is likely to be an on-going requirement for public authorities—principally local authorities—to put in place support mechanisms for young people as they become older, which will be tailored to their requirements. The obligations in the Government's approach to care and those that relate to the pursuit of better outcomes for all citizens will mean that public authorities will have to ensure that people's individual needs are properly and fully reflected in the spending decisions that we make.

The Convener: I ask Alex Johnstone to move the discussion on.

Alex Johnstone: I note that an additional £16.6 million has been allocated to training, youth and women's employment. Can you give us some detail on how that will be allocated? How does it break down?

**John Swinney:** That mainly relates to the uplift that has been put in place for the work to implement Sir Ian Wood's recommendations on developing Scotland's young workforce.

In the 2014-15 budget, we allocated £12 million; we have now increased that by 38 per cent to £16.6 million. That will be focused on expanding the apprenticeship programme, on encouraging more vocational learning opportunities for young people while in school, and on the establishment of better integration between schools and colleges in preparing young people for work, which relates to the issues raised by Mr Allard. That is one area where there is an expansion.

The other area relates to the continuation of youth employment Scotland, which is designed to ensure that we meet the needs of young people in accessing the labour market and that we leverage in other private, public and European funding to support that process into the bargain. Those are the areas where there is the most significant difference in the work that is being taken forward.

**Alex Johnstone:** Has there been any impact assessment of how that money might help people with disabilities and additional support needs to access the workplace?

John Swinney: As part of the equalities assessment, we are testing portfolios' budget propositions to ensure that they support the process of improving outcomes for all individuals. Young people with disabilities will have been considered as part of that process. I come back to our obligations to improve outcomes for individuals, which are reflected in the budget choices that we make.

Those issues are tested in the equalities budget statement in the budget process that the cabinet secretary, Shona Robison, and I preside over to ensure that individuals' wider expectations of the effect of the Government's programme are fulfilled by the spending choices that we make.

**Alex Johnstone:** Of that money, £12.7 million appears to be allocated to a new budget line of youth unemployment. Is that the same as the budget that you were describing for youth employment Scotland?

John Swinney: Yes.

**Alex Johnstone:** Can you give us any other information about how that £12.7 million will be spent?

10:30

**John Swinney:** It will support the principle of early intervention to support young people in securing worthwhile employment. As I said to the convener, for every moment that a young person is not supported, encouraged and nurtured to enter the labour market or head towards a good destination through education, we are in danger of walking into a worse outcome and further demand on public services.

Youth employment Scotland is designed to try to ensure that that journey is made as smooth as possible and is as well supported as possible so that individuals' needs are met. For some young people, staying at school can be a negative outcome. The early intervention is designed to make, as quickly as possible, the judgment that a different approach or setting might benefit a young person. That is a crucial judgment that, in the long term, will deliver better outcomes for the individual and for society.

Alex Johnstone: Will the method to get the means to the people who need them have to be developed over time, or is a plan in place to achieve that on day 1?

John Swinney: We have a lot of good, effective channels of work. Increasingly, our public service reform agenda is concentrating on a personcentred approach so that we tailor the way in which public services are delivered to meet an individual's needs as opposed to it being a happy coincidence if public services happen to support an individual directly. The sums of money that we have talked about are designed to support individuals in that journey.

Yesterday morning, I had a conversation with the chair of Skills Development Scotland, John McClelland, about the extent to which personcentred packages that are better at meeting individuals' needs are being put together, leading to lower drop-out rates, more sustained participation and better outcomes.

**The Convener:** Does Shona Robison want to make any comments, or has everything been covered?

Shona Robison: Mr Swinney has dealt with the question comprehensively. There are other budgets that will have an impact on some of the areas that have been touched on—children with additional needs, for example, or vulnerable children, if we take the broadest definition. I am thinking specifically of the children's services fund, which is £3 million. That fund will support the

network of workers for children and young people who are affected by domestic abuse. That will not sit within the budgets that Mr Swinney talked about but, nevertheless, the support is very important for a vulnerable group of children and young people.

John Mason: I direct my question to Shona Robison. In his answer to Christian Allard, John Swinney referred to transition. I have seen one or two constituents who are at school up to 16 or even 18 and get a lot of support there but who then experience a drop-off. The transition does not always work for them. Is the move from pre-16 services through to post-16 services working on the whole?

**Shona Robison:** It depends on which group of young people you are talking about.

**John Mason:** Young people with quite a lot of needs.

Shona Robison: There are challenges when young people who use health services and care services—young people with disabilities—and who attend mainstream or special schools move away from that support and into adult services. A lot of work has been done on that, but it is still challenging and can be scary for parents when they feel that there is a danger of their child losing the support package that they have had, which involves a clear routine for the day, and moving into assessment for adult services.

A lot of work has been carried out on transition. Have we got it perfectly right? There is probably still some work to be done on ensuring that all local authorities and health boards work together closely on making it happen.

A lot of the focus around integration has been on older adults but, without a doubt, there are opportunities to get it right for younger adults who are moving into the system by ensuring that there is far better and earlier communication on not just the budgets, but the support mechanism and even the people who support a family, who may change. The budget is an important element of that, without a doubt.

John Mason: John Swinney made the point that, in a sense, when we look at the budget we do not see the third sector or a particular area because the budget is not set out in that way. Do we just have to accept that we cannot influence that? We give money to the local authorities to look after schools and social work, and we give money to the health boards to look after other things. I know that more joint working is meant to be going on, but is it too far away from us for us to have a big influence on that?

**Shona Robison:** Maybe more work could be done—we could look into this—on how we pool

resources, using case studies to give examples of best practice and which budgets are supporting the young person in transition who is moving from one service to another. Like John Swinney, I understand that it is not easy for the committee to see all the different budgets that impact on the young person's life. We could maybe do some work to make that more transparent, but it is quite challenging. As you have identified, that support sits within various budgets—local authority budgets, health board budgets and budgets that we hold directly—and the issue is how all that support sits around the individual young person. A case study model might be a good way of illustrating that.

John Swinney: There is a much greater degree of alignment of public expenditure to support the priorities and objectives of Government. I would not for a moment say that the situation is perfect it will never be perfect—but that expenditure is a great deal more aligned than it has ever been in the past. Our strategic agreement with local government to work on shared priorities has enabled us to do that. As a consequence, ministers have been able to direct, for example, the health service and public bodies, and we have the agreement of local government to work on a broadly shared agenda of what we are trying to achieve collectively with the public expenditure at our disposal. A lot of that is assessed and considered within the national performance framework, but we now have a much more integrated policy framework that enables us to work in broadly the same direction. I am confident that if the leaders of local authorities were here, for example, the policy priorities that they would explain that they were working towards would be very similar to those that are being pursued by the Scottish ministers.

**Shona Robison:** The new integration authorities will gather a lot of data, which should allow them to identify more clearly where the spend is and, in more detail, how that resource is being spent across those two large spending organisations. That might help to provide more detail, particularly at local level.

**John Mason:** Will the Government assess how well those partnerships are working?

Shona Robison: Absolutely.

John Mason: The issue has been raised a few times that data sharing is not very good. I accept that it is not particularly a budget issue, but schools are reluctant to pass data on to colleges or the third sector. My general feeling, as a member of both this committee and the Finance Committee, is that the situation is patchy around the country. Highland tends to be cited as a good example of the health service and local government working together, although there are

other good examples. However, we have had representatives of other councils at both committees and my gut feeling is that integration is not moving forward as fast as it might be.

Shona Robison: The integration authorities have to move forward because the legislation is in place. They have been given two possible models to follow. It is fair to say that the pace has been quicker in some areas than in others, but they are now all getting there and have all chosen the model that they will follow. Without a doubt that will force a lot of change and the bringing together of the budgets will focus minds. They are working very hard on the strategic plans. We will have oversight of that and there will be a great deal of discussion about it by officials.

Alison Taylor is very close to the issue, so she might want to add to what I have said. There is no doubt that this is a big opportunity, but we need to ensure that it delivers the change that we all know is needed. Getting it right at the local level is a huge opportunity for service users who rely on both services.

Alison Taylor: I acknowledge the concerns about the availability and sharing of data. If the data is not joined up and shared effectively, it undermines the capacity of the whole system to plan, particularly for people who have multiple conditions, which is the real focus of integration and why so many people who are involved are older people.

A lot of work is under way nationally to support the local linking of data, as Ms Robison described. From that and from the annual performance reports that the new partnerships will produce, we will begin to get a much richer seam of evidence about what is happening and for whose benefit.

**The Convener:** We move on to the subject of older people and health and wellbeing. Siobhan McMahon will start the questions.

**Siobhan McMahon:** My first question is about the change fund. We heard evidence that that funding or resourcing has ceased and that funding for the continuation of developed initiatives is now assumed to be included in the baseline funding that is allocated to partnership boards. Why has there been a reduction in the change fund resources? What has been done to sustain improvements in outcomes in the absence of those resources?

**Shona Robison:** The new integrated care fund builds on the change fund that preceded it, and it will have £173.5 million for 2015-16. However, the important thing to say about that is that the integrated partnerships will have scope to look at joint budgets of around £7.6 billion. The £173.5 million will be used to continue some of the groundbreaking work of redesigning services to

showcase what can work, with the expectation that that will be a good model for the practice of all the integrated authorities. That budget is a catalyst for change but the big resource sits within both health and social care, which is why they are being brought together. The integrated partnerships need to focus on the £7.6 billion but use the £173.5 million to unlock some of the resource that is tied up in doing things that we know are not the most effective.

The question is how we keep people at home for longer. Some of the £173.5 million will build on the resource for how to do that, which the change fund was very useful at doing. However, we should keep our eyes on the £7.6 billion. If we can unlock that resource, that will bring real change in how people receive services at local level.

Siobhan McMahon: I appreciate that answer and I appreciate that you said in your opening statement that the integration fund is about improving services and outcomes for older people. However, we heard in evidence that although Government policy has focused on the reshaping care initiative and getting people to stay at home longer, only 1 per cent goes into that and the rest still goes to acute services. What specifically in the integration fund will change that? I said to witnesses that we would all like more money but that it is not simply about money; when I asked whether they could shift the balance with the resources that they had been given, their answer was that they could not.

Shona Robison: The legislation was put in place to bring together two big-spending organisations. We were talking about this agenda when I was a home care organiser in the early 1990s. That is why we have reached the point of putting legislation in place to require those organisations to come together and pool their budgets; the pooling of the budgets was always the missing bit. At the end of the day, whether it is human nature or system nature, when there are two separate budgets with two separate responsibilities, there will always be barriers to real change. The legislation that brings together those bodies and budgets will make the difference for service users.

#### 10:45

Will the unlocking of that £7.6 billion happen and bring sweeping change overnight? No, but the gradual shift of that resource has a strong chance of happening because of the accountability for the joint budget, which will be the catalyst for change. We will be pushing from the centre and ensuring that there is momentum locally. In many areas of the country, a lot of good work is being done that recognises that this is a once-in-a-lifetime opportunity for substantial change. All areas will

make those changes; some areas are getting on and doing it quicker than others, but they will all do it.

**John Swinney:** An absolutely fundamental question has been raised, which is at the heart of the Government's agenda for what needs to be addressed. I would add three areas to those that the cabinet secretary mentioned.

First, I will give a practical example. Recently I visited the integrated services in Highland and spoke to staff who were previously health board or local authority staff but who now work together for the one employer. Those individuals have been liberated from the organisational culture of the two organisations and are now focused on the people they are serving as opposed to acting on behalf of their organisations, so they are able to operate much more cohesively than ever in the past.

My second point concerns the third sector. Crucial to the journey of shifting the balance from dependence on acute care, for example, to supporting people more effectively in their homes is the contribution and performance of the third sector, and its ability to be a big player in that journey. That is a major theme of what the Government is trying to achieve.

Finally, as a consequence of the decisions that we have made about the health budget, the Cabinet Secretary for Health and Wellbeing has been able to allocate more resources to primary care to the tune of £40 million, as he announced last week. That will help to give important additional resources to strengthening primary care to ensure that more of that shift of resources takes place.

I accept whole-heartedly—I have heard the health secretary make the point in the chamber numerous times—that it costs £4,000 a week to support and care for an individual in an acute hospital, whereas it costs £400 if they are in their own home. It does not take an awful lot to work out what the finance secretary thinks is the preferable approach. However, I accept that the Government has to drive the process relentlessly in association with our local authority partners, and that is exactly what ministers are focused on doing.

**Siobhan McMahon:** I welcome the cabinet secretaries' answers and I support what you are trying to do. I fully appreciate that, as the cabinet secretary for equalities said, this will not happen overnight. However, will the funding streams continue? They are not identified at present, so will more funding streams come down the line? I understand that we are talking about this particular budget and I am not suggesting that there should be a figure, but do you anticipate that?

John Swinney: We have financial information only up to the financial year 2015-16. We have not been provided with any longer-term information. However, integration is an absolutely strategic priority for the Scottish Government. That is the route to enabling us to create sustainable health and social care services. It has to work and it has to be supported with sufficient political and organisational leadership, as well as with resources to ensure that it can happen.

**Shona Robison:** During 2015-16, we will get a far sharper focus on what is working. It will then be a case of driving what works to ensure that change is delivered. That will inevitably influence any future spending decisions.

**Siobhan McMahon:** Will you evaluate the process, given that it should achieve nine national outcomes for the health and social care partnerships?

Shona Robison: Absolutely. There will be a sharp focus on delivery and evaluation, and on ensuring that the aspirations that John Swinney has talked about are met at local level, not just in terms of budget delivery but also because we know that an acute hospital bed is the last place that someone who does not need to be there should be, particularly an older person. Obviously, if they need to be in an acute bed, they need to be there, but too many older people find themselves in that situation when they do not need to be there. We know that that is not good for them, so we will make it work both from a budgetary perspective and from a care perspective.

**John Mason:** Siobhan McMahon has moved us into the area of change funds and integration funds, and the whole question of keeping people at home and how that moves resources. I wanted to ask about that, too.

The money in the change fund and the integration fund is to change things over. Mr Swinney has pointed out that it is much more expensive to have someone in hospital than at home. Is there anything in the budget that is moving that process along, or are we just giving the money to the national health service and to local authorities and leaving it up to them to pool it and start moving the resources within that? Can we do anything from the top down?

**Shona Robison:** The £173.5 million for next year is the budget to help oil the wheels of change. We expect change to happen and we expect the health boards and local authorities to look at how to shift the £7.6 billion resource, and the £173.5 million is to help bits of the system to change.

**John Mason:** That is an extra bit on top of the underlying funding and, at the end of a year, you would expect the underlying bit to have changed.

Shona Robison: We expect the strategic plans to lay out how that is going to happen. It will not all shift in the space of one financial year, but we expect to see evidence of change and we want the strategic plans to say what will have been done by which stage. We will focus our attention on the robustness of the plans and on ensuring that they are workable and cut the mustard. Over a period of time, we will begin to see the shift in the balance of care that needs to happen. Those plans will be subjected to a great deal of scrutiny, not just by the Government but locally as well.

**John Finnie:** Some of the points that I was going to cover have been picked up, but I would like to go back and ask about the additional sum of £43 million that was recently announced. Is that part of the £173 million?

**Shona Robison:** The £40 million is part of the £173.5 million.

**John Finnie:** If I noted Mr Swinney correctly, he said that it was for strengthening primary care. Is it targeted both geographically and at deprived areas?

**Shona Robison:** As I recall, when the Cabinet Secretary for Health and Wellbeing, Alex Neil, announced that funding, it was focused particularly on tackling inequality by strengthening primary care services both in urban areas of deprivation and in rural areas where rurality was a significant factor. Alison Taylor may be able to fill in some of the details.

Alison Taylor: Discussions are on-going about exactly how to fulfil that aim, which parts of the money to spend in which way, and how to involve professional organisations as well as officials and ministers in due course. The minister is absolutely correct to say that the emphasis is on equalities as they manifest themselves differently in rural and urban areas.

John Finnie: I was very pleased to see the announcement on that, particularly the reference to rural areas. I have been seeking to establish when decisions will be made in this regard. I recently asked the chair of NHS Highland about it. When are we likely to know when and where the money will be allocated?

Shona Robison: Those discussions are ongoing, and we will ensure that information is shared with local members as they progress. We will want to test the proposals to ensure that they deliver a shift in the balance of care, that they strengthen primary care in order to make that happen and that they deliver on some of the key issues that have been raised. Those include the demands on primary care services in deprived communities and some rurality issues. We will share that information with you as the decisions are taken forward.

**John Finnie:** Is that a one-off payment, or will it be a recurring payment?

**Shona Robison:** The £173.5 million, of which the £40 million is part, is allocated for 2015-16. As we mentioned earlier, as we see what works over 2015-16, that will influence any further budgetary decisions that we make around driving forward some of the changes. We need to monitor closely what works, and we will do that over 2015-16.

**John Finnie:** There are some lovely phrases among the papers,

"Primary Medical Services Quality and Outcomes Framework"

being one of them. Will that increase incentives for general practitioners to involve the third sector?

Shona Robison: The QOF is a very interesting process. It is essentially a discussion and an agreement with primary care services on what they will focus on and what they will be paid for. The QOF has changed over the years to reflect some of the joint priorities. Alison Taylor can probably give you a bit more detail, but it is a significant lever. If we get agreement on a particular objective as part of the QOF, there is more of a guarantee for that to be delivered, because it is then clearly linked to payment for the service.

Alison Taylor: Absolutely. We have recently adjusted one aspect of the general medical services contract to include provision to enable every practice to have a link with the integrated partnerships. That is a first step; it does not guarantee that a GP is directly involved in any given discussion. However, it creates a liaison, which is important.

On the subject of building in the third sector, we have requirements within the integrated arrangements for partnerships to establish localities, which are smaller areas within local authority areas. Our emphasis for those localities is that GPs and other local professionals must have a leading role in helping to develop services that are appropriate to the population.

There is also a guaranteed role for third sector representatives under those arrangements, and there is a guaranteed role for third sector representatives and for primary care around strategic planning tables. We have knitted those arrangements in at various points in the system so as to develop a collective effort behind shifting the balance of care.

**John Swinney:** Part of the ground that Mr Finnie is considering relates to some of the points that John Mason was raising earlier. This goes to the heart of the dilemmas that Government has to address about how to control and distribute public funds. On the one hand, we get pressed to direct

money to a particular cause, requirement or service, with a particular specification, in a particular locality. On the other hand, we are encouraged to let local solutions flourish for local needs, and we are reminded that things in Inverness are different from things in Dundee, or wherever.

That sums up the dilemmas that we are faced with and pressed on. In trying to deal with that, the Government has essentially created the integrated and aligned framework for policy making between the areas that we directly control, such that health ministers today can direct health boards to do certain things—at least, ministers have a certain ability to direct health boards to do certain things. I have no ability to direct local authorities to do anything. They are democratically elected organisations, and they are free to do whatever.

What we have tried to create is an integrated policy framework that everyone submits to and which leaves sufficient room for local discretion to design a system for, say, Kyle of Lochalsh or central Dundee that is appropriate to those areas. We are trying to align public bodies to ensure that we focus on the needs of individuals in those localities.

#### 11:00

John Finnie: With regard to the special islands supplement, do agencies that deliver work on behalf of the Government take a similar approach? For example, we heard in last week's session that, with regard to training provision, if the amount of money for fulfilling a task is the same in the centre of a city in the central belt as it is on the island of Islay, things will not tally up and incentives for engagement will be reduced.

**John Swinney:** I would have to check particular contractual arrangements to see whether any specific cash factors are taken into account in that respect. I will write to the committee on that point.

John Finnie: Thank you. I want to ask you about incentives—forgive me if that is the wrong word—to try to shift things and make a huge cultural change. For the sake of argument, I understand that the nearer you are to a hospital, the more likely you are to be admitted. North-west Sutherland, which is many miles and hours from a hospital, has the smallest percentage of hospital admissions, but it also faces the largest challenges, whether that is collecting refuse bins or delivering care to older people. Given what you have said about your relationship with local authorities, are you content that such a situation can be accurately reflected? After all, as far as the integration of health and care is concerned, one cabinet secretary can directly intervene while

another cannot. Are you following where I am going with this?

John Swinney: I should perhaps correct, or at least put some more detail around, what I said. The idea that the Cabinet Secretary for Health and Wellbeing could say that Mrs McGuffie in Achiltibuie should be in Raigmore hospital would be a stretch even for him—but who knows? [Laughter.]

John Finnie: It is below his pay grade.

John Swinney: I am not trying to be flippant—Mr Finnie has raised a very serious point. One of the challenges that we are wrestling with is delayed discharge. A number of towns in the rural areas that I represent have step-down facilities, and people on a care journey who might need a little bit more support without needing to be in Ninewells hospital can receive excellent support at, say, Blairgowrie community hospital. It is near to home, things are easier for everyone and there is much greater rehabilitation. However, such step-down facilities perhaps do not exist in some major urban communities.

That is a product of the historical development of healthcare services, and we have to ensure that appropriate support arrangements are in place in all different localities. As far as north-west Sutherland is concerned, there will be different ways of supporting individuals, and health services will be structured and delivered in such a fashion that going to Raigmore hospital will be absolutely the last resort. After all, that is a long way away, and going there will mean a lot of inconvenience to the individual concerned and their families.

I sometimes wonder—in fact, I do not wonder; the statistics speak for themselves: not everyone in Ninewells hospital in Dundee needs to be there. People can be there for longer than they need to be, which brings me back to my point about someone being in a £4,000-a-week bed when they should probably have a £400-a-week care arrangement in their own home.

Shona Robison: The reason why we have brought in legislation on this issue is to ensure that it happens. We have been encouraging health boards and local authorities to work together on joint plans for quite some time. It is fair to say that in some areas—Highland is a good example—that has happened, but the fact that we have brought in the legislation probably speaks for itself. That kind of joint budget and joint accountability is now required, and we cannot underestimate the change that that will bring. Indeed, I think that it will usher in cultural change by requiring a far sharper focus on shifting the balance of care, given that that is now in everyone's budgetary interests.

There is a bit of carrot and a bit of stick. The £173.5 million is to oil the wheels of change. It is to help with some of the practical shifting, with service redesign and to bridge some of the changes. I think without a doubt that this sharper focus and joint accountability gives us the best opportunity to ensure that these changes happen.

**John Finnie:** I have another question, convener, but I think that I am over my allotted time.

**The Convener:** If we get a very quick answer, we can have a very quick question.

**John Finnie:** Last year, we asked about tracking third sector funding, particularly direct payments to third sector organisations. I believe that there was a plan to publish that work. Is that progressing at all?

John Swinney: I do not have anything to add to what I said to Mr Johnstone about the way in which we are working with local government to ensure a more cohesive approach to third sector payments. However, if the committee wants specific information, I am happy to respond to any request.

John Finnie: Thank you very much indeed.

**The Convener:** As members have no more questions, I thank the cabinet secretaries for their participation in this evidence session.

That concludes the public part of today's meeting. Our next meeting will take place on Thursday 4 December.

11:07

Meeting continued in private until 11:32.

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