



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Thursday 26 February 2015

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CONTENTS

	Col.
GENERAL QUESTION TIME	1
Winchburgh Tunnel (Closure).....	1
Medical Records (Access).....	2
National Museums Scotland (Meetings).....	2
Tax Avoidance	4
Malawi (Scottish Government Support).....	5
Burntisland Fabrications (Jobs).....	7
Scottish Business Development Bank.....	8
PFI and PPP Costs (Edinburgh Western).....	8
FIRST MINISTER'S QUESTION TIME	10
Engagements.....	10
Prime Minister (Meetings).....	14
Stop and Search (Research)	15
Educational Attainment.....	17
Child and Adolescent Mental Health Services	19
Communications (Monitoring and Interception).....	21
PARENTAL IMPRISONMENT	23
<i>Motion debated—[Mary Fee].</i>	
Mary Fee (West Scotland) (Lab)	23
Dr Richard Simpson (Mid Scotland and Fife) (Lab).....	26
Kenny MacAskill (Edinburgh Eastern) (SNP)	27
Jayne Baxter (Mid Scotland and Fife) (Lab)	29
Margaret Mitchell (Central Scotland) (Con).....	31
Hanzala Malik (Glasgow) (Lab)	32
Alison McInnes (North East Scotland) (LD).....	33
Malcolm Chisholm (Edinburgh Northern and Leith) (Lab)	35
The Minister for Children and Young People (Fiona McLeod)	36
NEW PSYCHOACTIVE SUBSTANCES	40
<i>Statement—[Paul Wheelhouse].</i>	
The Minister for Community Safety and Legal Affairs (Paul Wheelhouse)	40
COMMISSION ON LOCAL TAX REFORM	53
<i>Motion moved—[Marco Biagi].</i>	
<i>Amendment moved—[Alex Rowley].</i>	
The Minister for Local Government and Community Empowerment (Marco Biagi)	53
Alex Rowley (Cowdenbeath) (Lab).....	58
Gavin Brown (Lothian) (Con).....	61
Kevin Stewart (Aberdeen Central) (SNP)	64
Willie Rennie (Mid Scotland and Fife) (LD)	65
Clare Adamson (Central Scotland) (SNP)	67
Anne McTaggart (Glasgow) (Lab)	70
Chic Brodie (South Scotland) (SNP)	72
Margaret McCulloch (Central Scotland) (Lab).....	74
Stuart McMillan (West Scotland) (SNP)	76
Cameron Buchanan (Lothian) (Con)	78
Roderick Campbell (North East Fife) (SNP)	79
Cara Hilton (Dunfermline) (Lab)	82
Willie Coffey (Kilmarnock and Irvine Valley) (SNP).....	85
Gavin Brown	87
Alex Rowley	89
Marco Biagi.....	92
DECISION TIME	97

Scottish Parliament

Thursday 26 February 2015

[The Presiding Officer opened the meeting at 11:40]

General Question Time

Winchburgh Tunnel (Closure)

1. Mary Fee (West Scotland) (Lab): To ask the Scottish Government how it will support travellers facing disruption due to the closure of the Winchburgh tunnel in summer 2015. (S4O-04051)

The Minister for Transport and Islands (Derek Mackay): Network Rail and ScotRail are working closely together to ensure that the Edinburgh to Glasgow improvement programme—EGIP—electrification of the line at the Winchburgh tunnel is delivered with the minimum disruption possible to the travelling public and that connections are maintained during the closure.

Mary Fee: The closure of the Winchburgh tunnel coincides with the Scottish open championship in St Andrews. If the Dalmeny chord had been electrified before the tunnel's closure, as was planned before 2012, trains would have been able to run via Dalmeny without reversing and disruption could therefore have been avoided. Does the minister agree that the disruption on the railways during the summer could have been avoided had the Scottish Government decided not to scale back EGIP in 2012?

Derek Mackay: I do not agree with that assessment. There would have been disruption in any event.

We recognise that there will be some disruption, because work on a live railway always incurs some disruption, but we are focused on keeping it to a minimum. We will ensure that information is in the public domain to support the travelling public in making the right journeys.

I accept that that will cause some difficulty, but the overall EGIP project surely must be welcomed. It will lead to improved journey times, better trains and a much more efficient service. The disruption will be worth it, but we will do our best to keep it to a minimum.

I advise Mary Fee that, this morning, I have set up a briefing for all MSPs who might be interested to hear about the full scale of EGIP and the benefits that it will bring to Scotland.

Medical Records (Access)

2. Liz Smith (Mid Scotland and Fife) (Con): To ask the Scottish Government what provisions there are for parents to access the medical records of their children. (S4O-04052)

The Minister for Sport, Health Improvement and Mental Health (Jamie Hepburn): A person who has parental responsibility for a young child can request access to the child's medical records. A young person in Scotland aged 12 or above is generally considered mature enough to understand what a subject access request is. They can make their own request and would need to provide their consent to allow their parents to make a request for them.

Liz Smith: I asked the question on behalf of a constituent who, along with her husband, waited eight weeks and paid £60 to access her daughter's medical records. She and her husband were told that the communications about her daughter's diagnosis and treatment would be shared with health professionals, but no names or titles were given.

My constituent makes the point that, as a teacher and named person, she is entitled to see the medical records of other children and to know who is receiving them, but that is not the case for her own daughter's records. Does the minister believe that that is acceptable?

Jamie Hepburn: Liz Smith will appreciate that it is difficult for me to comment on the circumstances of a specific case without knowing the full details. I refer her to the initial answer that I gave. It was not clear from her question whether the youngster involved is aged 12 or under but, if a person has parental responsibility for a young child, they should be able to request the records, and I would certainly expect such a request to be fulfilled.

National Museums Scotland (Meetings)

3. Jim Eadie (Edinburgh Southern) (SNP): To ask the Scottish Government when it last met the senior management of National Museums Scotland and what issues were discussed. (S4O-04053)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): I met the chair and the director of National Museums Scotland on 4 December 2014 to discuss strategic priorities for the next few years.

Jim Eadie: Is the cabinet secretary aware of the growing anger among staff about changes to the weekend working allowance, which have created a two-tier workforce at National Museums Scotland? I tell her with regret that the management's approach is widely viewed by the workforce as arrogant and dictatorial, given that the changes

were introduced without any prior engagement with the trade unions.

I welcome the interest that the cabinet secretary has taken in the matter and her continuing willingness to engage constructively with the staff and the employer. I urge her to continue to encourage NMS to reach a resolution to the dispute.

Fiona Hyslop: Jim Eadie will be aware that it is not ministers' job to interfere with employee-employer relations. However, there are concerns about the issue, which he has raised with me on a number of occasions.

When I met the management and the chair of NMS in March and December last year, I made clear the Government's expectations about the standard, style and tenor of negotiations that should take place. I can say that progress has been made. In addition, I met members of the Public and Commercial Services Union and other trade unions in October and November.

My understanding from the most recent dialogue between the union side and the management in December is that progress has been made in discussions on a number of issues, including bringing forward the introduction of the living wage from August to April and the extension of the no-compulsory-redundancies policy from 2014-15 to 2015-16.

There are issues around the weekend allowance, which was changed in 2011. Staff who already receive that allowance will continue to receive it. The discussions on that are continuing. As recently as December, discussions were held on issues such as rotas, time off and leave.

I absolutely value the contribution that the staff and the management of NMS make. This week, it was announced that the national museum of Scotland was the most visited tourist attraction in Scotland for the fourth year in a row. We should all put on record our thanks to the staff in particular, but also to the management, for contributing to that success.

Sarah Boyack (Lothian) (Lab): There still appears to be a challenge when it comes to the minister's general aspirations and support for our magnificent museums service and the reality of the staff's day-to-day experience. I raised the increase in part-time working in the museum with the minister last year, when she said that she could not take a prescriptive interest in the conditions of staff.

Having well-trained and committed staff is an issue given the cost of living in Edinburgh. PCS members have major concerns that their terms and conditions have been limited and that that is causing major hardship for many of the staff.

Fiona Hyslop: As I set out, nobody's pay has been reduced as a result of the decision that was taken back in 2011. I agree that it is important that we have good and constructive relations between management and trade unions and that we have on-going dialogue. I have facilitated and encouraged that.

In my answer to the first question, I did not relay the fact that NMS shop staff, who are not party to Government pay policy, are now receiving the living wage, because the management recognised that that was the right thing to do.

Across the board, progress is being made. I know that there are frustrations, some of which are historical, but I am certain that the commitment that the management have given me to engage constructively, particularly with local PCS members, will be taken forward. I will monitor the situation closely.

Tax Avoidance

4. Patrick Harvie (Glasgow) (Green): To ask the Scottish Government, in light of the First Minister's comment that there should be "zero tolerance" on tax avoidance, what policy changes it plans to make. (S4O-04054)

The Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy (John Swinney): The Scottish Government is determined to act decisively on tax avoidance where we have powers to do so. Tax avoidance is not welcome in Scotland. We have legislated for a general anti-avoidance rule for the devolved taxes, which is significantly wider than the United Kingdom's general anti-abuse rule, and that will enable Revenue Scotland to take robust action to counteract tax avoidance. As I have said previously in the Parliament, the Scottish Government is always open to considering ways in which we can strengthen our already robust approach to tackling tax avoidance in relation to devolved taxes.

Patrick Harvie: The Deputy First Minister was right to put a general anti-avoidance rule at the heart of Revenue Scotland's approach to its work from day 1, and I commend him for that decision. However, we could do other things, even with devolved powers, to show that we have a zero-tolerance approach. Does he agree that individuals or companies that engage in tax avoidance, for example through the use of tax havens, should be debarred from public appointments or from taxpayer-funded grant schemes such as regional selective assistance? Would that send the right signal that a zero-tolerance approach is being taken to tax avoidance in Scotland?

John Swinney: There is a commentary that generally says that the Scottish Government has taken a very strong approach—Patrick Harvie complimented me on it—in the earliest decisions that we have taken on tax collection, to make it absolutely clear that we will tackle tax avoidance wherever we can identify it. By setting the bar as high as we have set it with the general anti-avoidance rule, we aim to do that.

As I said in my opening answer, I am certainly prepared to consider other measures to ensure that we properly tackle tax avoidance. If Mr Harvie has particular suggestions to make, I will consider them, as I have made clear to Parliament on all occasions that I will consider suggestions.

Lewis Macdonald (North East Scotland) (Lab): Does the cabinet secretary agree with Dave Watson of Unison, who has suggested that the tax practices of potential contractors should be taken into account in Scottish Government procurement decisions?

John Swinney: As Mr Macdonald knows, the Government has to observe a wide variety of considerations in relation to procurement decisions, which are principally informed by the obligations of our participation in the European Union. However, as I have made clear, we can legislate to establish the highest degree of intolerance of tax avoidance. We have done that with the general anti-avoidance rule, and we will seek to apply that in whichever circumstances we can.

Malawi (Scottish Government Support)

5. James Dornan (Glasgow Cathcart) (SNP): To ask the Scottish Government whether it will provide an update on the work it is supporting in Malawi. (S4O-04055)

The Minister for Europe and International Development (Humza Yousaf): Since the signing of the co-operation agreement in 2005, the Scottish Government has provided more than £53 million to development work in Malawi. On 28 January, I announced £9.2 million of new funding for 20 development projects in Malawi.

The member will be aware from his recent visit that torrential rain has had a terrible impact through flooding in many parts of Malawi. The Scottish Government contributed £150,000 towards the initial relief effort, and we are considering what other contributions we can make. If the member keeps his eye open after First Minister's question time, he will see that we have given funding to smaller Scottish non-governmental organisations for smaller grants. Some of those are in Malawi.

James Dornan: As the minister mentioned, I visited Malawi recently. At Matindi primary school,

I was lucky enough to see a fantastic example of the work that Mary's Meals does throughout the country. That project is supported by Holyrood secondary school, which is my old school, and Langside primary school, which is in my constituency. How is the Government ensuring that those links continue to flourish? Does he agree that those links, which primarily benefit the children of Malawi, are also of huge importance to pupils from Scotland who have the privilege to assist in those projects?

Humza Yousaf: I agree with everything that the member has said.

Mary's Meals has a collective, universal appeal across the chamber because of the simplicity of what it does and its great impact on the ground, and I am pleased that successive Scottish Governments, including our own have provided support to it.

I very much accept the member's point that the development is two-way. We have to ensure that we teach our children about being a good global citizen and global citizenship, as the current curriculum does. We hope to do that through the funding that the Scottish Government has given to development education centres across Scotland.

That is important because we want Scotland to be known as a good global citizen. Although there will always be people who will comment negatively on giving overseas aid to the poorest, if we embed being a good global citizen in our children now, I hope that, when they have children and grandchildren and so on, the work will continue for future generations.

Jamie McGrigor (Highlands and Islands) (Con): Will the minister give an update, please, on the success of the Malawi renewable energy acceleration programme, which is funded by the Scottish Government, and will he say whether it has met the aim of empowering the targeted communities?

Humza Yousaf: Yes, I am delighted to do that. I will send the member the full brief on the outcomes and what people have managed to achieve.

The programme has been one of our most successful programmes in Malawi. I saw it myself when I went to the polytechnic in Blantyre. I saw the range of renewable solutions that are helping the poorest on the ground through our innovation in Scotland. There were excellent real-life stories. As a result of the Malawi renewable energy acceleration programme, for example, a woman in a town near Mulanje mountain became the first person in that town to give birth in a room with a light in it. That was in the 21st century, of course; I was there in 2014. That is the kind of thing that MREAP is doing. There are not just strategies,

documents and funding programmes; lives are being changed on the ground.

On Jamie McGrigor's wider question, I will send him the full details of how MREAP has successfully progressed.

Burntisland Fabrications (Jobs)

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

To ask the Scottish Government what discussions it has had with Burntisland Fabrications Ltd regarding reports of potential job losses.

The Minister for Business, Energy and Tourism (Fergus Ewing): The Scottish Government is concerned to hear of potential redundancies at Burntisland Fabrications. I appreciate that this will be a difficult time for the company's employees and their families.

Scottish Enterprise met the BiFab management on 13 February, and the proposed job losses were raised at that meeting. The local partnership action for continuing employment chair has also met the company and has provided information on the tailored support that can be made available to any employees who are facing redundancy.

Claire Baker: Would the minister be happy to meet me and BiFab to support the company during this difficult time? As the minister recognises, the company is facing a number of redundancies and it is causing great concern for the current workforce. No one wants to see job losses and we must do all that we can to ensure that BiFab has the skills and capacity to deliver on new contracts. What action will the Government take to support BiFab in its efforts, particularly in securing some of the forthcoming Department of Energy and Climate Change contracts and in helping to grow the energy park?

Fergus Ewing: First, Scottish Enterprise has invested £24 million in the energy park alongside Fife Council. Secondly, Adrian Gillespie met John Robertson at BiFab on 13 February. A number of positive actions that were discussed at that meeting will be taken forward. Thirdly, I am in virtually constant contact with companies that are involved in offshore wind and oil and gas sector markets that BiFab has already succeeded in winning business in, and I will continue that contact.

Fourthly, I have visited BiFab in Burntisland and in Arnish in the Western Isles, where Highlands and Islands Enterprise has also supported the company. Fifthly, we have put in place an apprenticeship scheme to ensure that any apprentice in the oil and gas sector who is made redundant is able to complete their job training. A financial incentive of £5,000 will encourage another employer to recruit the apprentice.

We are doing as much as we possibly can. We value the work that BiFab does. We will continue to work very closely with that company and its team to do everything possible so that it will continue to provide a successful business for Scotland.

Scottish Business Development Bank

7. Gavin Brown (Lothian) (Con): To ask the Scottish Government whether it will provide an update on the establishment of a Scottish business development bank. (S4O-04057)

The Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy (John Swinney): We aim to make an official announcement on the establishment of a Scottish business development bank later in the autumn. The aim of the business development bank is to help to address the needs of those 100,000 small and medium-sized enterprises in Scotland who employ staff and to grow the number of high-growth businesses that Scotland needs.

Gavin Brown: The bank was announced for the first time almost two years ago. Given that the Scottish Government said that it could start a new country within 18 months, can the cabinet secretary tell us how big the bank will be and when it will actually be open for business?

John Swinney: I would have thought that Mr Brown might have welcomed the progress that I have just described. He is always keen to hear about progress when I set it out to Parliament, and I have told him that we plan to make an official announcement in the autumn.

As Mr Brown well knows, there are challenging issues in relation to the interaction of a business development bank with public finances and the rules under which we have to operate within the precious United Kingdom. As a consequence of that, we have to tread with great care to make sure that we make decisions and take actions that are consistent with the accounting framework within which we have to operate.

I have been wrestling with those issues for some time, and I continue to do so. As soon as I have some answers, I will share them with Mr Brown. He will be one of the first to know.

PFI and PPP Costs (Edinburgh Western)

8. Colin Keir (Edinburgh Western) (SNP): To ask the Scottish Government whether there is an up-to-date estimate of private finance initiative and public-private partnership costs in the Edinburgh Western parliamentary constituency. (S4O-04058)

The Deputy First Minister and Cabinet Secretary for Finance, Constitution and

Economy (John Swinney): Information on the cost of PFI and PPP projects is updated annually and made available through the Scottish Government website.

The Edinburgh schools PPP bundles 1 and 2 include provision for schools within the Edinburgh Western parliamentary constituency. The revenue cost of both bundles in 2014-15 is anticipated to be £39.2 million.

Colin Keir: Does the Deputy First Minister agree with me that local authorities such as the City of Edinburgh Council would today have far more money to spend on local services if they were not saddled with billions of pounds of debt because of the failed PFI agenda of the previous Labour and Liberal Executive? Is it not about time that those parties owned up to their part in creating this mess?

John Swinney: As I shared with Parliament during the budget process, the total repayment on PFI contracts in 2014-15, for the whole of Scotland, is £952 million. It will breach the £1 billion level in 2017-18.

What I cannot understand is why my predecessors in office decided to saddle the country with PFI debts when they were leaving budgets unspent in the possession of Her Majesty's Treasury at exactly the same time. When we came to office, £1.5 billion of expenditure was unspent by our predecessors. That demonstrates a lack of financial competence by our predecessors, and it shows their lack of interest in investing sustainably in the interests of our country.

The Presiding Officer (Tricia Marwick): Before we move to the next item of business, members will wish to join me in welcoming to the gallery Her Excellency Sylvie-Agnès Bermann, the ambassador of France to the United Kingdom. [Applause.]

First Minister's Question Time

12:00

Engagements

1. Kezia Dugdale (Lothian) (Lab): To ask the First Minister what engagements she has planned for the rest of the day. (S4F-02614)

The First Minister (Nicola Sturgeon): Engagements to take forward the Government's programme for Scotland.

Kezia Dugdale: The people who work in our national health service perform heroics every single day, but they are under pressure like never before. Earlier this week, Dr Martin McKechnie, Scottish vice-president of the Royal College of Emergency Medicine, said that the NHS in Scotland is suffering from

"a hospital and medical service crisis."

He said:

"We are doing the damn best we can. But it is awful for patients and families and awful for staff."

Does the First Minister think that Dr McKechnie is wrong?

The First Minister: No. The Government listens very carefully to Dr McKechnie. We are taking his advice. He is assisting us with the work that we are doing to try to improve conditions in our accident and emergency departments and on unscheduled care generally. Of course, Dr McKechnie said:

"what the SNP Government have done, to their credit, is help us with the number of consultants, which has gone from 120 to 190."

That was a quote from the *Daily Record* earlier this week.

When our NHS faces challenges, as it undoubtedly does, it is the role, job and responsibility of the Government—of me as First Minister and of the health secretary—to work with our front-line health staff and with health boards to equip and support them as they face up to those challenges.

However, waiting times are down significantly under this Government. That is a fact. The NHS is performing now much better against tougher targets and in the face of rising demand than it was when the previous Labour Administration left office. For Labour to deny that does not do a disservice to the Government; it does an enormous disservice to the thousands of front-line staff who have worked so hard in our NHS to deliver these improvements. We have work still to do, but let us all acknowledge the progress that

has been made in our NHS since the Government took office.

Kezia Dugdale: I have come to the chamber many times now and told the First Minister that she cannot rely on things that Labour did eight years ago as an excuse to get out of the problem that she is in today. If she does not listen to me, she should have a read of Iain Macwhirter, writing in today's *Herald*, who says:

"When politicians blame the previous administration, you know there's a problem.

When they blame an administration that left office eight years ago, you suspect there could be a crisis."

That is from Iain Macwhirter, who is no friend of the Labour Party.

We have an NHS at breaking point. The usual Scottish National Party solution of sticking a plaster over the wounds will not do—serious treatment is required. On Tuesday, the SNP Government's own figures showed that Scots are waiting longer for treatment than they were promised by the First Minister, with more than 10,000 people waiting over four months for treatment. Thousands of Scots with a legal right to treatment are not getting it in the time that they were promised. Only in the world of the First Minister is the SNP doing a good job of running the NHS.

Colin Howie, president of the British Orthopaedic Association and a leading surgeon, said:

"We no longer have a short winter bed crisis. Surgical cancellations happen throughout the year because of the lack of facility. It is a bed crisis."

Does the First Minister think that Colin Howie is wrong?

The First Minister: I listen, and will always listen, carefully to NHS professionals, but I am quite staggered to listen to a representative of the Labour Party talk about declining acute bed numbers, when acute bed numbers declined in every single year of the last Labour Administration.

Acute medical beds—[*Interruption.*]

The Presiding Officer (Tricia Marwick): Order.

The First Minister: Acute medical beds, on the other hand, have slightly increased over the past year.

I will say very firmly that it is not about seeking to blame anybody when we record and acknowledge—[*Interruption.*]

The Presiding Officer: Order.

The First Minister: —the significant progress that our NHS staff have made over the past number of years.

Kezia Dugdale mentioned the esteemed journalist Iain Macwhirter. In his column this morning, Iain Macwhirter mentioned delayed discharge. We have a challenge in delayed discharge, but let me illustrate my point about the progress that has been made. In October 2006, 908 patients were delayed more than four weeks; in October 2014—the latest stats that we have available—that was down to 321 patients, or down by two thirds. Let us look at something else: the average length of delay—it has come down from 69 days in October 2006 to 30 days in October 2014. Yes, we have work to do, but progress has been made and to deny that progress is to deny the achievement of our NHS staff.

On in-patient waiting times, our NHS provided more than 1.5 million in-patient and day-case treatments in the past year. Of those who were covered by the treatment time guarantee over the past year, 9,000 patients waited longer than 12 weeks—that is less than 3 per cent. By contrast, in the last year of the Labour-led Administration—[*Interruption.*]

The Presiding Officer: Order.

The First Minister: —if we look at all planned in-patient, diagnostic and day cases, more than 129,000 patients waited more than 12 weeks. I will continue to discharge the obligation and the responsibility that my Government has to support the NHS so that it can make progress, but I will not stand here and allow Labour to trash the achievements of our NHS staff.

Kezia Dugdale: That was dire and there was not a word of comfort in it—not a crumb of comfort—for a pensioner lying on a trolley in an A and E ward last night. [Interruption.]

The Presiding Officer: Order.

Kezia Dugdale: We learned this week that some of the most vulnerable Scots are being let down by the SNP Government. Young Scots with mental health problems are waiting more than six months to get the treatment that they so desperately need. Whether someone is visiting A and E, waiting to get a hospital bed or planning for an operation, there are problems all across our NHS.

Suzanne Hunter, a dedicated nurse from Clackmannanshire, said:

"This winter the NHS reached breaking point because we simply don't have the resources. Our NHS needs real help now."

Does the First Minister, like other nationalists, think that Suzanne Hunter is wrong?

The First Minister: For the avoidance of doubt, I do not think that any healthcare professional is wrong when they talk about the health service; I

think that Labour politicians are wrong when they talk about the health service.

Let us look at the issue of resources. There is still work to do, of course, but all the improvements that I have outlined that our NHS staff have delivered over the past number of years have been possible because of the resources that we are making available to our health service. Three billion pounds a year more is being spent on our health service than when we took office. The health service budget is now more than £12 billion for the first time. Next year alone, there will be £383 million more in the health budget than there is this year. There are nearly 10,000 more people working in our NHS today than there were when Labour left office.

I will continue to discharge my responsibility and my Government's responsibility to improve the health service further. I am not standing here and saying that there are no challenges in our health service and that there is not more work to be done. However, I will defend the achievements of our health service staff, because those achievements are considerable. Against tougher targets and in the face of rising demand, our NHS is performing better today than it was under Labour so, instead of trying to trash that performance, we should thank our health service staff for what they are doing.

Kezia Dugdale: It is NHS staff who are telling the First Minister that they do not have the resources that they need to do their job.

This week, the First Minister will mark 100 days in office, but she has been at the heart of the Government for more than 3,000 days. The SNP might see that as a landmark and a chance for a lap of honour, but what exactly is the First Minister's record on the NHS? It is targets missed, an A and E crisis, fewer beds, thousands of patients waiting months on end for the treatment that they need, and dedicated NHS staff warning of chaos.

We have expert staff and patients on one side who are exposing the crisis in our NHS, and on the other side we have the SNP Government refusing to take responsibility. With our NHS on life support, when will the First Minister listen to the experts and start to take the crisis seriously?

The First Minister: Kezia Dugdale does not do a disservice to me or my Government with language like that. She does a disservice to the hard-working men and women in our NHS, who every single day of the week work hard to treat the vast overwhelming majority of patients within the tougher treatment time guarantees that this Government has introduced.

What is the Government's record on health? It is lower in-patient waiting times, lower out-patient

waiting times and fewer delayed discharge patients than under the previous Labour Government. There is much, much more to do, but considerable progress has been made. When Labour was in office, not only did it not meet its less stringent waiting times, it privatised an entire NHS hospital, which this Government brought back into the NHS. I think that the people of Scotland and the staff of our national health service will choose to continue moving forward with the SNP Government rather than going backwards with Labour.

Prime Minister (Meetings)

2. Ruth Davidson (Glasgow) (Con): To ask the First Minister when she will next meet the Prime Minister. (S4F-02615)

The First Minister (Nicola Sturgeon): No plans at the present time.

Ruth Davidson: The Scottish Government is bringing forward fresh plans for land reform. Some of those plans we support, but family farmers are telling us that we need to look at much of the plans again. They are not the only ones: this morning, the Royal Institution of Chartered Surveyors added its name to the criticism and said that the current plans ignore what should be the primary purpose of agricultural land: namely, to produce food. That echoes the criticism from NFU Scotland and comes on top of the warning from the Scottish Government's own review group that the taxpayer could be stung for millions of pounds in compensation when farms are broken up.

There is a real risk that less food will be produced in Scotland, which will lead to less food security, and that the taxpayer will be stung for compensation in order to make land reform happen. That is the warning. Why are all those people wrong?

The First Minister: When the "Review of Agricultural Holdings Legislation" report was published, it was warmly welcomed by a wide range of stakeholders.

The food policy was first introduced by Richard Lochhead, as the responsible minister. Of course, food and drink production and exports, and the contribution that they make to our economy, are a significant success story.

With regard to land reform, Scotland's land makes a huge contribution to our society and to our economy, but I believe that the people of Scotland want the land to be owned and used for the benefit of the many, not the few.

I have said on a number of occasions that responsible landowners have nothing to fear from our land reform agenda. In direct response to the opinions that Ruth Davidson mentioned, I say that

we will continue to enter dialogue with all those who are interested in the subject. We will listen and respond, and we will in due course introduce legislation that we consider meets the needs of people across Scotland.

Ruth Davidson: I am talking about food in our shops: the price of a Scotch beef beefburger. I am talking about family farms being broken up and taxpayers being stung for millions of pounds in compensation. That is really fundamental stuff, and the First Minister should have an answer. I have heard the ideological case for land reform, but I have never heard a practical case for it.

When serious players in the industry are telling the Scottish Government that it is pushing through the changes without giving any thought to food production, then it is clear that the policy is about dogma rather than being about making our countryside work. Let me ask the First Minister this: what actual hard evidence exists—which we have, I presume, not seen yet—that shows that her plans will make farming in Scotland more productive, give us more food security and lead to lower prices in the shops for ordinary families? There is none.

The First Minister: First, what we are proposing is not about breaking up family farms. That suggestion is absolute nonsense. *[Interruption.]*

The Presiding Officer: Order.

The First Minister: One of the big problems that tenant farmers face is the ability to get land. In my view, the people who are being ideological about this issue—not for the first time—are the Tories, who have stood in the way of land reform. The principles behind our land reform agenda are transparency, diversity and ensuring that the land of this country, which is one of our greatest assets, is used for the benefit of the many, not the few. I think that those are principles that the majority of people in Scotland, including those who work our land, would get behind. It is the Tories who are out of step on this agenda, not the Government. Perhaps we will see that more vividly as the legislation passes through Parliament.

Stop and Search (Research)

3. Alison McInnes (North East Scotland) (LD): To ask the First Minister what the Scottish Government's response is to claims that its officials and Police Scotland sought to influence the content and publication of Kath Murray's PhD research into the use of stop and search. (S4F-02619)

The First Minister (Nicola Sturgeon): The research that was carried out by Kath Murray was co-funded by the Scottish Government. In line with standard practice, the Scottish Government was

invited to provide comments on the research, so Government analysts provided factual comments on technical issues. Ms Murray approached Scottish Government officials seeking views on the publication date in order to avoid scheduling clashes. I understand, though, that the final date of publication was decided by her.

Alison McInnes: I think that people will be surprised that this is considered standard practice by the Government. Government officials and spin doctors persuaded an academic to delay publication of her damning research on stop and search for two days. They then embarked on a frantic round of emails and discussions to create a ministerial event that was designed to rubbish the report, and they held it during those two days. The emails show the First Minister's justice department manipulating all that.

Government is a powerful force, but academic freedom is a precious guard against an overmighty state. Scottish ministers and their political advisers overstepped the mark in the matter.

The Presiding Officer: Can we get a question, please?

Alison McInnes: What guarantee can the First Minister give that the behaviour that she thinks is "standard practice" will stop?

The First Minister: First, on a note—I hope—of consensus, I agree with Alison McInnes on the importance of academic freedom. She described it as "precious"; I think that it is sacrosanct. However, there is an exchange of comments, particularly where research is co-funded by the Scottish Government, that is standard practice. The comments in this case were technical.

I will read out one of the comments that were made by Scottish Government analysts.

"Concerns were expressed about the methodological robustness of pulling a main conclusion about 'extent' of usage when comparing (i) one dataset where recording practices are seen as fully recording practice and (ii) one dataset where under-recording is seen as an issue with the data."

That is about technical issues, and that was the nature of the comments that were made.

Again, I hope that there is a degree of consensus between me and Alison McInnes on this, but I think that the important substantive issue now is the future of non-statutory stop and search, on which I had an exchange last week with Willie Rennie. The practice is now under review, with a report to come to the justice secretary by the end of March. I think that we should all welcome that and look forward to a time when the practices around stop and search by the police have the consent and agreement of the Scottish people, which is what we should be aiming for.

Roderick Campbell (North East Fife) (SNP): It is my understanding that the impact of stop and search on police and community relations was not covered in the research. Although I welcome a review of the practice of consensual stop and search, a recent opinion poll suggests that the majority of Scottish voters apparently still support consensual stop and search. Does the First Minister agree that it is important to consider all the appropriate evidence before deciding on the way forward?

The First Minister: I certainly agree that there must be appropriate consultation by Police Scotland on the practice, which is why it has put in place a process and has agreed to update the Cabinet Secretary for Justice on its findings before the end of March.

The short-life working group that has been put in place to review consensual stop and search will meet this afternoon. It includes a broad range of organisations. It is important that the group considers all the available evidence so that we can move forward on the basis of evidence and agreement. That is something that everybody across the chamber should welcome.

Elaine Murray (Dumfriesshire) (Lab): Does the First Minister still have confidence in Chief Constable Sir Stephen House, given that it has been revealed that Police Scotland data has been lost, wrongly recorded, incorrectly disclosed and now manipulated?

The First Minister: Yes, I do; I still have full confidence in Chief Constable Sir Stephen House. Stephen House is leading a police force that is helping to ensure that we have low crime levels in this country. We should all get behind and express confidence in not just the chief constable of Police Scotland but all the police officers who work so hard daily, and who often put their lives on the line for us.

Educational Attainment

4. Jim Eadie (Edinburgh Southern) (SNP): To ask the First Minister what steps the Scottish Government is taking to raise educational attainment among children from deprived communities. (S4F-02621)

The First Minister (Nicola Sturgeon): Ensuring that every child reaches their full potential whatever their background is at the heart of our ambition for education. That is why we have launched the Scottish attainment challenge, backed up by £100 million, and why we want to expand free nursery early learning and child care to 30 hours a week.

We have also been in discussions with councils on protecting teacher numbers—an issue that we think is vital to school attainment. We have

pledged funding of £51 million for councils that maintain teacher numbers. I am happy to be able to announce to the Parliament today that all 32 of Scotland's local authorities have now accepted our offer and teacher numbers will be protected in 2015-16.

Jim Eadie: Given the role that headteachers have as school leaders in driving up standards and reducing the attainment gap, how will the Scottish Government learn and apply in Scotland the lessons of international good practice? On what basis will schools be able to directly access the £100 million that is available through the Scottish attainment challenge fund to ensure that there are improvements in the areas of greatest deprivation and greatest need so that every child in Scotland has a decent start in life?

The First Minister: Headteachers do a fantastic job and we should value highly the contribution that they make. Strong leadership and the best teachers are fundamental parts of improving attainment and achievement, which is why, on Monday, I announced that a masters qualification in headship will be introduced this year and will become mandatory for all new headteachers from 2018-19.

In our approach, we will continue to be led by lessons from the very best of practice elsewhere. Key education bodies such as Education Scotland, the Scottish College for Educational Leadership and the General Teaching Council for Scotland already play a significant role in seeking out and sharing good practice with practitioners across the country and will work in partnership with the local authorities that are initially involved in the Scottish attainment challenge to develop an improvement plan for their particular context, and then to identify the necessary resources that are required to support that plan.

Iain Gray (East Lothian) (Lab): We welcome the Scottish attainment challenge, although we would like it to go further. On sharing best practice, it has at its heart attainment advisers. In November, the First Minister told the Parliament:

"In the next year, Education Scotland will appoint in every local authority an attainment adviser who will support local action to improve attainment."—[*Official Report*, 26 November 2014; c 25.]

That would be a good idea if it was true. Yesterday, in a written reply, the Cabinet Secretary for Education and Lifelong Learning told me that there will be 12 attainment advisers and they will be appointed by May 2016. That is 18 months to deliver around a third of that welcome promise. If this is a flagship policy, is its flag not down at half-mast barely before it has been launched?

The First Minister: As Iain Gray has just demonstrated, work is under way to meet that commitment to ensure that all local authorities have access to the attainment advisers that will help them to raise attainment.

I would have hoped that this was an area in which we could try to achieve some consensus. *[Interruption.]*

The Presiding Officer: Order.

The First Minister: I have heard comments from members of the Labour Party that I agree with, on the importance of this agenda and some of the practical actions that we have to take to meet it. I know that we are opponents and that we have vigorous and robust debates about the things that we disagree on, but—*[Interruption.]*

The Presiding Officer: Order. Mr Gray.

The First Minister: On this subject—the chances in life for our most vulnerable young people—can we not for goodness' sake join together and work together to achieve? I am up for that. The test will be: is Labour?

Mary Scanlon (Highlands and Islands) (Con): How will the First Minister ensure that the £100 million for attainment will be effective—we all want that—when Audit Scotland states that there is no evaluation of council spend on education and improvements in attainment?

The First Minister: We will work to know that, because the allocation of the £100 million will follow the improvement plans that we agree with each local authority that is part of the attainment challenge. The ways in which we measure progress will be built into those improvement plans.

When we are setting out to tackle attainment and close the attainment gap, it is important that we have ways of assessing that what we are doing is working—or not, so that if what we are doing is not working we can stop doing it and do something else. We should not have bureaucracy for its own sake in our schools, but we should be able to measure progress, and that will be at the heart of the attainment challenge.

Child and Adolescent Mental Health Services

5. Jenny Marra (North East Scotland) (Lab): To ask the First Minister what action the Scottish Government is taking to ensure that children and adolescents receive the mental health services that they need as quickly as possible. (S4F-02626)

The First Minister (Nicola Sturgeon): We have introduced the waiting times target that no one will wait longer than 18 weeks from referral to treatment for access to child and adolescent mental health services. However, when a child or

young person is assessed as needing to access a service more urgently, they will be seen more quickly, sometimes on the same day. Since 2009, we have invested nearly £17 million and the specialist child and adolescent mental health services workforce has increased by 24 per cent. Of course, that is in the context of an increase of over 60 per cent in the number of children and young people seen over the past two years.

Jenny Marra: The figures released on Tuesday do not reflect those waiting time ambitions whatsoever. In my home health board of NHS Tayside, 42 per cent of children and young people referred to mental health services must wait more than six months to be seen. This week, the Scottish children's services coalition said:

"We are at a crisis point and high level strategic management is required in order to get a grip on the situation."

Does the First Minister agree with the Scottish children's services coalition?

The First Minister: I will answer the question about NHS Tayside first, then perhaps make some more general comments.

At NHS Tayside, very long waits have been experienced. They are totally unacceptable, which is why in January NHS Tayside recruited nine additional nursing and medical staff. They have taken up their posts and the CAMHS team is now making an impact on those waiting times.

On the general position, as I indicated in my opening answer, we have reduced the maximum wait target from 26 weeks down to 18 weeks. We have introduced a tougher target in order to drive progress faster. Half of all health boards are meeting that tougher target. Seven health boards—the other half—are not yet meeting the CAMHS waiting times target, but they all have action plans in place. This week the Minister for Sport, Health Improvement and Mental Health spoke to all the board chairs in those seven health boards.

We are right to drive progress and we are right to set an even tougher target, to ensure that we can accelerate that progress. We are right to have put in the resources and we will continue to do the work to ensure that all young people who need the services get them within the time that they should expect to get them.

Jim Hume (South Scotland) (LD): The First Minister mentioned action plans, but actions would be even better. General practitioners recently stated that they are not referring people to therapy, because the therapies are not there to refer to. What is the First Minister's view on that?

The First Minister: I agree with the member that it is action that counts, which is why we are

taking the actions. I will be corrected if I am wrong on this, but I think that we are the only country in the world that has set a target as tough as the one that we have in place. Frankly, the answer that I have just given on NHS Tayside, which in January recruited nine additional nurses and medical staff, is an example of taking action to improve the position on waiting times. It stands to reason that we need the therapies to which to refer patients, and health boards are taking action on that.

This goes back to the answer that I gave Kezia Dugdale earlier: I will never, ever stand here and say that there is not more work to do in the health service, but I will not allow anybody to deny the progress that not this Government but the hardworking staff across our national health service are making month in, month out; week in, week out; and day in, day out. We should all celebrate that and support them to do even more.

Communications (Monitoring and Interception)

6. Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): To ask the First Minister, in light of the recent report of three Muslim girls being encouraged to travel to Syria following apparent contact with Aqsa Mahmood, what action the Scottish Government can take to monitor and intercept communications aimed at encouraging Scottish Muslim girls to travel to Syria. (S4F-02617)

The First Minister (Nicola Sturgeon): First, I am sure that I speak for everyone in the chamber when I say that my thoughts are with the families of these young women and I very much hope that they return safely and soon.

In relation to Christine Grahame's question, the interception of communications is regulated by the Regulation of Investigatory Powers Act 2000. Any interception on the grounds of national security is reserved and a matter for the security services and the relevant secretary of state.

Christine Grahame: Of course, the personal grief of the families must be unbearable. However, parents will know that teenage children are almost by definition secretive and rebellious and how difficult it is not to cross the line into unnecessary intrusion. That said, what specific assistance and advice are being given to the Muslim communities, given that their children might be targeted and seduced by terrorist organisations presenting their cause as glamorous, exciting and just?

The First Minister: Tackling terrorism and violent extremism requires us all to stand together, and we are taking a collaborative approach with communities, partners and organisations. We work closely with a range of organisations on developing initiatives aimed at getting messages, support and advice direct to individuals and

communities, and that includes distributing advice to parents on protecting young people from online radicalisation. Police Scotland will also offer support to any person or family who raises concerns about someone who they fear might travel or has already travelled to a conflict zone such as Syria. However, at this time, the most important message is that, in our wonderful, diverse Scotland, the most important thing that we can do is to pull together and stand together.

Parental Imprisonment

The Deputy Presiding Officer (John Scott):

The next item of business is a members' business debate on motion S4M-12266, in the name of Mary Fee, on "An unfair sentence". The debate will be concluded without any question being put, and I invite members who wish to speak in the debate to press their request-to-speak buttons now or as soon as possible. I also invite members who are leaving the chamber and, indeed, members of the public who are leaving the public gallery to do so quickly and quietly.

Motion debated,

That the Parliament notes the publication of a new report by NSPCC and Barnardo's, *An Unfair Sentence: All Babies Count: a Spotlight on Babies in the Criminal Justice System*; understands that between 3,400 and 4,600 children under the age of two are affected by parental imprisonment in Scotland each year, including many in Glasgow; considers that there has been little focus on how best to meet the social, psychological and emotional needs of infants when their mothers or fathers are in prison; understands that the impact of imprisonment on families makes meeting babies' needs especially challenging; believes that, by understanding these impacts, support can be provided for parents, carers and babies at this critical time in a child's development, and notes the view that, to make a difference there is a need for a national action plan for babies affected by the criminal justice system and careful integration between health, early years and criminal justice agencies.

12:32

Mary Fee (West Scotland) (Lab): I am pleased to speak to my members' business motion on the report by the National Society for the Prevention of Cruelty to Children and Barnardo's, "An unfair sentence—All Babies Count: Spotlight on the Criminal Justice System", which highlights the issue of babies and parental imprisonment and reviews the evidence on how babies are affected by imprisonment, what services are effective and how practice can be improved.

Pregnancy and the first years of a baby's life are important in giving a child a healthy start. Mothers need support and care during pregnancy and, once born, babies need a safe and stimulating environment and a healthy early relationship with their care givers. Not receiving those will lead to adverse effects on the baby's physical, social and emotional development.

There has been no empirical study of the effect of imprisonment on infants in the United Kingdom and the knowledge that is currently available is based on psychological theory. The report details mental health problems for women in prison and their children, and finds that women in prison are five times more likely to have mental health problems than women in the general population and that children of prisoners have at least twice

as high a risk of developing mental health problems as their peers and three times as high a risk of exhibiting antisocial or delinquent behaviour. That can result in intergenerational offending, with an estimated 65 per cent of boys with a parent in prison likely to go on to offend themselves.

The negative effects of parental imprisonment on infant development and future prospects have clearly been identified. However, it is difficult to begin to help this vulnerable group when we do not have exact figures. Estimates show that there are between 20,000 and 27,000 children under the age of 18 who are affected by parental imprisonment in Scotland. Using those estimates, and assuming that the age distribution of children with parents in prison is the same as children in the general population, the NSPCC estimates that between 3,400 and 4,600 infants under the age of three are affected.

There is currently no systematic approach to quantifying how many babies have a parent in prison in Scotland. However, in the Scottish Prison Service's 13th prisoner survey, almost two thirds of female prisoners and half of male prisoners—65 and 52 per cent, respectively—reported having children.

The report specifies some examples of interventions that are delivered in prisons, which are beginning to emerge. However, the success of those schemes to date tends to be judged more on the outcomes for the parent than for the infant. The intervention programmes are being delivered by a range of third sector organisations, including Family Action, the Prison Advice and Care Trust, Mellow Parenting, the NSPCC and the Aberlour Child Care Trust. However, those interventions are not centrally organised and it seems to come down to luck whether the mothers of infants are able to participate in the programmes.

The report by the NSPCC and Barnardo's highlighted six key recommendations on how outcomes can be improved. It says that the Scottish Government should formally identify infants affected by the criminal justice system as a specific vulnerable group; that the Scottish Government should introduce child impact assessments for those who are on custodial and non-custodial sentences; that local councils should develop a system of data sharing between early years services, parenting, family support services and local offender management; that a national framework of outcomes and standards for babies affected by criminal justice should be created in order to integrate maternal and infant health policy, early years services and criminal justice; that the needs of infants who are affected by the criminal justice system should be addressed in children's services planning and the planning of

offender management services in order to co-ordinate those; and, finally, that support based on evidence should be given to parents in prison with a particular focus on promoting sensitive care giving.

In the majority of countries that allow mothers to live with their babies in prison, the maximum age limit is generally three, which is double that of the United Kingdom. Ensuring that babies can live with their mothers while they are in prison can have a positive developmental influence. However, a recent inspection of the mother and baby unit at HMP Cornton Vale branded the unit unfit for purpose, which is a situation that cannot be allowed to continue.

The report is not the first one to look at the wider subject of children who are affected by parental imprisonment. Numerous reports have been conducted by third sector organisations, with each focusing on its own specific angle and contributing to the growing body of research into this issue. Those reports include “Not Seen. Not Heard. Not Guilty” by Scotland’s Commissioner for Children and Young People, which focused on issues with visiting and the actions of the Scottish Government, SPS and local authorities, and the Families Outside report, “The Role of Schools in Supporting Families Affected by Imprisonment”, which focused on education and the impact of the getting it right for every child policy.

As many members might know, I have recently lodged for consultation a proposal for a member’s bill—the support for children (impact of parental imprisonment) (Scotland) bill. The bill would place a statutory duty on the courts to order a child and family impact assessment after a sentencing decision had been handed down. The bill would amend the Education (Additional Support for Learning) (Scotland) Act 2004 to specifically recognise children who are affected by parental imprisonment as one of the two groups—the other being looked-after children—in relation to which it is presumed that a child will have additional support needs.

My proposal is in line with some of the key recommendations that were made by the NSPCC and Barnardo’s in their report, and I hope that it will make a start in providing support for this group of unseen and vulnerable children. I urge everyone who has an interest in this area to respond to my consultation, and I hope that my fellow members can support my proposal.

The report recognises that there has been little focus on how best to meet the social, psychological and emotional needs of infants when their mothers or fathers are in prison. It highlights the impact of imprisonment on families and the fact that it makes meeting babies’ needs especially challenging. However, by understanding

those issues, we can provide support for parents, carers and babies at this critical time in a child’s development.

I thank the NSPCC and Barnardo’s for the help and support that they have given me. I also thank members across the chamber who supported the motion, allowing it to be debated, and I look forward to listening to contributions from across the chamber.

The Deputy Presiding Officer: We are a little tight for time, so I ask members to confine their speeches to closer to four minutes than we would normally expect.

12:40

Dr Richard Simpson (Mid Scotland and Fife)

(Lab): I congratulate Mary Fee on securing the debate. I welcome Fiona McLeod to her new post; I have not heard her speak in the chamber as a minister, and I look forward to hearing her closing remarks.

This is a particularly important area. One of the major problems that we face is the fact that far too many children do not achieve effective attachment, and without effective attachment it is not possible for them to grow up into productive citizens who are free from all sorts of problems. Mary Fee outlined many of those problems.

I therefore begin by recommending to the minister that she and her officials read the recent report of the all-party parliamentary group at Westminster that is entitled “Building Great Britons”, which looks at the 1,001 critical days from conception to age two. It refers to when Tom McCabe was a minister here and to the Scottish efforts to develop early years interventions, which the Government—to give it due credit—has continued on a broad front. However, that work needs to be focused, organised and concentrated on those for whom the attachment risks are greatest.

In order to do that, we must ensure, first, that we have adequate data. How many infants have imprisoned parents? There are guesses around, but no one is certain. How many prisoners are parents to infants? How many female prisoners are pregnant? Who cares for infants when they are separated from their mothers? We must have those data. The numbers suggest that the issues are significant.

The other problem is that, when mothers go into prison, not only are they separated from their children but their families are often highly disrupted. The number of female remand prisoners has risen by over a third since I was a minister. When I was a minister, I endeavoured to tackle the problem of women offenders with the

McLean report. However, frankly, we have made almost no progress since then apart from the measures that I introduced, such as the time-out centre and making sure that women fine defaulters do not go to prison. Those figures have gone down significantly, but the number of women on remand has gone up massively. We also need to think about not just the women offenders who have children but the fathers, because one of the problems is that, when fathers are involved, their disengagement from the process of parenting makes a huge difference.

The all-party group report to which I referred looks at the number of specialist perinatal teams that exist across the United Kingdom. Many areas and regions that have smaller populations than Scotland have up to five such specialist teams; Scotland has one. If we are to have leadership in the area, we need more of those specialist perinatal teams.

I recommend that the Government consider the recent initiative in the Forth valley area to develop the Butterfly Baby Clinic's parent-infant partnership, to which the UK Government will contribute £100,000. It is a mechanism that helps parents to understand the profile and portrait of their own child and to engage in attachment. I know that the minister is very interested in that and I hope that she will consider supporting the development of the Butterfly PIP not just for the Forth valley area but for the whole of Scotland. It helps parents to recognise the signs in their children of needing consolation and needing to be fed, and it covers all the body language responses that they may have. That is critical, particularly in the group of women in prison who have additional needs, such as those with poor mental health.

Presiding Officer, you asked us to confine ourselves to four minutes, so I will conclude by saying that substance misuse—involving both alcohol and drugs—is a big problem and I look forward to hearing from the minister, fairly soon, what progress has been made on foetal alcohol syndrome, which is another contributory factor in poor attachment.

The Deputy Presiding Officer: Thank you for your brevity.

12:44

Kenny MacAskill (Edinburgh Eastern) (SNP): I, too, thank Mary Fee for, in particular, bringing this debate to the chamber and, in general, her work not only on babies but on children. The topic is one that Aileen Campbell, who is on maternity leave from her post as Minister for Children and Young People, often raised in Parliament. Mary Fee has picked it up and run with it. I have no doubt that Fiona McLeod, the temporary Minister

for Children and Young People, will support her motion.

There is something fundamentally tragic about this issue. Sometimes, because of the nature of the offence, the situation cannot be avoided. However, anyone who, like me, has ever seen the mother and baby unit has seen the tragedy in it.

The issue is significant. I always remember the statistic that I have perhaps found to be the most shocking: more children in Scotland will suffer the imprisonment of a parent than will suffer the divorce of a parent. I did not believe that on first hearing, but I am told that that is the case.

We know the effect that parental imprisonment has on babies and children, as Mary Fee and Richard Simpson mentioned and as the minister will doubtless comment on. The work of Harry Burns and others is quite clear about the effect of alienation. Indeed, almost half of the children of women in Cornton Vale will go on to be prisoners. That is a shameful statistic, which is damning for us all as a society. Stigmatisation and pressure also affects their children, partners and other family members. We must always remember that those children have committed no offence; they have been convicted of no crime. They are guilty of absolutely nothing other than being the child of or having a relationship with someone who has offended, and that has to be taken account of.

We should view the glass as half full, not half empty. Good work has been done. The work of external third sector agencies has been mentioned. Faith groups in particular have done good work, not simply in their work with children but on family centres. That has changed the whole nature and attitude around going to the prison estate.

Some issues cannot be dealt with; we can only mitigate them. At the end of the day, visiting a prison is, fundamentally, visiting a secure institution. That cannot be changed. We must also be realistic in our expectations of such an institution. Prisons cannot be a hospital, a college, a nursery, a crèche and an academic institution and expect to match all those sectors in the outside world. However, they do a remarkable job in ensuring that they provide as best they can for the multiple issues that must be dealt with.

The SPS has taken that on board and, as I said, with the work of the faith groups, family centres have changed. Good work has been done not only on imprisoned parents' relationships with babies, but in other areas. That includes work on literacy and reading, and the work in Saughton prison on male prisoners' interactions with their children. That work is replicated elsewhere as something to be supported. There is even the use of the Boys Brigade or the scouts—I cannot remember

which—at Low Moss prison to try to normalise what can never be a normal situation: visiting a parent in prison. All that is testimony to the good work that is on-going.

As members have said, work still has to be done. I have no doubt that the minister will acknowledge, as does the SPS, that progress has been made. However, more information must be found, because we are in uncharted waters. Fundamentally, we must remember that we can mitigate and do as much as we can to normalise the situation but, at the end of the day, visiting anyone or having a child in prison is an abnormal situation. The best solution is that people do not go to prison in the first place.

12:49

Jayne Baxter (Mid Scotland and Fife) (Lab):

The NSPCC and Barnardo's report is invaluable. We should be grateful to them for undertaking the work to produce it. We should take heed of the considered recommendations that it contains.

A child's future is heavily influenced by their time in the womb and the environment that surrounds them as an infant. Young children are heavily influenced by their surroundings. It is tragic to think of babies growing up in prisons and in care due to parental imprisonment. They are innocent victims, and the criminal justice system should do everything possible to mitigate the harm that they experience.

One of the report's most worrying findings is that there is insufficient data on the scale of needs. It is unacceptable that there has been little improvement in the quality of the data since a United Kingdom Government review in 2007 described children of prisoners as "invisible".

Every year in Scotland, tens of thousands of children and young people under the age of 18 are affected by parental imprisonment. The report's approximation that between 3,400 and 4,600 infants a year are affected by parental imprisonment is horrifying. It is unacceptable that estimations are necessary; that information should be collected and reported.

Almost two thirds of female prisoners and more than half of male prisoners are parents. There is a body of evidence that those who are pregnant require a significantly higher level of medical intervention. The fact that two further mother and baby units are planned for the Scottish prison estate is a welcome development. Sadly, there is no mother and baby unit in Fife. I would like that issue to be addressed in future.

Pregnant women need flexibility in relation to their healthcare and other practicalities. Simply because a woman is in prison, it does not mean

that she does not need that flexibility. Although some pregnant women have committed very serious offences and need to be in prison, we must take into account the impact that the conditions in which they are held have on their children.

The report raises the problem of parental contact when a parent is in prison. Failure on the part of prisoners to maintain regular contact with their children is a serious barrier to successful post-release reunification, and failure successfully to reunite with a child is detrimental to the wellbeing not only of that child but the parent, which reduces the likelihood of rehabilitation and increases the likelihood of recidivism.

The recent development by the Scottish Prison Service of a national framework for setting standards for parenting in prisons is a welcome development. However, the reality is that, with downward pressure on budgets in criminal justice, the strategy outlined in the framework may exist only on paper. Although the support required for parents in prison and their children is costly, it is clearly in line with the Scottish Government's stated strategy of preventative spending.

Once an imprisoned mother gives birth to her baby, the baby is often taken into care. That is not done lightly. The report notes that, in the 12 months up to September 2013, six of the eight babies born in prison were taken into care.

We must also, as in so many cases, respect kinship carers. Relatives—often grandparents—step into the breach to care for the children of imprisoned parents. Family support workers, who work hard to provide as much support as possible to kinship carers, can offer them invaluable help. The report finds that provision to be "sparse and inconsistent". Sadly, that is just one of the many ways that kinship carers are let down by the system.

Some aspects of what we do in Scotland are positive. It is a good thing, for example, that the national health service in Scotland is required to provide to mothers in prison the same healthcare, including antenatal care, that is provided in the community. We should welcome the fact that two new mother and baby units are to be built here and that we do not routinely reject applications from mothers to attend them, unlike in other parts of the United Kingdom.

Obviously, this issue also affects men, but the primary focus must be on women. We should bear in mind a key finding of the Corston report:

"Women and men are different. Equal treatment of men and women does not result in equal outcomes."

According to a related report from the Quakers, women are more likely than men to be held on

remand. The impact that that can have, even on those who are acquitted, is enormous. As the Quakers report outlines,

“she may have lost her job, her home or her place on mental health or drug rehabilitation programmes in the meantime. For children, having a mother placed in pre-trial detention has many of the same effects as having a mother imprisoned following conviction.”

I am pleased that this issue has been brought to the Scottish Parliament. The report shows us that there is insufficient reporting and that there are statistical requirements. The other core recommendations contained in the report are sensible and measured. The essence of the problem is that we do not have enough information and statistics on the issue, and we do not have co-ordination and planning on it.

12:54

Margaret Mitchell (Central Scotland) (Con): I thank Mary Fee for bringing an important debate to the Parliament. There is no doubt that the impact on a child of the imprisonment of a parent is an issue that, at best, has for far too long not been given the prominence that it should have and, at worse, is virtually ignored.

On statistics, it is alarming and concerning that in Scotland a staggering 27,000 children each year experience a parent's imprisonment. To put that in perspective, as Kenny MacAskill said, that equates to about twice as many children as experience a parent's divorce.

As the motion recognises, imprisonment affects the whole family in a number of ways. For example, children are likely to move house quite frequently, which can mean changing schools and being separated from friends. Often, multiple care arrangements have to be put in place, which can result in the family being separated and siblings having to live apart.

Imprisonment often attracts high-profile newspaper coverage about the individual and their crime. As teachers will testify, the trauma, the deep shame and, sometimes, the bullying that the children then experience are clear to see and can result in a deterioration in behaviour and performance in school. In the worst-case scenario, they might develop into mental health and physical problems.

Clearly, as the motion highlights, there are social, psychological and emotional impacts on the children as a result of a parent being imprisoned. Those issues are simply not being sufficiently addressed, which is why there is a desperate need for assessments of the impact on children to be undertaken at the point of sentencing.

Therefore, it is disappointing that Dame Elish Angiolini's commission on women offenders did

not make a distinct recommendation on child impact assessments. It did not do so because such assessments are included in criminal justice social work reports, but those reports are not carried out for every case, and nor do they always include detailed information about family circumstances or the impact on dependants.

The NSPCC and Barnardo's are to be congratulated on the new report “An unfair sentence”, which analyses and highlights the detrimental impact of a custodial sentence on children under two. Equally worrying is the Barnardo's statistic that 65 per cent of boys who have a parent in prison will go on to offend.

I very much welcome the fact that, with her proposed member's bill, Mary Fee seeks to address the adverse impact on children of a parent being imprisoned. It is also important that, at the point of sentencing, child impact assessments are available to judges and that they have regard to them. I was encouraged that the new Cabinet Secretary for Justice recognised that point.

12:58

Hanzala Malik (Glasgow) (Lab): I thank Mary Fee for bringing the National Society for the Prevention of Cruelty to Children and Barnardo's report, “An unfair sentence—All Babies Count” to the Scottish Parliament's attention. It is a pleasure to give my full support to the motion.

Childhood and, in particular, infancy are crucial stages of development in a person's life. As we now know, every year in Scotland, between 3,400 and 4,600 children under the age of two have a parent in prison. Time in prison is sometimes unavoidable, but we need to avoid children suffering for their parents' wrongdoing.

The report by the NSPCC and Barnardo's shows the need to improve the recognition and identification of, and action for, vulnerable children among us. In addition, further research is needed on the development of under-threes with parents in the criminal justice system.

One would hope that all children in Scotland could have healthy and happy lives. Unfortunately, some infants, such as those mentioned in the report, have the dice loaded against them practically from the start of their lives.

The issue of women in the criminal justice system has been a concern for some time. Glasgow City Council has created the Glasgow community justice authority to monitor and assist local partners in providing justice services to the community and to reduce reoffending. Such organisations can provide the basis for support

and future research into the needs of babies whose parents are in the criminal justice system.

I support Mary Fee in her pursuit of a response on the issue, given the tragic reality that many children are facing, as the report informs us. I will be very interested to hear what the minister intends to do in view of the report and today's debate.

It is clear that more needs to be done to protect our young in society. We are talking about young children and infants whose needs are camouflaged, who are not on the radar and who cannot readily be identified. They grow up facing a great many challenges. As a result, they can be seriously disadvantaged in society. Therefore, it is critical that we take all steps and measures to ensure that we do not allow them to fall into the traps. As a community and as a Parliament, we have a moral responsibility to ensure that they are safeguarded, and I hope that the Government will assist Mary Fee with her bill, which aims to achieve that goal.

13:01

Alison McInnes (North East Scotland) (LD): I, too, congratulate Mary Fee on securing the debate, which follows on from yesterday's joint meeting of the cross-party group on children and young people and the cross-party group on families affected by imprisonment.

I thank the NSPCC and Barnardo's for their valuable contribution. Although their report builds on earlier work, including the Corston and Angiolini reports, the statistics and analysis still make stark reading, as other members have highlighted. Up to 4,600 children under the age of two are affected by parental imprisonment each year in Scotland, and two thirds of female prisoners and half of male prisoners report that they have children. Those children are at at least double the risk of developing mental health problems and are three times more likely to be involved in antisocial or delinquent behaviour.

The report highlights areas of good practice, but it also sets challenges for the Government, the Scottish Prison Service, the national health service and other partners. The first and most important of those challenges is to recognise that infants who are affected by criminal justice processes are a vulnerable group. They need to be identified and there needs to be greater awareness of their needs. In addition, a national action plan needs to be introduced to ensure that there is a co-ordinated multi-agency response.

I know that Mary Fee seeks to secure progress on a number of those action points through a member's bill. I commend her for that and am happy to support her in that work. She might want

to consider whether the impact on infants should be understood even earlier on in the justice system—for example at the remand stage.

Parental contact during the early years is invaluable. That is when bonds are forged and stable loving relationships are established. Parents need those opportunities to develop their skills and to gain confidence and self-esteem. As Sir Harry Burns has said:

"Unless we look after children properly, nurture them consistently, support them and their parents, who often don't know how to be parents, we will continue to fail and we will continue to reap the consequences in terms of criminality and poor health."

That is why I want greater emphasis on the development of parental life skills for those for whom prison is the only appropriate disposal. One in three young men in Polmont is a father or an expectant father. We need to equip them for that role. We also need to provide more peer support for the handful of women who give birth behind bars each year, and who are deprived of the shared learning opportunities that other parents normally have at that time. Perinatal healthcare for them needs to be brought up to the standard that applies in the community.

I was also pleased that the report highlighted the potential to extend compulsory statutory throughcare services, which are currently afforded only to those who serve sentences of four years or more. That would support thousands more parents during their release, and it would make families more resilient and improve reintegration.

Of course, the best way to limit the impact of parental imprisonment is in the first place to reduce the numbers who are imprisoned. The collateral damage of sentencing policy is currently not measured or considered nearly enough. Just a third of women who are remanded in custody go on to receive a custodial sentence, and in 2011-12 four fifths of the women in question served sentences of six months or less. Thousands of children are needlessly left behind each year because their mothers and fathers are given ineffective and disruptive short-term stints in custody. Alternatives such as community-based justice programmes and diversion-from-prosecution projects are often more successful in reducing reoffending. They are not soft options, but they help to preserve familial links and to limit the damage on dependent children.

We need to identify those in need and break the cycle of intergenerational trauma. There is only one chance to get this right for each and every child. A whole-family approach to the delivery of justice would not only protect the rights of children; it would also send a clear message that their needs must not be an afterthought.

13:05

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): I congratulate Mary Fee on lodging an important motion and I welcome the report, with its focus on babies and the criminal justice system, which can disastrously disrupt a young child's relationship with a parent at a particularly crucial time in his or her life.

I said "parent", but we need to focus on mothers, because the report tells us that three quarters of children stay with their mother when their father is in prison, but only 5 per cent of children stay in the family home when the mother is in prison. Therefore, I strongly support the first recommendation, on formally identifying infants who are affected by the criminal justice system, and the second recommendation, on formally identifying women in prison as being an especially vulnerable group. However, the problem is worsened because under the current arrangements women tend to be incarcerated quite a long distance from their home, so it is difficult for a child to maintain the relationship with the mother and to rebuild it after release from prison.

I hope that what Margaret Mitchell and I learned about when we went to Cornton Vale with the Equal Opportunities Committee five years ago or so does not happen now. We were shocked to be told that the loss of visits by their child could be used as a punishment on mothers in prison. I hope that that does not happen again.

I was very influenced on the subject by the Equal Opportunities Committee's inquiry at that time, but I have also been strongly influenced by the work of Circle Scotland. That organisation is based in West Pilton in my constituency, but it does superb work far further afield as well as with families in my constituency. I was pleased to see that it is mentioned on page 35 of the report. In fact, the report has quite a lot of information about Circle's FABI—families affected by imprisonment—service, which works with women who are coming out of prison, but also with carers of children who have a mother in prison. It also helps babies and children to visit their mothers when they are in prison.

More generally, the use of the voluntary sector in such work is particularly appropriate. That is more empowering for women in prison and women who are coming out of prison, but sustained funding is very important for that work, of course.

I know from my conversations with Circle that ideally it would—as, I am sure, would many in the chamber and beyond—prefer to work with mothers in a range of alternatives to prison to working with mothers in prison, whether the alternative is diversions from prosecution, effective community

sentences or other options. It certainly does not want to work with all the women who are on remand, for example. We heard about that from Richard Simpson and others. Of women on remand, 70 per cent never receive a sentence, but in the meantime, of course, the relationships with the family break down and children are separated from their mother.

When there must be prison, let us have local units that are near the family, let us have family visits at times that suit the family and let us have funding for poorer families who cannot afford regular visits.

I welcome Mary Fee's proposed bill, of course, and wish her all the best with its progress.

I hear what Mary Fee says about family impact assessments after sentences; I certainly could not disagree with that. However, ideally, I would like to see family impact assessments before sentencing, because the issue is so important.

13:09

The Minister for Children and Young People (Fiona McLeod): I begin by thanking Mary Fee for lodging the motion for debate this afternoon. I also thank all the members who signed it in order to allow it to be debated, and all those who have contributed to the debate.

It is fair to say that we all want Scotland to be the best place in the world for children to grow up, so the welfare of our children is of paramount importance. The United Nations convention on the rights of the child sets out the fundamental rights that each and every child should enjoy, irrespective of their family circumstances.

The debate is timely because, last week, the Cabinet Secretary for Justice and I had a meeting with representatives from Families Outside, Barnardo's and the NSPCC to discuss the report in more detail. I would like to say that that was a positive meeting, but the top line that I took from it was in something that one of the researchers said. We need to work out how to identify the babies and young people without stigmatising them. That is a key point that we have to take from the debate. Kenny MacAskill and Margaret Mitchell alluded to that in their comments.

Having listened to the debate and read the report, I think that identifying the child's needs without stigmatising the child is embedded in our getting it right for every child approach, which we legislated to make statutory in the Children and Young People (Scotland) Act 2014. It is about all children and young people's needs. Their wellbeing is paramount.

When I was thinking about this issue, I asked myself whether, in everything that we are doing

already for children through GIRFEC and the Children and Young People (Scotland) Act 2014, we are sure that we also recognise and support this particularly vulnerable group—the babies about whom we are talking. The holistic definition of wellbeing means that all aspects of a child's life are considered, including parental and wider family circumstances. I hope that that will mean that our strategy captures those babies.

GIRFEC is for all children, including vulnerable groups such as the babies who are affected by parental imprisonment and by the wider justice system. We know that GIRFEC works, which is why we legislated for it. One of the key provisions in the Children and Young People (Scotland) Act 2014 for all children, but particularly for this vulnerable group of babies, will be the named person. The named person will be the single point of contact, from birth, for children, parents and all the practitioners around those children. The named person will help to prevent any children who need extra help from slipping through the net. Hanzala Malik referred to that. Children whose needs require co-ordinated planning, including the vulnerable babies about whom we are talking, will have to have a child's plan that is managed by a lead professional to help in that.

My question was this: are we doing everything that we can? We are doing a lot, but when we are making provision such as the named person, lead professional and the child's plan, for example, we always need to think about the vulnerable babies.

The meeting that I attended last week agreed that I should go away and look at what is already happening, and set a timeline for what we are doing. It was incredibly interesting for me to read about all the things that we are doing to support mothers, fathers and their children when the mothers or fathers are imprisoned. Just last night I and other members were in the garden lobby to meet people from the public-social partnerships that are funded by the £18 million reducing reoffending change fund. The six organisations that were there last night were absolutely fascinating and I came away with a wealth of information, as I always do. Those organisations provide mentoring for prisoners and people who are liable to offend and reoffend. I went round every single stall, and when I asked about the family support that they offer I was most impressed that every single one talked about how that is intrinsic to the work that they do with young men and women.

Meeting the folk from the shine mentoring service for women was inspirational. I cannot name all the organisations, but they were all interesting. I want to refer to one group in particular. I was speaking to people from the chance to change programme; I spoke not just to

those who work with the young folk, but to a young woman called Kayleigh, who wanted me to say how working with chance to change had made such a difference to her life. That is the sort of project that we should be looking at.

Malcolm Chisholm knows a lot about Circle and the work that it is doing in West Pilton. It has received £75,000 from the early years policy unit as a strategic funding partner. Aileen Campbell visited Circle on 21 March 2013 and was very impressed. In my reading, I have found that Circle is delivering programmes from Triple P and Mellow Parenting, and it is delivering the bookbug scheme, which is very important to get parents working with their young babies.

There are lots of areas where we are already doing work that I could talk about. We have, for example, committed £420,000 from the early years change fund to Barnardo's to continue the five to thrive project that is currently running in HMP Perth.

I would like to pick up on a few of the points that have been made, and to run through what we have been talking about today. We have talked about data collection: Mary Fee, Richard Simpson, Jayne Baxter and Malcolm Chisholm all made points on that. I know that the Scottish Prison Service is looking at methods of collecting information about prisoners who are parents. Currently that work is done at the care-screening stage, but that relies on self-reporting, so the SPS is considering other methods.

Many folk talked about women offenders and being in prison. As members will know, since we made the decision not to go ahead with the prison in Inverclyde, the Government has embarked on an extensive consultation and is looking at how we can provide more local provision for women who have to go to prison, or community provision for women offenders.

I want to talk about the child impact assessments. I will read an important quote from Dame Elish Angiolini, who appeared before the Justice Committee in 2012. She said:

"We must move away from creating more bureaucracy—more reports—and look at what would make a difference to the sentencing process. Consideration of children should be critical to that process, but I believe that such issues should arise out of the professionals' training—it should be their bread and butter. That is how social workers, defence solicitors and judges should approach the matter."—*[Official Report, Justice Committee, 26 June 2012; c 1582.]*

I hope that GIRFEC makes it a bread-and-butter issue.

Mary Fee: The point that I have tried to make all along in relation to child impact assessments is that although I acknowledge that in some cases they are done, the focus is on the offender and not

on the child. We need to move the focus on to the child if we are ever to make a real difference.

Fiona McLeod: I take Mary Fee back to my opening remarks on all the provisions under the Children and Young People (Scotland) Act 2014, including the named person and the child's plan. When Dame *Elish* Angiolini talks about the focus on the child being the "bread and butter", it is a bread-and-butter issue—GIRFEC means it is the bread and butter.

It is clear that we all have an active role to play in delivering the support that those in our care require, and we are committed to working with the men and women, their families, the community, and all our partners in order to encourage and maintain meaningful family contact throughout their time in custody.

The Deputy Presiding Officer: Thank you all for taking part in this important debate.

13:18

Meeting suspended.

14:30

On resuming—

New Psychoactive Substances

The Presiding Officer (Tricia Marwick): The first item of business this afternoon is a statement by Paul Wheelhouse on new psychoactive substances in Scotland. The minister will take questions at the end of his statement, so there should be no interventions or interruptions.

The Minister for Community Safety and Legal Affairs (Paul Wheelhouse): Thank you, Presiding Officer, for the opportunity to make a statement today on new psychoactive substances—substances whose sale is not restricted but which, if taken by an individual, mimic the effects of controlled drugs and can be just as harmful and can in some cases have fatal consequences.

I want to bring the chamber up to date with the latest developments and with what the Scottish Government is doing in response. The challenges and, therefore, my announcements today are not only from an enforcement perspective but are also in respect of our education efforts. Those challenges have been well rehearsed in the chamber, and I have been struck by and am grateful for the consensual nature of the debates on this issue, and the good will and well-informed contributions from members.

Members will no doubt agree with me that the biggest difficulty, and perhaps frustration, is that the existing legislative framework enables the substances to remain legal in situations in which they are not knowingly sold for human consumption and do not thereby come under the traditional radar of the Misuse of Drugs Act 1971, on which we have relied to control drugs.

To that end, I am pleased to announce that the expert review group that was established by my predecessor has presented its report to me, and that that has been published today. It makes a number of key recommendations not only on how the existing legal framework might be strengthened with regard to the available law but on how it can be made to work better in practice.

I am pleased to advise the chamber that, on behalf of the Scottish Government, I am minded to accept the recommendations of the report, and I wish to record my thanks to all who directly contributed to this work, and to those who offered the group insights and expertise from the field. Members will appreciate that I have received the report only today, but I wanted to place this in the public domain to alert members to its findings.

Members have my commitment that the recommendations will be taken forward with vigour and with priority and in a spirit of collaboration and consensus, where that can be found.

One of the clear barriers to progress is identifying a shared understanding of the problem. In particular, there is a need for a clear and practical definition of NPS; more evidence of the harms that are being caused in the immediate, medium and long term; and better data collection and sharing across the range of public services. I heard that directly yesterday from our NPS evidence group, which is a parallel group of experts that has been brought together by the Scottish Government to review the available evidence on NPS.

I am pleased to further announce that that group will be working to develop a definition of NPS that can be used consistently across different sectors. That will assist the courts, forensic experts and those supporting people using NPS. The group will also be reviewing existing systems of data collection and information sharing to improve our knowledge of the extent of NPS use and the associated harms. The particular recording difficulties in respect of accident and emergency departments have been raised before in the chamber.

In addition to the work of the evidence group, I am delighted to announce that the Scottish Government will shortly be commissioning specific research to enable us to better understand the prevalence and harms of NPS use within specific vulnerable sub-groups of the population.

Stakeholders across Scotland have raised concerns about the use of these substances among vulnerable young people, adults with mental health issues and injecting drug users. Evidence about the use and harms of NPS within those groups is very limited and there are concerns that the consequences of NPS use among them might be particularly severe. The position is exacerbated by the alarming number of new NPS products that appear on the market each year.

I recently visited Forfar police station, in Angus, and heard at first hand about the proactive, multi-agency approach that has been taken by local police, trading standards officers, the Crown Office and Procurator Fiscal Service, community campaigners and others in Tayside to tackle NPS. Operation carinate targeted individuals and premises that sell NPS; officers used common law and trading standards regulations at premises selling NPS. That action has resulted in the closure of premises selling NPS and is an example of good practice, with a number of agencies and communities working in partnership to tackle NPS. Partners in Angus indicated that the

action has reduced NPS purchases in their area, but it is still early days.

Only last month, I had the opportunity to close a members' business debate, on a motion submitted by Alex Johnstone, on the "New Psychoactive Substances Needs Assessment for Tayside, 2014" report. In preparation for that debate and during my subsequent visit, I was struck by the excellent work that is being done to tackle the issues that the substances are causing for local communities

I have also become aware of the significant degree of consensus across the political spectrum in the chamber on this challenge, and the recognition that there are no easy answers to the questions that are posed by NPS. As I take forward the range of matters that are discussed in the report, I extend an invitation to my colleagues from across the parties in the chamber to join me in a ministerial cross-party group on NPS. I will write to colleagues regarding the details of that in the near future. In essence, the group will continue to examine the work that is under way, will build a shared understanding of the problem, will hear from experts in the field and will oversee the work as it unfolds.

Our education efforts must also continue. Our drugs campaign, know the score, continues to offer reliable and non-judgmental advice on drugs—including new psychoactive substances—and their risks via a free helpline and website. We also support choices for life, which is delivered in partnership with Police Scotland. It is a drugs, alcohol and tobacco education programme for schoolchildren across Scotland that is supported by an information website. Choices for life will shortly release a video of the dangers of NPS via the glow online learning portal for schools. I have also seen at first hand the work of Crew 2000, which is another excellent partnership that we have in place. On my visit to Crew 2000, I learned a great deal about the harmful effects of NPS, as do the individuals with whom the project engages on a daily basis, including the families of those who are using NPS.

I would like to examine with the ministerial cross-party group how we might better connect with young people and exploit social media to educate young people about the risks that they face if they use NPS. I would also like parliamentary colleagues to work with me to examine how we might work with the Scottish Youth Parliament to raise the profile of NPS and to support it to complement the efforts of this Parliament.

A specific recommendation of the expert review raised the need for a first-class forensic capability that can develop clear standards to support the fast provision of accurate information on NPS not just to those in enforcement but to those in critical

areas of the health service such as accident and emergency departments. I am already in discussion with forensic services and the Scottish Police Authority on how we can take that forward. The work is particularly important given that there is evidence from Wales of the substances increasing in strength. I hope that the ministerial cross-party group will oversee the development of a national centre of excellence.

There is a specific recommendation for new legislation to be introduced, and I recognise and acknowledge the potential role of the United Kingdom Government in securing new arrangements to bring NPS under legal control. The Home Office has been helpful and co-operative in the work of the expert group, and I will meet my counterpart, Lynne Featherstone MP, to press her on supporting us to bring these substances under legal control in Scotland.

The report of the expert group has been published today, and I have made a number of immediate announcements on commissioning research on the prevalence of NPS and the harm that they cause. We are beginning work on a definition to guide those in the field as part of an immediate response. I have also invited parliamentary colleagues to join me in considering the work in more detail, including overseeing an increased effort to educate young people and develop a first-class forensic service to strengthen our response.

I am encouraged that the expert review concluded that a range of existing powers can be used to tackle the sale and supply of NPS and that those powers can be made more effective. The practical work to progress those operational matters will now begin. I am also clear in my commitment to ensure that new legislation is brought forward as quickly as possible to put the substances where they belong, subject to criminal proceedings.

As has been echoed in the chamber many times, the term “legal high” is regarded as a misleading and unhelpful term. I hope that members will support the findings of the report that I have published today. We should make the question of the legality of the substances very clear, identify the harms that they cause and, when appropriate, put those who seek to sell them—in the knowledge of the harms that they cause—behind bars rather than behind the shop counters in our high streets.

The Presiding Officer: The minister will now take questions on the issues raised in his statement. I intend to allow around 20 minutes for questions, after which we will move to the next item of business.

Elaine Murray (Dumfriesshire) (Lab): I thank the minister for the advance copy of his statement and for making it available an hour in advance of speaking in the chamber. Scottish Labour will be pleased to take part in the cross-party working group that he proposes.

New psychoactive substances are an issue that Governments around the world are struggling to cope with. Biochemical knowledge is now so advanced that, if one substance is banned, another with similar effects on the receptors in the brain can be synthesised to replace it.

On the forensics, has the minister examined the approach that is taken in Wales? Last year, the Welsh health minister allocated funding to the Welsh emerging drugs and identification of novel substances—WEDINOS—project, which provides a mechanism for the collection and testing of unknown and new psychoactive substances or combinations of substances and issues advice on harm reduction. Has the minister given consideration to the suggestion that was made by my colleague Kezia Dugdale in the debate just over a year ago, which seemed to be accepted by his predecessor, that universities work with organisations such as Crew 2000 to set up a social enterprise that would enable drugs that are taken off the streets to be handed over for assessment?

Will the minister clarify what he means by pressing Lynne Featherstone to support him

“to bring these substances under legal control in Scotland”?

Is he arguing for devolution of those powers? If that is the case, I put it to him that there should be no borders in the fight to control the harm that is caused by NPS.

Paul Wheelhouse: I thank Elaine Murray for her very positive contributions to the debates that we have had so far on the issue and for her warm words about wanting to work with the Government’s ministerial cross-party group. I would welcome that.

On newly emerging substances, Elaine Murray is absolutely correct. I think that, in the past year, 81 new substances have come on to the market. That shows just how difficult it is for the authorities and those working in the third sector not only to keep on top of the impacts and the harm to individuals but to advise those individuals on the risks that they face in taking them.

Testing and forensic capabilities are so important because we need to understand what is in a new product and its potency, so that we can then cascade the information through the community that is serving drug users to ensure that they are prepared for and aware of the risks that they face. We are looking closely at what is

being done in Wales with the WEDINOS project. I cannot promise that we will take exactly the same approach, but we will look into that and take it forward in the cross-party group. My officials are engaging with their colleagues in Wales and being kept informed about their progress.

I will happily look into the member's point about universities and social enterprises. The issue predates my becoming the Minister for Community Safety and Legal Affairs, but I will take account of what Kezia Dugdale has said. We can take forward the issue in the ministerial cross-party group.

On pressing Lynne Featherstone, clearly we want to work collaboratively with the Home Office and the United Kingdom Government. I respect Dr Murray's point about cross-border issues. We face challenges. Tomorrow, the Cabinet Secretary for Justice is in a trilateral meeting with the Irish and UK Governments where those issues will be discussed.

New psychoactive substances do not respect boundaries. We need to work together and we are learning a lot from what the Irish have done. In addition, last October, the Home Office produced a report with 31 recommendations. We are studying the reports and working closely with our colleagues. I encourage Lynne Featherstone to help us in so far as the UK Government can to effect the result that we all want to see.

Margaret Mitchell (Central Scotland) (Con): I, too, thank the minister for advance sight of the statement.

The minister made reference to the question that my colleague, Annabel Goldie, put to the Solicitor General about how many people supplying the substances have been convicted under common law with reckless and culpable conduct. The Solicitor General responded that the figures are not available. That is a matter of concern, especially as the report identifies that using a charge of reckless and culpable conduct has been successful in securing convictions. Therefore, I am very pleased that the minister addressed the data collection issue in his statement.

I confirm that the Scottish Conservatives will be happy to take part in the cross-party group. However, there seems to be a number of different expert groups looking at the issue without an overarching co-ordinator. Has that been considered?

Paul Wheelhouse: The member may expect me to say this, but I would hope that the Scottish Government is providing overarching co-ordination of the activity. I take the point that there appear to be different strands to it, but I assure Margaret Mitchell that those are co-ordinated and

complimentary rather than cutting across each other.

The data issues work that I witnessed yesterday at the expert group sits alongside the work of the expert legal group, which is looking at the legal aspects. There is a focus on data, statistics and information sharing with the group that I met yesterday.

I welcome Margaret Mitchell's confirmation that the Scottish Conservatives are happy to take part in the cross-party group, especially as I know that she and members such as Annabel Goldie have a lot of interest in drug-use issues. The Conservatives' participation is very positive.

Following yesterday's portfolio questions on justice, the Solicitor General is looking at how we can improve the availability of Crown Office and Procurator Fiscal Service data to ensure that we have as much visibility as possible.

The Presiding Officer: We must finish by 3 o'clock, because I need to protect the debate that comes afterwards. I have 11 members who want to ask a question. If they keep to a question and the minister keeps to a brief answer, we will get through.

Graeme Dey (Angus South) (SNP): The review group report states that there are a number of benefits to the approach taken by the Irish Republic to tackling NPS, citing as an example the reduction in the number of head shops from 102 in 2010, when legislation was introduced, to just 10. Does the minister accept that shutting down such premises, welcome though that would be, will not in itself solve the problem of NPS, not least because the addictions that they have helped to create will presumably be fed via the internet instead?

Paul Wheelhouse: That is an important point. As another part of its approach, Ireland has banned all sites selling NPS that use Irish domain names. In paragraph 6.10, the report recommends consideration of a new offence to deal with the sale or supply of NPS. If we go forward with that proposal, it could mean that sales via the internet are also banned.

However, because internet sales are regulated by the UK Government in this context, we need to work closely with the Home Office and other departments at UK Government level on such matters. They are another example where a co-ordinated approach between the Scottish Government and the UK Government may be helpful, as would working with our colleagues elsewhere in the European Union to ensure that the issue is addressed.

Alison McInnes (North East Scotland) (LD): The minister noted the need for first-class forensic

capability. Forensic services are overspent by £0.29 million and face a further £0.214 million of unallocated cost reductions before the end of the year. The Scottish Police Authority has admitted that that is beginning to put pressure on its finite resources. Given the importance of tackling the menace of NPS, will the minister advise what additional funds will be available to forensic services to build that first-class capability?

Paul Wheelhouse: Like all parts of the public services, we are under pressure at the moment due to funding constraints. However, we will work closely with Police Scotland and forensic services to identify what is possible within existing resources. Where necessary, if additional resources are required, we will take that on board.

It is early days, though. The report has just been produced, we are signalling that we accept the point that has been made by the expert legal group and we look forward to working up the detail. That is something that we can discuss within the group that I have suggested today.

Nigel Don (Angus North and Mearns) (SNP): I am grateful to the minister for his statement. I recognise that he is doing a lot about the physical supply within the country. To extend Graeme Dey's point, what does the minister feel that he can do, presumably with the Home Office, to deal with what will happen, which is internet sale and supply, which will only be worked out through international discussion?

Paul Wheelhouse: I appreciate that it is early days, but the issue of NPS use has been discussed in the past in the European justice and home affairs council and is potentially an agenda item in the near future. That may be a forum in which we can engage with other Governments to discuss a co-ordinated approach throughout the European Union to tackle the problem of internet sales.

For those who wish to use the internet sales route, there are some challenges. I have heard that, in Angus, NPS is predominantly being used by young unemployed males, who may not have access to credit cards or other means of buying NPS via the internet. However, there is a risk that someone else could do so and sell on to those individuals.

We need to have a sophisticated approach to the issue. There is no single silver bullet, which is why it is useful to take on board the ideas of all other parties in the chamber and to work together to come up with a co-ordinated solution.

Jenny Marra (North East Scotland) (Lab): The minister will know how important this issue is to the communities that I represent in Dundee and Angus, where there have been fatalities as a result of legal highs.

Scottish Labour called this week for the collection of data on the number of people presenting themselves to accident and emergency having taken legal highs. The minister said today that he would review existing systems of data collection but he did not give a specific commitment to collection. Will he tell me what timeline he aspires to for the collection of that data?

Paul Wheelhouse: We are interested in data collection and new means of collecting data. The group that I met yesterday in Edinburgh was looking at the issue. We could use existing data, but are there other forms of data that we could deploy? Are there existing information systems that could, if adapted, capture more useful information on the granularity of drug misuse and therefore, within that, NPS use?

I assure the member that we are looking at that. It is important to take an evidence-based approach to policy development at any point in time. At the moment, we lack a comprehensive picture.

Some differences of opinion are emerging. The statutory sector perhaps sees a different message emerging about intravenous drug use, while in the third sector, people are saying that, increasingly, a new group of people is using intravenous drugs. We have some conflicts in the data and we need to bring them together, understand them and get a comprehensive picture so that we know where the problems are, the prevalence rates and indeed the particular drugs are being used.

Kevin Stewart (Aberdeen Central) (SNP): The Local Government and Regeneration Committee is currently considering the Air Weapons and Licensing (Scotland) Bill. There is a sense of frustration among folk in Aberdeen that there is a lack of licensing provision for shops that specialise in the sale of psychoactive substances and drug paraphernalia. Is there a practical way of bringing such shops into the licensing regime to give folk peace of mind?

Paul Wheelhouse: The expert legal group considered alternative models from places such as New Zealand, where licensing has been introduced. Although there are some strengths to that approach, there are also concerns about it and the group did not deem it to be the most appropriate solution.

However, I recognise the point that Kevin Stewart makes about the concerns that communities have about the prevalence of head shops in their high streets. That is why the action that was taken in Angus to tackle the issue was so positive. That was done through trading standards officers, Police Scotland and the local council working together to identify how they could use the common law on careless and reckless behaviour

to identify where the irresponsible sale of NPS put at risk young people and others in the community.

Successful action has been taken in that community, led by community groups that forced the issue home and put their own pressure on the suppliers. It has had the benefit of shutting down those shops.

Dr Richard Simpson (Mid Scotland and Fife) (Lab): There is considerable avoidance of prosecution by labelling products as not being for human use and, at the same time, not saying what effect could occur if they were used by humans. Will the minister hold early discussions with the new food standards Scotland on products that, although labelled for animal use, are clearly being sold with the intention of human use, to determine whether we can extend warnings so that people are protected?

Paul Wheelhouse: Dr Simpson makes a useful point. I agree with him that there is great concern that the perception of the products as legal highs is entirely misplaced. They are legal if they are not used for human consumption but many of them are clearly very dangerous if they are used for human consumption. We know that some of the substances that mimic existing illicit drugs are eight or more times as powerful as the equivalent, so people might take a similar quantity and be taken by the strength of the dose, which might have fatal consequences.

We all have an interest in making sure that labelling is clear to ensure that people do not consume the substances at all. I take on board the point that Dr Simpson makes and will discuss it in the ministerial cross-party group.

Alex Johnstone (North East Scotland) (Con): I thank the minister for taking broad action across a broad front after receiving the report. I suggest that we commend the action that Police Scotland took in Angus, where the common law and trading standards were used in combination to facilitate a raid on a shop selling psychoactive substances. Have any other sections of the police force in Scotland taken similar action, and is it likely to become Police Scotland policy in future?

Paul Wheelhouse: I am aware that a similar approach was taken in South Ayrshire some years before, but it would be fair to say that Angus has demonstrated a much more co-ordinated, wide-scale approach to tackling the problem at a community level and there has been a strong community impetus behind that. It is a more recent example and took place in the light of emerging trends of a higher incidence of NPS use and greater availability of the products.

What was done in Angus is certainly welcome and we are interested in it but, to be able to use the common law on careless and reckless

behaviour, we have to be able to demonstrate harm. That is why it is important to have the forensic capability and co-ordination with our health professionals to understand the physical, emotional and psychological impacts of the substances on individuals to demonstrate harm. The law is much easier to enforce once we have a clear idea of the harms of each product.

Mark McDonald (Aberdeen Donside) (SNP): I am grateful to the minister for his statement and the focus that is being placed on education in the action that the Government is taking. Will he consider expanding the education that is targeted at children and young people to include the adult population, given the important role that parents and community leaders will play in ensuring that the strong messages that the Government wishes to convey are put across and in spotting the signs of NPS use in young people for whom they are responsible as parents or, perhaps, youth leaders?

Paul Wheelhouse: The points that Mark McDonald makes are extremely important. The work that Crew does is a good example. It has offices in Edinburgh, but it is a nationally commissioned organisation that can provide support across the country. Crew works with parents, who will often come in to get confidential advice about substances that they know that their children are taking, to find out about the risks and to support their children in coming off those substances.

As far as adult users are concerned, we are seeing an increasing number of experienced drug users diverting into the use of NPS, which are sometimes cheaper and more freely available than the equivalent. There is a danger of their getting back into a culture of using drugs intravenously and therefore putting themselves at risk of contracting blood-borne diseases, developing ulcers and even of having to undergo amputation. There are serious consequences associated with injecting drugs intravenously, so we need to make sure that people are equipped with the knowledge to keep them safe. If people are to use such substances, we need to do the maximum to prevent them from putting themselves at risk.

Rhoda Grant (Highlands and Islands) (Lab): What assistance can be given to local authorities with regard to licensing premises that sell NPS? Can lessons be learned from the approach that is being taken by the local authority down in Lincoln to stop such outlets opening on our high streets?

Paul Wheelhouse: We will take an interest in what is happening in Lincoln. The situation there is not directly comparable with the one in Scotland, but we will study the implications of the measure that is being taken, which, as we understand it, will deal with activity in a public space but will not

necessarily prevent the sale of such substances. Therefore, it will have only a limited impact.

I recognise the important role that local authorities have to play in discharging their functions on licensing, planning and trading standards. It is clear that they are important players in this area. Angus Council and South Ayrshire Council have worked constructively to help tackle the problem at local level. We want to ensure that all local authorities are aware of what is possible and what toolkits are available to them. One of the key recommendations in the report is that a toolkit should be developed for trading standards officers so that they know what powers they have and how they can deploy them most effectively, learning from the good practice in Angus and South Ayrshire. The more we can do to help local authorities to tackle problems at a local level, the better. I welcome Rhoda Grant's comments, and I am keen to ensure that such help is provided.

Roderick Campbell (North East Fife) (SNP): How would the minister evaluate the success of the know the score helpline and website to date?

Paul Wheelhouse: The website has been effective in that it has reached a large number of individuals. Know the score is a good source of information, which can be read by individuals at their leisure. There are no anonymity issues—people can learn about the challenges in their own time in their own space.

We have had some evidence of Facebook being used to promote the use of know the score. The campaign that was launched last year generated 11,000 clicks, with 5,000 additional people visiting the website over the month for which the adverts ran. We can do more to ensure that people are aware of where the information is and how they can access it. I know that agencies such as Crew and the local alcohol and drug partnerships make sure that local residents are aware that know the score is a valuable resource.

The know the score website is only one part of the picture. Another important part of what we propose to do is to use information on the internet, through glow, to educate children.

John Finnie (Highlands and Islands) (Ind): In many people's eyes—including mine—the misuse of drugs legislation represents 45 years of failure. We must engage with people and give them an understanding of what we are talking about. In the meantime, the term "legal highs" continues to be used. Like the minister, I commend the work of Crew. Does the minister agree that education should be the primary vehicle for addressing the concerns that we all have?

Paul Wheelhouse: That is probably true. We must deal with the immediate impacts on

individuals, but in the longer term, given the number of such products that are coming on to the market, we must educate people—young people, in particular—about the risks that they face in using them. We know that many people who attend clubs are being presented with NPS as a so-called soft option or legal high. They might not be aware that that does not imply that the products in question are properly regulated or safe. The fact that they are professionally packaged leads people to think that they are safer than they are. In truth, when people take them, they cannot be guaranteed that they will get the same experience with one packet that they will get with another. In addition, new psychoactive substances have sometimes been cut with illicit drugs, so people might be taking something that is extremely powerful and which might do them enormous damage.

We must educate people and ensure that they do not use an NPS product without having a good grounding in the risks that they face. In that way, we might be able to deter people from using such products.

The Presiding Officer: I thank the minister and members for keeping it brief—we can do it when we try.

Commission on Local Tax Reform

The Presiding Officer (Tricia Marwick): The next item of business is a debate on motion S4M-12423, in the name of Marco Biagi, on the commission on local tax reform.

15:00

The Minister for Local Government and Community Empowerment (Marco Biagi): In looking at tax, we in the Scottish Government base our approach on four principles: efficiency, convenience, certainty and the tax's being proportionate to the taxpayer's ability to pay. Those principles are not new to the Government or in general; rather, they are attributable to Adam Smith, in book V of "The Wealth of Nations".

The present council tax's compliance with the first three of those maxims might be debated, but most recognise that the council tax, as set out in the Local Government Finance Act 1992—it has been with us for more than 20 years—does not in a substantive sense adhere to the fourth of those maxims: its being proportionate to the taxpayer's ability to pay. That is not just our view; it is the view of many people around and outside the chamber who have proposed or suggested reforms over the years to try to address that shortcoming.

Gavin Brown (Lothian) (Con): Just a couple of weeks ago in the chamber, John Swinney said, in defending the council tax:

"Council tax liability is linked to ability to pay through the council tax reduction scheme".—[*Official Report*, 29 January 2015; c 73.]

Marco Biagi: It is "linked", but I said that it

"does not in a substantive sense adhere"

to the fourth principle. There is a linkage, but it could be greater.

The 1992 act hardwired in a lack of progressivity. Band H properties have greater liability than band D properties, but their value is at least four times that of band D properties while their liability is just twice that of band D properties. Therefore, it is clear that there is a limit to how close the link is. The values are based on the situation in 1991 and no account has been taken of subsequent changes in relative prices, so areas that have not benefited from house price increases have not seen their council tax bills become lower than those that had a bit of a boom.

The council tax valuation bands mean that there is no differentiation among properties that are in the same band. As with the late and unlamented stamp duty, there is a slabbing effect that

penalises properties whose value brings them just into a higher band and no more by charging them the same as properties that are near the top of the band.

Even looking at the banding should raise concern. Some 74 per cent—almost three quarters—of properties are in bands A, B, C and D, and only one in 200 is in band H. It is all based on the assumption—which has been the subject of many debates in Parliament over many years—that the best way of assessing an individual's ability to pay is by looking at the value of their home.

Since 2008, we have been addressing the worst failings of that flawed system by delivering funding to local government that has enabled all councils to freeze the council tax. With the continuing agreement of all councils in Scotland, that freeze is about to run for the eighth consecutive year. The cumulative saving over the 2008-09 to 2014-15 period for band D households amounts to more than £900 per household. We estimate that that will rise to about £1,200 by 2015-16.

Before the introduction of the freeze, the average council tax per dwelling increased by more than 50 per cent between 1997-98 and 2007-08. That was not just far beyond inflation; it was financially crippling for certain types of household—for example, pensioner households—that were dependent on a modest fixed income, but still earned a little too much to qualify for council tax benefit. For many, there was real fear in awaiting the annual council tax letter dropping through the letterbox onto the doormat. Now, that at least is no longer the case.

In addition, with our local government partners, we stepped in when the United Kingdom Government abolished council tax benefit to ensure that vital reliefs could continue. The council tax reduction scheme, which Gavin Brown kindly introduced to the debate, affords people targeted relief from council tax liability. At its peak, it applied to more than 550,000 people in Scotland. That corresponded to £360 million of support in that year and covered 22 per cent of all households.

We have to contrast that with the approach that is taken in England, where localisation of council tax relief has meant that more than 300 different schemes are being operated, some of which mean that the UK Government's budget cuts are falling on those who are least able to pay—even more so than the council tax unamended.

Alex Johnstone (North East Scotland) (Con): Will the minister concede that the suggestion that council tax relief was abolished in Scotland is not entirely accurate, that a significant proportion of that funding was devolved to Scotland, and that

much of the scheme that now exists in Scotland is funded from that devolved resource?

Marco Biagi: Council tax was a reserved benefit. It was abolished. The funding was devolved with a 10 per cent cut, and we have had to step in and plug that gap.

In England, some councils chose to absorb the 10 per cent cut in funding within their budgets, but some now require people who are not in work, including disabled people and carers, to pay 30 per cent of their council tax liability. That is the wrong approach. Instead, this Government has implemented policies to protect people from the fundamental flaws of the present council tax system.

Alex Rowley (Cowdenbeath) (Lab): Will the minister give way?

Marco Biagi: I need to make some progress.

Perhaps with the exception of the Conservatives, we all recognise that the present system, as defined in an act that was passed in 1992, is not fit for 2015. Our 2011 manifesto committed us to

“consult with others to produce a fairer system based on ability to pay to replace the Council Tax”

and to

“put this to the people at the next election, by which time Scotland will have more powers over income tax”.

That is why the First Minister’s statement on the Scottish Government’s programme for government last November set out that we would establish an independent commission to examine fairer alternatives to the current system of council tax, to be advanced in partnership with local authorities, and with all political parties invited to be involved. That is why we accepted the recommendation of the Local Government and Regeneration Committee’s inquiry report, “Flexibility and Autonomy in Local Government” from last summer, to establish a cross-party commission. To that end I am happy to accept Alex Rowley’s amendment, which gives due recognition to the work of that committee.

The first steps in establishing the commission reflected our continuing partnership with local government; we found it to be fully supportive. It proposed joint chairing by the Convention of Scottish Local Authorities and the Scottish Government. Those chair roles have now been taken by me and Councillor David O’Neill, who is the president of COSLA.

Our invitation to the other parties to participate in the commission duly followed through a joint letter from me and Councillor O’Neill inviting each of them to discuss a potential remit and membership. I am grateful to Willie Rennie, Alex

Rowley and Patrick Harvie for contributing to the early discussion. That early discussion allowed a proposed remit to be refined and developed, and we were happy to take on suggestions. A number of key organisations that could contribute were identified from outside the world of politics. I record my sincere thanks to Citizens Advice Scotland, the Joseph Rowntree Foundation, the Chartered Institute of Public Finance and Accountancy, the Law Society of Scotland and the institute for society and social justice research as well as the political parties and the independent group in COSLA for all agreeing to nominate representatives for the commission. We met for the first time on Monday this week.

The commission that we have now established, which will be independent of the Scottish Government and COSLA but will report to both, brings to the process many strong voices, differing perspectives and experiences, as well as analytical rigour. On the basis of that first meeting earlier this week, I am confident that the membership has the right mix of skills and knowledge, as well as immense enthusiasm, to tackle the task that it has been set.

That brings me to the remit that has been agreed by everyone who is participating. The commission is being asked to examine alternative systems of taxation to support funding of local government services, with a range of what will, in effect, become tests to apply, covering inequalities, macroeconomics, administration, transition, democracy and scale.

In conducting its work, the commission will engage with communities across Scotland to assess public perception of the emerging findings and to reflect that evidence in its final analysis and recommendations. The commission is not being asked to make a specific recommendation, although it is perfectly entitled to do that if it reaches a particular view. Rather, we envisage that its work will be to develop a profound understanding of all the potential systems.

It is unimaginable that the next Scottish Government—of whichever party or combination of parties it is—will have a policy of maintaining the existing council tax as set out in the Local Government Finance Act 1992.

The commission will help us all to understand what the alternative propositions are, what they would mean and whether they would be politically viable. The evidential approach that will be taken by the commission will provide the basis for the alternatives to be more thoroughly developed and informed than they would be otherwise, and for them to be calibrated against public opinion. The work of the commission will mean that the appropriate knowledge will be in the public domain

to allow policy options to be challenged and validated.

We have to be realistic, though. Perhaps we have all been missing something, but my expectation is that there is no perfect solution. There is probably not going to be one that everyone will look at and say, “Yes—that’s the tax that I’m happy to pay. Let’s do it.” The real world is about trade-offs. The work of the commission can allow us to understand the trade-offs and allow policy to be developed to address them. We may well make different choices: instead of thinking that the commission will deliver one main course, perhaps we should expect it to give us a menu from which we can all choose, in the knowledge that all the options have been rigorously tested.

In addition, the commission will look at international practice to see whether there is anything we can learn from abroad and apply to our system here. Furthermore, the work of the commission can provide an administrative route map for implementing alternatives. That is key because, whatever is wrong with the council tax—I have gone into that at great length—it delivers £2 billion of funding for public services. Whatever replaces it must be capable of doing something similar.

With that £2 billion going on funding the staff and workforce who deliver vital services that have to be planned years in advance, we would benefit from revenues being stable and predictable. We cannot afford a future change that introduces unmanageable revenue risks. Equally, the people of Scotland cannot afford a change that exposes them to unfair or unanticipated tax liabilities. That is just one of the real-world trade-offs that it will be for the commission to wrestle with.

Council tax is fundamentally of profound importance to so much of our lives in Scotland—to so many of the services that we deliver. Its replacement must deliver financial accountability to local government and transparency to the more than 2 million households that currently pay council tax.

Council tax today is visible. Aside from income tax that is paid by self-assessment and vehicle excise duty, it is the only tax that we must actually make an effort to pay. Every other tax is collected at source by employers and by providers of goods and services.

As I have set out, however, it is a flawed system. For those reasons, I am delighted that opposition parties and many civil society groups recognise the importance of this work.

I hope that parties in the chamber, in addition to showing their support by participating in the commission, will also show their support by voting

in support of the motion in my name later this afternoon.

I move,

That the Parliament supports the establishment of an independent cross-party commission to examine alternatives to the council tax; welcomes this being undertaken jointly by the Scottish Government and local government; endorses the remit as set out in the response to question S4W-24542, and looks forward to its report in autumn 2015.

The Deputy Presiding Officer (John Scott): I call Alex Rowley to speak to and move amendment S4M-12423.1. Mr Rowley, you have 9 minutes.

15:13

Alex Rowley (Cowdenbeath) (Lab): Thank you, Deputy Presiding Officer.

I was a bit concerned when I heard the minister starting off his speech by saying that we were going to have the debate today about the merits or otherwise of the council tax and what should replace it. That is not for today; that is why the commission was set up.

I want to amend the motion because the Local Government and Regeneration Committee, while carrying out its inquiry into flexibility and autonomy in local government, heard a lot of evidence from a lot of different people who have expertise in local government and government more generally, and they all raised the issue of local government finance and the fact that we need to put local government finance on a stable footing, moving forward. It is important that the Local Government and Regeneration Committee recognised that need, highlighted it in its report and called for an all-party group to be pulled together to try to move that forward.

The committee made the point that local authority funding and expenditure in Scotland in the current year is expected to exceed £11.5 billion across the 32 local authorities. That highlights just how important local government is to every community in Scotland.

It also made the point that the four elements that make up local government funding are council tax, fees and charges, Scottish Government grant and other income. I will say a bit more about the council tax and the percentage that it makes up.

However, the committee also said that one area in which there is almost unanimous agreement among politicians and parties is that the current system of financing requires reform. That view seems to have been around for some time.

I am disappointed that the Conservative group has decided not to participate in the commission because, like the minister, I do not expect that we

will reach a conclusion and say, "That's the system of local government finance that needs to be put in place." I am much more keen for the commission to look at options and that it is able to produce a useful report that all parties can use as we set out our manifestos and as we look towards finding a sustainable way of managing local government finance.

Gavin Brown: I am grateful to Alex Rowley for giving way. Is it his view that the commission will not come up with recommendations?

Alex Rowley: The commission may choose to advise on the benefits and merits of each of the different options that it considers. If it provides an informative report outlining the range of available options, it will then be for the political parties to decide what to do. My party, for example, does not believe that a local income tax is the best way forward, but other parties may want to make a case for that option. If the commission is able to consider the merits of local income tax versus property tax, all that information should be there and should be useful.

More important—certainly from the discussion that we had at the first meeting—is that we will, I hope, engage with civic Scotland, with local government itself and with communities and individuals right across Scotland to discuss the merits and the principle of local taxation and local people paying for local services. There is a wider discussion and a wider debate to be had; I hope that the commission will, in the short timescale that has been set, be able to have that discussion and debate and engage people right across Scotland, because there is no doubt that the council tax freeze has been popular.

Right now, the Labour Party takes the view that it would be wrong to introduce increases in council tax charges when people have, in effect, had a wage freeze for the past four or five years and are currently facing a crisis in relation to family budgets. There needs to be a discussion with communities and with people across Scotland about the type of local government finance that they want. I read a report by Common Weal the other night, entitled "The Silent Crisis: Failure and Revival in Local Democracy in Scotland". The report highlights that in 2006,

"the Local Government Finance Review Committee"

of this Parliament reported that

"there is the fundamental question about what the relationship between central and local government should be. There is long-standing and unresolved debate about their respective roles. The Committee's view is that it is essential that the Scottish Parliament, the Scottish Executive"—

as it was then—

"and local authorities grasp the nettle and resolve what appears to be a corrosive argument about their relationship."

That was back in 2006; we could argue that not a lot has moved on since then. Just in the past couple of weeks, the Cabinet Secretary for Finance, Constitution and Economy has been threatening to cut the budget to local authorities over the issue of teacher numbers. The ridiculous part of that is that local authorities across Scotland do not want to cut teacher numbers but need the money to be able to provide the education service in the first place.

The debate about local government and funding local government services seems to have been going on for some time, but has not been resolved. In 2007, we had a minority Scottish National Party Government that was committed to a local income tax. By 2011, when the SNP had a majority, a local income tax did not seem to be as popular, or perhaps it did not look as though it would actually work. We have travelled some distance, but we have not made a lot of progress when it comes to financing local government. I hope that some of my colleagues will highlight in their speeches why local government is so important and why we need to find a way forward.

Last year's report by the commission for strengthening local democracy, which was chaired by COSLA, stated that

"50 years ago"

local authorities

"raised well over 50% of their own income through local taxation. As recently as 1998, around half was still generated this way."

However, it went on to state that

"Today that has fallen to 18%."

I contacted a number of council leaders. I got an interesting response from Gordon Matheson, who is the leader of Glasgow City Council. He said:

"I am disappointed that the remit of the group narrowly focuses upon council tax, which accounts for 17% of funding to local government and ignores the 83% block of funding that is allocated by the Scottish Government, typical of a highly centralised Scottish state. This is a major omission."

He went on to say:

"Since 2008/9, Glasgow's percentage share of the available local government settlement has reduced from 13.91% to 12.81% for 2015/16. In cash terms, this equates to a difference of £109 million for ... 2015/16 ... The distribution formula has a greater impact on Glasgow than the council tax freeze".

Kevin Stewart (Aberdeen Central) (SNP): Will Alex Rowley give way?

Alex Rowley: Yes.

The Deputy Presiding Officer: I am sorry, Mr Stewart, but the member is in his last minute.

Alex Rowley: I am sorry—that is right.

The point is that having the new commission look at local taxation in isolation will not be the panacea for all the local government finance issues. We need a much wider debate, and that is for the political parties to have.

When the parties present their proposals for the elections next year, the question of how we fund local government, focusing not just on the 17 or 18 per cent that comes from council tax but on how we fund all of local government and its important role, will be the important issue as we move forward.

In finishing, Presiding Officer—

The Deputy Presiding Officer: Yes, please.

Alex Rowley: The reason why that is so important is that local government does something every day that Parliament does not do. Every day, local authorities throughout Scotland impact on people's lives. They are delivering services, and they are at the coalface when it comes to tackling poverty and inequality, and delivering jobs and apprenticeships, and housing—

The Deputy Presiding Officer: We take your point.

Alex Rowley: In all those areas, local government is key. It is far too important—

The Deputy Presiding Officer: You must close, please.

Alex Rowley: —for us not to get the answers. That is why we will support the motion as amended today.

I move amendment S4M-12423.1, to insert after “council tax”:

“as proposed by the Local Government and Regeneration Committee in its 8th report in 2014, *Flexibility and Autonomy in Local Government*”.

15:22

Gavin Brown (Lothian) (Con): I begin with a degree of surprise after listening to the first two speeches—from the Scottish National Party and Labour—about what exactly the commission will do. I looked at the commission's membership: there were some names that I did not recognise, but many that I did. I am therefore staggered to learn that we will get all those people, some of whom I rate highly, together with a secretariat in a room to engage with civic society over a year, at the end of which they will just produce—to quote the minister—a “menu”.

We heard from the Labour Party that the commission will make no recommendations at the end of all that work. I am genuinely surprised that it sounds just like a talking shop. What is the point of getting all those people together if they are not going to recommend anything at the end of the process and there will simply be a menu from which political parties can pick and choose in drawing up their manifestos for the 2016 elections?

Willie Rennie (Mid Scotland and Fife) (LD): Surely Gavin Brown recognises that it is better to have tried, and perhaps failed and been enlightened, than not to have bothered at all.

Gavin Brown: The point is that, based on what the minister said, the commission will not even be trying to make firm recommendations. I am genuinely confused about what the commission's purpose is. It sounds from what the minister said as if the plan needs a rethink by the Government.

To put that to one side, Mr Rowley made the point that we were going to make. We chose not to sit on the commission. We are grateful for the invitation from Mr Biagi and Councillor David O'Neill and, as a group and a party, we talked it through carefully. We concluded that we would not sit on the commission for a couple of reasons.

The first reason is that we intend to set up our own commission to look at finance more widely. Ruth Davidson announced the low-tax commission at the Conservatives' UK party conference in September last year and it was formally launched as the commission for competitive and fair taxation this week, with a range of commissioners who have experience and can bring a lot to the task, and who will ultimately produce conclusions and—in this case—recommendations on what ought to be done.

The commission will look at taxation widely but, given the size of local taxation—when we add everything together, it is about £5 billion in round figures, while expenditure is well over double that—that issue will occupy a significant amount of the group's resources and will be a key feature of its recommendations. Our view as a party is that we will put our support behind that group's work instead of diluting it across two work streams.

Bruce Crawford (Stirling) (SNP): Can Mr Brown join together an equation that says on the one hand that his group will produce proposals and be independent and on the other hand that it will inform the Tory party's manifesto for next year? A rather mixed-up picture of Mr Brown's commission seems to be emerging.

Gavin Brown: Not at all. Like the many commissions that I know Mr Crawford has been involved in and seen, although we have set up the commission, it will operate independently. Its

weekly work will not be set by us and its conclusions will be independently reached by its commissioners. It will then of course be up to the party to decide whether to take all or most of the recommendations on board. That is how most independent commissions work. Mr Crawford ought to know that, having sat on one or two himself.

The other reason why we chose not to join the minister's commission is that, having thought carefully about where the group might end up, and given the views of the left-wing parties in the Parliament and the cosy left-wing consensus that exists across the chamber, we genuinely do not believe that there is almost any prospect of our agreeing with the SNP or, for that matter, the Greens on what local government taxation should look like.

We know that the Greens want a land value tax; they always have done and I suspect that they will push for that. We know that the Liberal Democrats want a local income tax and that the SNP wants a national local income tax. We do not know what the Labour Party wants, and I suspect that it does not know what it wants. However, we are pretty clear that all those parties would want to hammer taxpayers in a way that we would not.

The land and buildings transaction tax debates during the course of the budget gave a clear example of that, because none of the other parties batted an eyelid when punitive rates were announced that included a staggering 10 per cent on homes that are worth over £250,000. Labour and the Greens were unhappy when Mr Swinney changed his mind and introduced the 5 per cent banding rate, although we did not think that he went anywhere near far enough. Of course, the SNP was happy and so were the Lib Dems, but Labour and the Greens were unhappy that Mr Swinney had moved on the issue at all.

We are setting up our own commission because we think that we are very unlikely to agree with what the minister's commission concludes. We believe that voters deserve a choice in 2016 based on the independent work done by our commission and by the minister's commission.

When the Government responded to the Local Government and Regeneration Committee's report, it said clearly that the choice should be put to the people. Our concern is that, if all the parties simply agree and put only one proposition to the people at the next election, that will be no choice at all. That is why we are not joining the minister's commission and why we will not support the motion at decision time.

The Deputy Presiding Officer: We move to the open debate. I call Kevin Stewart, to be followed

by Willie Rennie. We are tight for time, so I ask for six-minute speeches, please.

15:28

Kevin Stewart (Aberdeen Central) (SNP): I thank my colleagues on the Local Government and Regeneration Committee for the work that they did on the flexibility and autonomy report. During our deliberations, one aspect that we looked at was the legal and constitutional funding mechanisms that are available to local government. Paragraph 101 of our report states:

"Steps should be taken within the lifetime of this Parliament to initiate an agreed approach to facilitate meaningful debate on alternative approaches with the aim of having a new system identified in time for the next local government elections in 2017. We consider this to be the latest appropriate timetable which would enable candidates at that election to put forward their policies linked to revised funding mechanisms. Given the desirability of reaching consensus we consider this should be done by way of an independent cross-party commission which should include representatives from local government and wider civic society across Scotland."

I am extremely pleased that the Government has listened to that recommendation from the committee, and I was extremely pleased that every single member of the committee signed up to it, including the Conservative member.

I am quite surprised by the Conservatives' attitude today, because what we need in dealing with this subject, which is—let us face it—a thorny one, is civic Scotland's input. Basically, the Tories are saying that they are not interested in civic Scotland's views. I am glad that the Labour Party, the Greens and the Liberal Democrats as well as many people from civic Scotland have agreed to join the commission.

Gavin Brown: That criticism would be fair if we were doing nothing but, given that we have set up our own commission, which will engage extremely widely, surely it is unfair.

Kevin Stewart: This is the kind of situation that is faced every day in playgrounds when somebody disagrees with a point of view and they take the ball home. That is what the Tories have done, given what they have decided to do. They have put their representative on the Local Government and Regeneration Committee in a really bad position, because the debate in the committee was pretty immense in terms of the points that we got to. We often disagree about things, but we agreed completely and utterly that this was the right approach to take.

As I said, I am pleased that the Government listened to what we said and took the suggested approach. It is just a pity that the Conservatives have chosen to take their ball home. In some respects, they will miss out on having the views of

civic Scotland in formulating their policy—which, let us be honest, will probably not be up to much anyway.

Mr Brown said that all the parties that are involved in the commission will “hammer taxpayers”. I point out to him that the Governments in the current and previous sessions of Parliament have ensured that taxpayers have not been hammered, as they have chosen to freeze the council tax for eight years. I am pleased about that because, between 1996-97 and 2007-08, the council tax on the average house in Aberdeen rose by 81.9 per cent. People in Aberdeen could not bear that burden, so I am really pleased that it has not been added to over the piece.

We recognise that the system is not perfect, but the Government has protected hard-pressed families. I suggest to Mr Brown that, rather than taxpayers being hammered, the opposite has been the case when it comes to this Government and the council tax.

I am pleased by the remit and membership of the independent commission. I hope that it will look at a number of things when it carries out its business, but I will touch on just one. I wrote to the Government recently about the provision for carers in the council tax system. I got a response from the Deputy First Minister, who suggested that the commission should look at such issues. I hope that it will agree to look at how carers have to pay into the local taxation system, as well as other hard-pressed folk in our society.

I wish everyone on the commission all the best and I encourage civic Scotland to engage with it. I repeat that I am pleased that we have moved forward as per the Local Government and Regeneration Committee’s recommendations.

15:35

Willie Rennie (Mid Scotland and Fife) (LD): I have spent the past five years being accused by all sorts of people, in this chamber and beyond, of being right wing. It is refreshing to be called left wing, so I thank Gavin Brown for that, if for nothing else.

The commission is not about deciding whether tax should be high or low. It is about coming up with a taxation system that will work not just for Scotland but for local government, and Gavin Brown’s interest in low tax is no bar to being involved in the commission. He could be involved in it and subsequently argue that whatever we came up with should involve a low-tax element. That would be up to him and his party to decide.

It would be advisable if Gavin Brown sought other political parties’ advice. I know that he will

have his own commission, but many more people are involved in the issue. He should seek the advice of others, because the Conservative track record on coming up with local government taxation systems is not good. The last time the Conservatives came up with such a system, it was not universally successful or approved, and it had to be abandoned in a very short period. Perhaps Gavin Brown might like to reflect on history and decide to join the commission, if for nothing else than to save him from himself.

Gavin Brown: The Lib Dems would be advised to study the more recent history of electoral success.

Is it Willie Rennie’s view that the commission will come up with a recommendation for a tax system?

Willie Rennie: That should be our ambition. We should aim for consensus—all commissions should look for that—but we should not bind ourselves absolutely to having agreement. We should try to shine a light, because there are an awful lot of misunderstandings and misconceptions about local government finance.

As Alex Rowley rightly pointed out, there is a big argument to be had about the balance of local authority funding in different regions in Scotland and about the balance between central Government and local government funding. We need to look at that to ensure that we have a sustainable system and so that we can be far better informed about how local government should be financed. If we cannot come up with an agreement but at least have a better understanding, we will be many steps further forward than we would have been otherwise.

Local government has been far too party politicised in recent years, so it is admirable of the Local Government and Regeneration Committee and the Government to try to bring everybody together. That is partly to get the SNP off a hook that it finds itself on because of a policy that it is perhaps not so convinced about any more, but the fact that the SNP is willing to work with others is a good thing.

In the 1870s, 4.5 per cent of local government finances were provided by central Government. In the 1880s, the figure was 9.8 per cent, and in 1928, it was 16 per cent. In the 1970s, it went up to 60 per cent, and in 1990, 85 per cent was provided by central Government. That must change if we are to give local authorities the true flexibility that they need and aspire to have.

Just like the United Kingdom, Scotland is a diverse country with greatly differing needs. Some areas might like lower tax levels and some want higher tax levels, but just now they are bound into a system in which they have to follow whatever

Edinburgh says has to happen. Any idea that the council tax freeze is anything more than a straitjacket is nonsense. Flexibility is a principle that we should try to establish through any kind of outcome that we agree in the commission. It needs to involve true freedom for local government, so that councils can decide what is best for their communities.

In addition to advocating fairness, Liberal Democrats have been strong advocates of local income tax. We believe that a truly local income tax—not a central income tax that is provided to local government, but a local income tax with variability at the local level—is something for which we should strive, and we have campaigned for it for many years.

We know that there are weaknesses in the system; others have pointed them out. However, we should strive towards a system that is based on the ability to pay. We will put that idea into the commission, and others will put their ideas in.

In true Liberal Democrat fashion, we will have our ears wide open and will listen to what the other parties say. After all, if we can come to a consensus that results in substantial change and if we can shine a light on the financing of local government, we will have provided a great service to the country. We might not all agree—although I would like us to do so if we possibly can—but, even if we do not, we will have made significant progress if we can shine a light on the issue.

As the minister said, we should look around the world and see what works. There might not be any great answers out there that we have missed, and it has probably all been laid before us. The fact is that any change is difficult. We saw what happened in Wales, where a revaluation proved to be incredibly unpopular. Whatever we do, we need to be careful, but we should strive to have freedom and fairness as sound principles for any change.

15:40

Clare Adamson (Central Scotland) (SNP): I am very pleased that the work of the commission on local tax reform is under way and that the commission has already had its first meeting. Indeed, I was delighted to see the commission's make-up, and I particularly welcome the fact that one of the members is Angela O'Hagan, who is research fellow at the institute for society and social justice research and convener of the Scottish women's budget group. Women have sometimes been let down by local government—we need think only of the equal pay issues across Scotland at the moment—and I welcome the fact that a woman with a strong academic voice is on the commission. I also welcome the involvement of the Joseph Rowntree Foundation, the

Chartered Institute of Public Finance and Accountancy Scotland and, indeed, my colleague on the Local Government and Regeneration Committee, Alex Rowley, who has considerable local government experience and who as shadow minister for local government and community empowerment will bring much to his role on the commission.

I agree with Alex Rowley that it is a matter of regret that the Conservatives have decided not to be part of the commission. I believe that this is an opportunity for the Parliament to try to reach some consensus, given all the recent work that has been done on local democracy in the Parliament and by colleagues in the Convention of Scottish Local Authorities. The Conservative Party will be missing out in that respect. That said, my experience as a member of the Welfare Reform Committee is that even when faced with overwhelming evidence that austerity budgets and welfare reforms are causing problems, are having a detrimental effect on people and have led to increased use of food banks, the Conservatives at Westminster simply do not acknowledge the detrimental effect on the most vulnerable in our society. That leads me to think that they might not be much missed by the commission. I really think that the people who are involved will come up with some good menus and propositions for what might be possible.

Picking up on Alex Rowley's comments, I really hope that we can find consensus and work together on this matter, but I have to say that some of the language about the relationship with local government does not help. No council in Scotland—not one—was prevented from raising the council tax; councils had that option but, had they taken it, they would have had to explain to their constituents why they wanted to increase it. Even with the funding from the Scottish Government, they would have had to go forward with the average 3.5 or 3.6 per cent increase just to stand still, and then they would have had to explain to their constituents why the tax was being increased again to raise any additional meaningful sums of money. We would have been looking again at the horrendous prospect of a situation such as that in Aberdeen, where, as Mr Stewart pointed out, council tax increased by more than 80 per cent.

That would have meant something very specific for the local authority on which I served as a councillor—North Lanarkshire—and for my constituents now, and I hope that the minister and the commission will take on board the geographic and demographic pressures in different areas in Scotland and ensure that whatever replaces this system reflects and is fair to the people in the area. In North Lanarkshire, for example, 82 per cent of the population live in band D or below houses, and more than 50 per cent live in houses

at band B or below. Moreover, in a recent house price survey, my home town of Wishaw in North Lanarkshire had one of the lowest rises in house property values in the whole of the United Kingdom.

The experience of people in North Lanarkshire, on the whole, cannot be compared with that of those in Aberdeen, Edinburgh or other places where house prices and land values have increased to a great extent. From my point of view, any increase in the council tax would have been so detrimental to ordinary hard-working people that we could never have contemplated it. I am glad that the Scottish Government asked for the council tax freeze.

Margaret McDougall (West Scotland) (Lab): Does the member agree that people in better-off areas with higher council tax bands benefit more from the council tax freeze than those in the lower tax bands do?

Clare Adamson: As I said, the council tax is not a fair tax. It has never been a fair tax. The freeze has put a stop to the horrendous increases, a lot of which were done by Labour-controlled councils. As the minister pointed out when he responded to Mr Brown, the increase in the tax band does not even represent the doubling in value. The council tax is unfair. That is why we should come together and get behind the commission in its work as it tries to come up with a system that is truly fair. However, I do not think that the council tax freeze was wrong, by any stretch of the imagination, and I do not think that the Scottish people would have tholed the increases that have been talked about—up to 80 per cent, over time.

No other tax—

Margaret McCulloch (Central Scotland) (Lab): Will the member give way?

Clare Adamson: No, I am not going to take another intervention; I am struggling for time.

The Deputy Presiding Officer: You are in your last 40 seconds.

Clare Adamson: I welcome the fact that Mr Rowley mentioned “Effective Democracy: Reconnecting with Communities”. It is an excellent document that sets out how we should proceed and work together. We cannot take individual decisions about financing; we must think about our whole communities, about empowering communities and about democracy as a whole. The document says:

“Making Scotland a fairer, healthier and wealthier place will not be achieved without a democracy in which people can see how decisions are made, and where communities are active participants in that process.”

I think that the commission will take us a long way towards reaching that goal for our constituents.

15:47

Anne McTaggart (Glasgow) (Lab): As a former member of the Local Government and Regeneration Committee, I am pleased to speak in this debate and to support my colleague Alex Rowley’s amendment, which recognises the work of the committee and its call for the establishment of a cross-party commission on finding an alternative to the council tax.

I will speak later about my time on the committee, when we developed what was to become the committee’s eighth report in 2014, which examined flexibility and autonomy in local government, and we took part in the European fact-finding sessions, which shaped many of our conclusions.

First, however, I want to speak about my experience as an elected member in local government. In particular, I want to highlight the important work that is being done by local government and the vital services that it provides to some of our most vulnerable and deprived citizens. Through services such as social work and social care, local government is on the front line, tackling inequality and poverty and caring for our elderly and disabled citizens. It is local government that carries the responsibility for educating our children; it is local government that is often tasked with helping those who cannot access employment to gain the skills that they need to do so; and it is local government that houses those who have nowhere else to reside. I would argue that local government is the most important tier of government and is certainly the most visible to our citizens.

In Glasgow, which I represent, it is the city council that has led the fight to tackle poverty and inequality by working within our most disadvantaged communities to increase skills and get people back into work, and it is Glasgow City Council that has led the way in introducing a living wage across the city to protect our lowest-paid workers. Yet, despite the importance of local government and the vital work that is carried out by local authorities such as Glasgow City Council, councils across Scotland have seen austerity plus passed down by this Scottish Government. For example, Glasgow has lost £370 million in total since the SNP Government came to power. The Scottish Government’s own figures show that, if Glasgow City Council got the same share of the local government budget as it got under the Labour Administration, it would have an extra £96 million in its funding for this year alone.

Kevin Stewart: Will Ms McTaggart join me in calling on COSLA to have a full review of the funding formula? I think that that would benefit my constituents in Aberdeen, and I have called for it for a very long time.

Anne McTaggart: I am not sure that that is going to be on the menu for the commission, but it has to be addressed.

It is clear to me that local government in Scotland is not being properly funded and that vital public services are suffering as a consequence. We must be honest about the pressures that our councils face.

Bruce Crawford: Will Anne McTaggart give way?

Anne McTaggart: Okay, but quickly.

Bruce Crawford: During a recent parliamentary debate on local government financing, I challenged a number of Labour members to tell us how much more they would put into the local government settlement and where that money would come from. Can Anne McTaggart enlighten us on that, please?

Anne McTaggart: It sounds like a Green Party moment, asking me to rattle off figures off the top of my head. Yes, we want to see an increase and some restructuring, but I apologise for not having the figures off the top of my head.

Tough and unpopular decisions have to be made—like the ones that Bruce Crawford was implying. Budgets need to be stretched to breaking point, and that is unsustainable. We must now find a way to move forward. We must agree that local government should be properly funded and that vital public services must be protected. Therefore, I welcome the cross-party commission that is charged with finding an alternative to the council tax. I am glad that the work that was done by the Local Government and Regeneration Committee is being taken forward in that way.

The committee sought evidence from other European countries and it immediately became apparent to me that, across Europe, local government is changing to meet the new demands and priorities of its citizens. I believe that local government in our country must change, too. The Community Empowerment (Scotland) Bill, which is currently before the Local Government and Regeneration Committee, gives us an opportunity to bring about some of that change, but communities will not be empowered if the money is not available to back up the bill's provisions and support them.

Presiding Officer, I see that you are rolling your pen, so I will come to a conclusion.

I welcome the commission and will follow its progress extremely carefully. I also welcome the acknowledgement of the work that was done by the Local Government and Regeneration Committee to establish the commission. However, we must be open and honest about the challenges that lie ahead, including what funding will be

needed in the future. Given the pressures that our councils face, I hope that we can begin to move forward and find an alternative to the council tax that is fairer and more progressive and meets the needs of local government. I also hope that we can have an honest and open discussion about the challenges that local government faces and the need to properly fund our vital public services.

15:53

Chic Brodie (South Scotland) (SNP): I welcome the debate. Some 10 years ago, I sat in the public gallery of the Parliament, listening to a raging debate on local taxation. There was loud support for a local income tax from the Opposition at that time. Then, as now, it was clear that the existing property-based system of local taxation is not progressive, fair, proportionate, efficient or timeless and does not achieve all that it should and that we should move to strengthen local autonomy and democracy through a proper taxation system.

In pursuit of our principles, as enshrined in the Community Empowerment (Scotland) Bill, we must address a fundamental change in the financing of our local authorities, however they might be structured, so that local democracy and autonomy might be achieved.

We can no longer continue with the current regime. The council tax, which we have rightly frozen over the past eight years given the straitened UK national economic circumstances, might and should eventually become a lost element in the history of local tax revenue garnering.

We must recognise that compulsive action by central Government while working with COSLA has buttressed local government by maintaining annual revenue and capital funding at current levels in 2015-16, with new allocations uprated by finance for new responsibilities allocated to local authorities.

It is to be applauded that local government budgets from 2007-08 to 2012-13 have increased by 9 per cent, demonstrating an accord between COSLA and the Scottish Government over that difficult financial period. I hope—I know—that, with COSLA joining the commission, that relationship will be mirrored.

I am confused by Gavin Brown's statement that he will consult civic Scotland. Is he expecting to get an answer different from the one that it has already given on the proposed commission? It is shameful, frankly, that the Conservatives have not participated and made this a consensual effort.

The requirement for action, if anything, highlighted the need to change and meet our

manifesto commitment to replace an iniquitous council tax.

If Scotland is to compete economically and globally, the nature of local government funding must change. If we are to empower communities, so must we empower local authorities and their associated communities to set them free to achieve returns on local investment, innovation, efficiency and productivity. If we are to compete seriously, we must consider that competitive countries, particularly those in Europe with local governments—

Gavin Brown: Will the member give way?

Chic Brodie: Yes.

Gavin Brown: I have enjoyed the past 30 seconds or so of the member's speech. Given what he has just said, should the new system be a lower tax one?

Chic Brodie: Gavin Brown misses the point. When I talked about setting local authorities free, I was saying that it should be right for them to determine the level of tax gathering and revenue that is appropriate for their circumstances.

The competitiveness that I was about to mention with regard to Europe will provide competition between local authorities. That in itself will improve our economic capabilities.

We must look at those local governments in Europe with equivalent responsibilities to Scotland. They garner at least 50 per cent of their income locally whereas, as Willie Rennie pointed out, we have a base of 20 per cent.

Local communities should and must have the right to determine whether they want to pay for better governance and better services in their area. In staying faithful to its remit, I am sure that the commission will, in a short time, construct positive proposals that will not just embrace fairness and efficiency but let us set about using the adopted local taxation system—or systems—to eradicate inequalities in our local areas and to secure the wellbeing of each and every one of our citizens. I am also sure that it will want to hand back power to the citizens. By doing that, we would ensure that there is more direct engagement with local people.

All of us will have a view on what the local taxation base might encompass. There will be those of us who seek a form of local income tax married to a site valuation tax system, with regular assessment of land values, as opposed to the current unfair property values. Both of those taxes would be progressive, fair, more equal, embrace personal income and asset positions and demand more accountability from local representatives. Of course, that will be down to the commission. However, I suggest that it might be helpful to have

a brief stop-over in Denmark, particularly to assess the impact of site valuation tax and a local income tax on local and national economies.

The commission is most welcome; its recommendations and the consequent actions will be even more so.

16:00

Margaret McCulloch (Central Scotland) (Lab): I welcome the opportunity to speak in this debate on a subject that I believe the Scottish Parliament has had to confront for some time. We cannot defer reform of local taxation again for another term and another session of Parliament. We cannot lurch from one fix to the next, knowing that long-term damage is being done to public services. We cannot continue to tax properties today on the basis of a valuation last conducted in 1991. We cannot pretend that the council tax freeze is anything other than underfunded. As Unison, the leading trade union for local government workers, has said:

"We need to develop a new consensus that provides a long-term solution."

That is why I congratulate the Local Government and Regeneration Committee on showing leadership on the issue by recommending that an independent cross-party commission on local taxation be established. In doing so, I hope that the committee has brought about the means by which we can finally address the serious, mounting issues surrounding the financing of local government.

Figures cited by Unison indicate that council tax accounts for only about a fifth of the income of our councils in Scotland. There will be variations from one local authority to the next. For instance, there have been times when the income generated in South Lanarkshire has been greater than in its larger neighbour, North Lanarkshire, where the level of need and deprivation is greater. That is because, as others have said, council tax, as a property-based tax, is based on yield from taxing property values, and the values of properties in some of South Lanarkshire's suburbs are higher.

However, relative to grants from central Government, the overall share of income that is generated through council tax has been declining everywhere, and it will have declined further since the council tax freeze was introduced. A review of local taxation is welcome, but we cannot lose sight of wider issues in the financing of local government. We must be clear about the remit of the commission—what it will do and what it will not do—because council tax is just one income stream.

There have been several reviews into non-domestic rates. One such review, into the

cumbersome appeals process, is on-going. More and more businesses are appealing and our assessors and valuation boards are swamped. Many businesses have told me that valuations are completely out of kilter with the property market. The last valuation was postponed and so taxes are effectively being levelled on properties at pre-recession values. Our experience of business rates might offer some lessons for the commission if it decides to continue with some form of property taxation.

I draw the Government's attention to the impact that changes in the Scottish Government's grant are having at the local level. For example, South Lanarkshire Council has advised that, while the grant levels for 2016-17 are not yet available, it expects that it will have to revise its budget strategy for the financial years beyond 2017. Its previous budget strategy, from May 2013 to 2016-17, assumed that there would be a consistent level of central funding. That has not proven to be the case.

South Lanarkshire Council has warned that if the Parliament is to make laws that have obvious financial implications for local authorities, that should, ideally, be reflected in their funding. In evidence to the Education and Culture Committee, the council specifically highlighted costs arising from new legislation on additional support for learning as an area in which the council wants to meet the Parliament's expectations but is struggling because of financial constraints. Those issues are important because grants account for so much of a council's income.

I draw members' attention to the work of the Scottish women's budget group, which I raised with the First Minister during our recent public session of the Conveners Group. The budget group directly challenged the assertion in this year's budget equality statement that there is "parity" in the council tax freeze. It does not accept that the freeze helps people on low incomes, because of cuts to council services, which those in need depend on most. Therefore, I simply remind the Government and members of the commission of the need to consider the distributional effects of any changes in their entirety. What will they mean for those on low incomes, the people who depend on council services most, women and those who already face the greatest inequalities?

The Local Government and Regeneration Committee has helped the Scottish Government and Parliament to take an important step. It has recommended not only that we examine the issues but that we do it in the right way with an independent, all-party commission.

16:05

Stuart McMillan (West Scotland) (SNP): I welcome the debate and the establishment of the commission. I ask the Conservative Party to reconsider its position and take an active part in helping to devise a modern, fairer alternative to the council tax. No tax is popular, as we have heard, but the commission will help to generate the chance that a new, fairer tax will be accepted across the country. However, it would be accepted even more if the commission was totally cross-party and allowed for all the voices in Scotland to have a say in the creation of an alternative to the council tax.

Before we examine the commission's role and the possible alternatives that are open to it, it is important to highlight the current situation regarding the funding of local government in Scotland and the problems with the council tax.

In contrast to what is happening in England, the Scottish Government has protected local government funding. The 2015-16 budget provides a total funding package of more than £10.85 billion, with further funding available to maintain teacher numbers. Between 2007-08 and 2012-13, the resources within the Scottish Government's control increased by 6.4 per cent. Over the same period, local government's budget increased by 8.9 per cent. That demonstrates the strong financial settlements that have been agreed with local government during challenging financial times.

The difference in local government funding between Scotland and England was highlighted by Councillor Sir Merrick Cockell, the chairman of the Local Government Association, who, following the 2013 UK spending review, said:

"Every year I meet my opposite numbers in Scotland, Wales and Northern Ireland and they listen to us in wide-eyed disbelief at the budget cuts we are enduring and they are not."

It is important to review the record of the council tax and ensure that the failings of that form of taxation are not repeated when we discuss a new system of funding local government.

The council tax system is unfair and regressive. It taxes a higher proportion of the value of cheaper properties than of expensive ones and bears little relation to a household's ability to pay. People on low incomes, including pensioners and those in low-wage employment, can pay 20 per cent or more of their incomes in council tax, while those who are better off can pay 1 per cent or less of their incomes.

The abolition of council tax benefit by the UK Government resulted in the funds for supporting people on low incomes being devolved to Scotland but with a 10 per cent cut. The Scottish

Government, in co-operation with COSLA, managed to plug that gap. Without that action, more than 530,000 low-income households—including 200,000 pensioners—would face a massive rise in their bills, as has happened in some areas of England.

Before the fully funded council tax freeze, local communities faced enormous rises in their council tax bill. Across Scotland, council tax bills went up by 46 per cent. Other parties have suggested altering the tax bands to try to improve the council tax, but that will quite simply not be enough. No amount of alteration to tax bands or minor changes can substantially improve the tax. It simply has to be replaced.

The establishment of the commission on local tax reform is a positive step towards devising a fairer, more progressive alternative to the council tax. I am pleased that the commission has general cross-party support, with the exception of the Conservatives, and involves external advice from the third sector and other bodies that can contribute their expertise and experience.

We need to examine all the options that are available domestically and internationally to find a fairer alternative system. My colleague Chic Brodie mentioned Denmark. We can examine the approach there and elsewhere.

I also welcome the fact that the commission's remit is not prescriptive, which will allow it to look at alternative systems while considering the impact on individuals, households and inequalities in income and wealth. It is important that future local taxes should embrace the established taxation principles of efficiency, convenience, certainty and being proportionate to the taxpayer's ability to pay.

That will be no easy task for the commission, and I am sure that many organisations and individuals will have their own preference for a new system of taxation. There are arguments for and against a local income tax, a land value tax or a hybrid form of taxation based on property and income, but I am sure that the commission will be up to the task.

I gently point out to the Conservatives that the SNP withdrew from the Scottish Constitutional Convention because the issue of independence was not allowed to be discussed. The commission on local tax reform has a remit to identify and examine fairer alternative systems to the council tax; its remit is not prescriptive. I know why the SNP came out of the Scottish Constitutional Convention, but I cannot understand why the Tories do not want to take part in what will be a cross-party, non-party commission, the remit of which is not prescriptive.

If all the political parties can come to a compromise on constitutional matters, surely it should be a lot easier for them to come to a compromise on local taxation. Alex Rowley used the word "compromise". The commission will allow a compromise to be reached. The Conservatives do not agree. They obviously do not think that compromise is that important.

I warmly welcome the establishment of the commission, and I wish it every success.

16:11

Cameron Buchanan (Lothian) (Con): It is welcome to have the opportunity to discuss the best way forward for local taxation. Although the Scottish Government wants the debate to be exclusively about the proposed commission on local tax reform, it seems that a debate on an issue as important as tax should not be restricted to such limits. The discussion should not be confined to political parties' negotiations; instead, it should consider what form and level of taxation would produce the best outcomes for the public.

We need a practical, well-rounded and sustainable tax system, so we need to hold a wide-ranging inquiry that deals with not just the council tax, but the whole range of taxes that are devolved to Scotland. For that reason, we have set up the commission for competitive and fair taxation. Given the new powers that are coming to the Parliament, the opportunity exists for a broad reconsideration of multiple levels of taxation. We need to get all taxes right if we are to have an enterprising economy that will attract talent, create jobs and finance our public services. That should be the aim of taxation policy; the public's best interests should be put first.

Unfortunately, the commission on local tax reform will kick the issue into the long grass by freezing the political debate in the meantime. Its premise is built around deals between parties. Its ultimate aim is to reach a situation in which, regardless of which way the electorate votes in future elections, there will be no option of change to the local tax system.

Stuart McMillan: Will Cameron Buchanan take an intervention?

Cameron Buchanan: I am sorry—I need to press on.

The Scottish Conservatives will not allow that to happen. It is only right that parties can openly offer alternatives to the Government's view and that the public are given a real and meaningful choice.

Kevin Stewart: Will Mr Buchanan give way?

Cameron Buchanan: I am sorry, but I want to press on.

We will consider the recommendations of the commission for competitive and fair taxation at length, and we will continue our drive for an enterprising economy that funds its public services sustainably and delivers for everyone. The merits of the various approaches should be decided by voters rather than by deal-making politicians in the commission on local tax reform.

Stuart McMillan: Will the member take an intervention on that point?

Cameron Buchanan: No, thanks—sorry.

The recently set up commission for competitive and fair taxation, on the other hand, will have the interests of taxpayers at heart. An economy that is overburdened with tax will struggle to fulfil its potential, and taxes that are too low will not allow for sufficient funding of our public services. The point is that taxes need to be thought through very carefully. Furthermore, it seems plain to me that a well-rounded approach that involves considering all the taxes that are devolved to Scotland will be far more practical and sustainable than a bit-by-bit approach. It is indeed worth looking at our approach to local tax, but if we are to have a system that is coherent, competitive and fair, a much wider outlook is needed.

I would like to highlight a crucial attribute of our commission—it is independent. It is made up of experts who are independent of the Scottish Conservative Party, who would like their recommendations to be considered by all parties. It will have six members and will be chaired by the former director of the Confederation of British Industry Scotland Iain McMillan CBE. Together, they have a wealth of expertise in business, economics and tax.

Accordingly, I reiterate my belief that, when it comes to taxation, the key principles that are applied should be competitiveness and fairness. Most local authorities are facing financial difficulties at the moment. That serves only to highlight the need for sensible and sustainable taxation policies. With so much at stake, the public must be given a choice rather than a political deal.

It is for those reasons that the Scottish Conservatives do not think that it would be appropriate for all discussion of local taxation to be limited to the commission on local tax reform. Instead, as members have heard, we have launched an expert commission for competitive and fair taxation that aims to produce practical and fair recommendations and to allow the public to judge for themselves.

16:15

Roderick Campbell (North East Fife) (SNP): Like others, I welcome the appointment of the

commission on local tax reform, and I wish it well in its deliberations.

As other members have suggested, how we finance local government is not an easy question. Exploring the issue across the political landscape has to be the right way forward. I am equally disappointed that the Conservatives are not participating in the commission. I agree with Willie Rennie that it is better to have tried than never to have tried at all and that, at the very least, the commission will succeed in shedding some light on very difficult questions. I hope that it will do so.

As we know, if we finance local government spending disproportionately from national taxation, the local element of accountability will be reduced. We know that many local authorities, such as East Lothian Council, believe that local accountability has been weakened by the continuing erosion of local government's fiscal autonomy. However, others would contend that the public are not necessarily concerned with the source of local government funding, provided that services are maintained. It is clear that there is not necessarily a universal understanding that currently more than 80 per cent of local government expenditure is received from central Government.

In Scotland, we have had a council tax freeze, which has capped the overheads for many hard-pressed families over the past eight years with considerable success, despite the concerns and opposition of some local authorities. I was glad that Alex Rowley accepted that the council tax freeze at the present time is popular. However, we should also bear it in mind that, despite criticism of the Scottish Government, the position of local government in Scotland in a time of austerity has been better protected than the position south of border has been, as David O'Neill has conceded.

The demands on local government are, of course, increasing. We have to accept that the days of such council tax freezes must inevitably be drawing to a close, and it is right and proper that we work towards a revised system of local finance in good time for the next local elections in 2017.

The council tax is clearly a blunt instrument. It can certainly be easily criticised in the context of reducing inequality. My colleague Stuart McMillan talked about previous plans to increase the number of bands at higher levels. That was really tinkering, and it would not have had a significant impact. However, I must accept that the Scottish Government's land and buildings transaction tax sets rates that the Scottish Government believes are more proportionate to house prices while seeking to protect those at the bottom of the housing ladder. Therefore, banding and playing with the rates at the top are not completely alien to the Government.

Nationally collected income tax contains a redistributive element in its rates, of course, although I accept that that may not be redistributive enough for many who favour rates of income tax in excess of 45 per cent. That redistributive element would be maintained in seeking to fund local government by local income tax.

The ability to pay must be central to any replacement system. Indeed, the commission's remit makes it clear that future taxes should be proportionate to the taxpayer's ability to pay. What does that mean in practice? For example, is it right that single folk should receive discounts or exemptions from local taxation that is otherwise payable, irrespective of their ability to pay? If a person owns property or land, those things are assets that have a value on which moneys can generally be raised. Any tax that is based on value should reflect that. In national taxation, we do not tax on the basis of the extent of usage of public services by individual taxpayers, so it is not clear to me why similar considerations should not apply to local taxation. However, for people of whatever age on a fixed income who may be capital rich but income light, that presents a problem that local income tax might have avoided. Grappling with that kind of issue has to be part of the commission's thinking.

I am not sure of the details of the mansion tax, but if it is purely a tax on value, I assume that that kind of concession will not be made. I do not know whether any Labour member can enlighten me on the details of the mansion tax. I will leave it open for anyone to interrupt me on that point.

What about charges? That is a thorny area—more so in a time of austerity. I do not accept the argument that charges should be considered as a form of local taxation, but they can cause considerable distress to the disadvantaged. Kevin Stewart has talked about the position of carers. I do not know how charges fit into the helping to tackle inequality agenda, but I hope that the commission will pay some attention to that. Is it right that charges should fall fully within a local authority's discretion? That is certainly worthy of debate.

How do local authority commercial enterprises feature in the assessment of local government finance? Can they play a bigger role? What financial impact would they have in the context of local government funding?

What about council tax benefit and its successor, the council tax reduction scheme, which is tied in with the concept of the ability to pay? How should that operate? At present, more than 0.5 million people benefit from that, but clearly there is a bureaucracy attached. Is that inevitable with any scheme that is based on the

ability to pay? Again, that is something for the commission to consider.

I am not sure what can be gained from looking at international experience. I think that Mr Brodie referred to Denmark earlier and I know that members of the Local Government and Regeneration Committee visited Germany, Denmark and Sweden. Hopefully the commission will cast a wide net in trying to learn from international experience.

Although we might agree that

“the present system of local government finance is broken”,

as the Scottish Labour devolution commission indicated, finding an alternative that is fit for purpose will not be easy. I wish the commission well.

16:21

Cara Hilton (Dunfermline) (Lab): How our local councils are funded is certainly one of the most contentious issues in Scotland and across the UK. That is no surprise when we consider that local government often has the biggest impact on people's lives. From the education that our children receive to how often our bins are collected, the decisions that councils make touch people's lives more directly than many of the decisions that we take here at Holyrood or are taken down at Westminster.

Strong local democracy empowers local people to be in charge of their own lives and to decide the priorities for their communities. However, a report from the Carnegie UK Trust found that only 21 per cent of adults in Scotland agree that they can influence the decisions that affect their local area.

We have seen in today's debate that most of us agree that devolution should not stop at Holyrood. Devolution should be about ensuring that all decisions are taken as close as possible to the communities that they affect and that local people are involved in shaping those priorities. An important principle of local democracy should be that councils are accountable to the communities that they serve for the decisions that they make.

Increasingly, we see that councils are losing that power and that Scotland has become more centralised in the past few decades. Our councils are increasingly at breaking point and it is disappointing that it has taken so long for the debate that we are having today to happen, but it is welcome.

We talk a lot about empowering communities and ensuring that the power to shape our lives is in our own hands, but when it comes to local democracy, our local authorities' hands are increasingly tied. We only need to look at what our

councils are achieving to imagine how they could transform our communities further with more freedom and more financial resources to do so.

There is absolutely no doubt that reform is needed. The fact that such a small proportion of the money that local authorities spend is raised locally undermines our local democracy. Most of us agree that the current system of local government finance is broken and as a result we are seeing local authorities resort to desperate measures.

In Fife, I have been campaigning alongside parents against a possible cut in the school week. Thankfully, the campaign has been a success and the proposal has been withdrawn, but parents cannot understand why our councils are being put into the position of having to look at cutting the hours that our children are taught in school while pressing ahead with the roll-out of national policies such as free school meals, at the same time as the Scottish Government is underspending on education and other areas that our councils are having to cut. That simply does not make sense to most parents I have spoken to but, thanks to the funding crisis that local government faces, it is the reality right across Scotland.

Alex Rowley highlighted a similar example when he talked about teacher numbers.

Kevin Stewart: Will the member take an intervention?

Cara Hilton: No.

That situation puts pressure on local authorities to deliver centralised commitments. As always, the poor in communities right across Scotland are the ones who are paying the price as local authorities are forced to resort to charges as the only way of bringing in extra revenue, or cutting services that are often a lifeline to locals.

Scottish Labour supports the council tax freeze, but we all know that it can only be a short-term measure. At a time when individuals and families still face a cost of living crisis, the freeze is a welcome boost to family budgets. However, we cannot get away from the fact that the freeze is underfunded and it dilutes the power of councils to deliver front-line public services.

Clare Adamson: Would Cara Hilton be happy to go to her constituents as a Fife councillor and suggest to them that, just to stand still, they would have to have an increase of at least 3.4 per cent and, to generate any money from the council tax, they would face 8 or 9 per cent increases, which were the norm before the council tax freeze came in?

Cara Hilton: What I would be happy with is if the SNP were honest with people about the council tax freeze and the impact that it is having

on our public services. It is unfair that local authorities are bearing the brunt of austerity from Westminster and here at Holyrood. At a time when 83 per cent of our local authority budgets are controlled by the Scottish Government, councils are in an impossible situation.

Despite that, councils such as Fife Council are achieving great things. Fife Council is investing money to renew and regenerate our town centre in Dunfermline; investing in early years and early intervention to end the cycle of disadvantage; creating new and much-needed apprenticeships for our young people; and building new and much-needed council houses to provide affordable housing for local families. Those policies are transforming our communities and transforming people's lives. Imagine what Fife Council and other local authorities could do and deliver if they were properly resourced.

The link between taxation, representation and spending is vital for effective democracy. At the moment, that link is broken. It is time for change. Change is long overdue and I am pleased that we are now seeing action. In common with other members across the chamber, I warmly welcome the commission on local tax reform and I look forward to hearing its findings when it reports in the autumn. I am not sure whether it is in the commission's remit, but I hope that, as well as council tax, business rates will be considered. Devolving business rates to councils would help restore the link between local economic development and higher revenues, giving local authorities much more freedom to use them in ways that support the local economy and give our high streets a boost.

I agree that the commission should look at the overall local government settlement to give councils a fairer deal. There is no doubt that a lot of work needs to be done to find a solution that delivers a fairer deal for local authorities and for local taxpayers—a solution that secures the future of local services, which our communities rely on. Whatever the outcome, we need a system that delivers a long-term solution for funding local government services so that local finance is no longer a political football—a system that establishes a clear divide between the roles of central and local government in determining local budgets, which is fair and progressive and which ensures that our public services are sustainable now and in the future.

Whether that solution is a fairer council tax reformed to make it more progressive or whether it is a different solution altogether, this is a welcome debate and I hope that it is one in which folk will engage across Scotland. I congratulate the Local Government and Regeneration Committee on making the recommendation for a commission and

I look forward to its findings. Securing cross-party consensus on reform is very important, so, Tories aside, I hope that we can work across the chamber to make this happen.

16:27

Willie Coffey (Kilmarnock and Irvine Valley)

(SNP): As some of my colleagues have said, in our 2011 manifesto we in the SNP committed ourselves to consulting during this session of Parliament on a system to replace the council tax and to have a system principally based on fairness and the ability to pay. I am sure that the commission that has been set up to take on that work has all our best wishes and will carry the hopes of the vast majority of our people that a fairer system of local taxation will emerge from the process.

From the era of the Tory poll tax, when millionaires paid the same amount as ordinary families, to the unfair council tax, which is based on property values and not on a person's ability to pay, Scotland has basically had a system of local government taxation for over 25 years that the majority of people fundamentally did not agree with and currently no longer support.

That gives the commission a good starting point and I hope that all the members who serve on it will relish the task. It looks nicely balanced and has a good mixture of national and local government representation as well as some experienced people from civic Scotland. I wish our colleagues well, two of whom are part of the chamber debate today—Mr Biagi, the minister, from the SNP Scottish Government, and Mr Rowley from Labour.

The commission has quite a remit. It has to identify more than one possible system. Any system that it identifies must be fair and must support the delivery of local services. The commission has to take into account income inequalities, the housing market, the revenue-raising capacity of all of the options, administration costs, timetables for implementation and of course transition to whatever new system may emerge.

In doing that important work, the commission will also engage with Scotland's communities and include an assessment of what they think of the emerging proposals. I can already see some useful stress tests that might apply to the process, but the commission will no doubt come up with its own.

In my view, fairness and the ability to pay must be at the heart of any new system. Nobody likes paying tax; some people these days seem to dislike paying their taxes so much that they will do anything to try and avoid it altogether. However, more important than the details of any new

thresholds, bandings or rebate elements that might be part of any new local tax system, the public will expect that it will be generally fair and, hopefully, simple enough to understand.

For me, the big message of the past eight years has been the SNP Government's council tax freeze. That freeze means that the average band D taxpayer will have saved more than £1,600 by 2016-17. That is a substantial saving for households, especially during these economic times, and our councils will get an additional £70 million this year to implement that freeze. One of the consequential effects of a freeze is that the lowest-income households in Scotland get the greatest benefit, as the saving that is offered by the freeze represents a bigger percentage of their net earnings than it does of those of people on higher earnings.

The overall council tax bill was getting out of hand. In my authority, the previous Labour administration had increased it by 61 per cent over 10 years. The public were concerned about such escalations and I shudder to think what the level would be now if that sort of hike had been allowed to carry on.

The Scottish Government has protected local government funding compared with the drastic real-terms cuts in England, as my colleague Stuart McMillan mentioned. More recently, as a result of UK Government policy, the SNP has had to introduce other mitigations to help protect the poorest and most vulnerable in our communities. Stuart McMillan also mentioned the UK Government's abolition of council tax benefit, with the Scottish Government putting £69 million towards alleviating that.

We also protect low-income families from the bedroom tax—a tax that is arguably just as bad as the poll tax. Some £90 million has been committed to fully mitigate the bedroom tax and, from April to December last year, more than 100,000 awards were made under the discretionary housing payment scheme. That is real help from the SNP Government for the poorest in our society.

However, we should not be in a position where a Scottish Government is continually having to nullify the negative measures that the UK Government is meting out. Who knows what it might do next? One thing that we know for sure is that Labour MPs have supported the Tories down in London in agreeing on another £30 billion-worth of austerity cuts, yet Labour MSPs come here and argue for more money. If either of those parties is left to its own devices, people in Scotland will face even more hardship.

Willie Rennie: Will the member take an intervention?

Willie Coffey: I am just winding up, sorry.

This work to come up with some real proposals for change in how we apply local taxation comes at a time when the Scottish Government is offering further progress on engaging with and empowering our councils and communities. Ring fencing has dropped from nearly £3 billion to about £200 million, which means that councils now determine many of their own priorities. The new Community Empowerment (Scotland) Bill will go further, allowing councils to offer local business rates reliefs, for example, to fine tune help for local business throughout Scotland.

Communities, too, will be able to drive change themselves and to shape and deliver the local services that the new local tax will support. In that regard, the new commission's work will be pivotal in helping to bind all this together and I wish all my colleagues the best of luck in doing this important work for the people of Scotland.

16:33

Gavin Brown: There have been some very interesting elements to the debate and a number of speakers from every party touched on wider issues that we ought to debate in the future, although they were not strictly within the remit of today's debate. Talking about the relationship between central and local government, as Mr Biagi did, is key and is something that we all need to reflect on. It reminds me of something that former Labour MSP Charlie Gordon once said in this chamber, which has stuck with me for a long time. He asked, "Do we want local government or do we want local administration?" That is a question that we should all ask in the lead-up to elections next year and in 2017.

We heard about the need to look at Government finance more widely, and we heard latterly from Cara Hilton about the need to look at devolution downwards from Parliament to local authorities. In the past couple of years, powers have shifted from local authorities, health boards and colleges to Parliament.

There are strong arguments, too, for devolving some powers downwards from local authorities to smaller entities such as community councils. Some of our local authorities are particularly large and geographically widespread, so there is an argument for pushing powers down to local communities where that can be done reasonably well.

There have been some good elements in the debate, but I want to focus on the meat of the issue. We heard a lot of speeches, mainly from SNP members, about how awful the council tax is, despite John Swinney's resolute rearguard defence of the council tax in this very chamber just

a few weeks ago, when he made it sound like one of the best taxes that has ever been introduced.

The thing is, however, that I heard all those speeches from the SNP in 2007, and in 2008 and 2009—and then the party went quiet on the issue of local government taxation, despite having made a pledge. I know that Mr Biagi was not an MSP at that time, so he may not realise that the world did not begin in 2011, and that there was a commitment before then.

The SNP had seven key commitments in 2007. Its manifesto stated:

"The SNP will scrap the Council Tax and introduce a fairer system based on ability to pay. Families and individuals on low and middle incomes will on average be between £260 and £350 a year better off. Nine out of ten pensioners will pay less local tax."

That was in 2007. Can the minister tell us what happened?

Marco Biagi: I would be delighted to do so. I ask Gavin Brown to take just one moment in his speech to acknowledge that that did not take place in no small part because his party voted against it.

Gavin Brown: I appreciate that Marco Biagi was not a member of the Scottish Parliament at that time, but I note that the Conservative group is 15 strong now, and we were 18 strong then, but even with 18 MSPs we did not manage to outvote the SNP. I have no doubt that had there been the political will from the Administration at the time, with the support of the Liberal Democrats, the Greens and the late Margo MacDonald, the SNP could have got the measure through. When we debated local income tax, there was only just a majority in favour of it in the chamber, so the outcome was down to lack of a political will rather than to lack of numbers in the chamber.

I apologise to Willie Rennie for describing him as left wing earlier in the debate. I am advised by him that he is centre left and not left wing.

I also apologise to Kevin Stewart for describing him as left wing. Listening to what he had to say, it is clear to me that he is actually a low-tax MSP. Kevin Stewart is a tax cutter; he is not left wing in any way, shape or form. Let us hear it straight from him.

Kevin Stewart: I do not have a problem with being called left wing, and I am not necessarily a tax cutter, but I believe that when we have an unfair tax we have to tackle it. The council tax is unfair, and that is why we have the freeze. I believe in progressive taxation, which Mr Brown certainly does not.

Gavin Brown: Kevin Stewart is the rarest of creatures. He might be the only one I know—he is a left-wing tax cutter. My goodness! What a debate we have had today.

Willie Rennie hit the nail on the head—probably without meaning to—when he said that the real reason for setting up the commission was to get the SNP off the hook. The SNP has a bit of a political problem with local government finance, so it wants political cover for its local income tax. Mr Rennie was quite right to say that.

I wish the commission well and I hope that it sheds some light on the issues. However, given what I have heard today, my hopes are not high. We have a Labour Party that is basically convinced that there will be no recommendations from the commission at the end of the process, a Liberal Democrat party that believes that there really ought to be some recommendations at the end of it all, and the SNP, which wants a menu of options for us all to choose from at the end.

There appear to be differing views even within parties. Roderick Campbell spoke strongly about trying to end the single-person discount because—according to him—it is very unfair that single people currently get a discount.

Chic Brodie argued strongly for a local income tax for which local authorities set the rate, but that is Liberal Democrat policy. I know that he used to be a Liberal Democrat, but I did not realise that in many ways he still is. We then had Cara Hilton arguing that business rates ought to be included. I will be interested in what the minister will say, but I am pretty sure that that suggestion will not, given the outline for the commission, be considered. Perhaps the minister can address that in his closing speech.

We have outlined clearly why we will not be part of the commission, and what we are going to do. We had a range of responses to our position. Chic Brodie described it as “shameful”, which is probably a bit strong. Roderick Campbell is “disappointed” and Clare Adamson said that we will not be missed. However, I was heartened by Kevin Stewart’s response because his position is that he is rather worried that the Scottish Conservatives will “miss out” by not being part of the commission.

I wish the commission well, but I have outlined very clearly why we will not be part of it and why we will pursue matters with our commission.

16:40

Alex Rowley: I will pick up from where Mr Brown left off. I said when introducing the debate for Labour that in 2007 the SNP Government had a commitment to a local income tax but that by 2011, for whatever reason—whether it was the unpopularity of the local income tax or the fact that it would be very difficult to make it work—that had not happened. Mr Brown rightly pointed out that during the period from 2007 to 2011 there was an

unofficial coalition between the Tories and the SNP. Perhaps, had there been a will to do it, the Tory-SNP coalition could have brought about a local income tax.

Mr Brown may also be right that the SNP Government wants to be let off the hook in terms of the council tax freeze policy, given that it does not know where it is going to go on that and the damage that is being done to local authorities’ services. The fact is that because local government is so important, as so many members have emphasised, and regardless of the reasons why the Government has decided to go along with the Local Government and Regeneration Committee’s report, the Labour Party in Scotland is going to work as part of the commission so that we can look at what options are available, look at where consensus can be achieved, and look at what wider consensus is out there in our communities.

The one thing that is absolutely clear is that we need to put in place a long-term sustainable financial programme for local government. It is far too important for us not to do so. That is why it is so disappointing that the Conservative Party has not signed up to the commission. Gavin Brown said that one of the reasons why the Conservatives have not done so is all the left-wing parties in Parliament. However, I thought that Willie Rennie addressed that fairly by pointing out that the commission will not talk about the levels of taxation that are to be charged but will simply look at the options that are available for systems of taxation.

It would be wrong for any party at this stage to say that it will sign up to whatever outcome the commission arrives at—that is not how it will work. I hope that we will get from the commission a well-informed report that provides a number of options and sets out opinions, views and flaws, because there is no perfect system of taxation. I think that it was Willie Coffey who said that at the end of the day no one actually likes to pay tax but that people will pay tax if certain principles are achieved in respect of fairness and the ability to pay. The Conservatives certainly have a track record of not delivering on that.

Gavin Brown: Will Alex Rowley give way?

Alex Rowley: No. I am sorry, but I want to make some progress. I will see how far I get, because I want to pick up on other issues that have been raised in the debate.

Clare Adamson made a number of valuable points about the impact of a tax on the ability to pay of the most vulnerable people in our society, and about the importance of having a proper system of local taxation that can address policies at local level. I sincerely believe that local

government is key to our tackling inequality and poverty, and that it is necessarily more key than the central Government. The central Government can provide the strategy and the finances, but if we look around Scotland at the 32 local authorities, we see that it is local government that is on the front line. The work to tackle inequality and poverty day in, day out is done by local government.

Clare Adamson went on to make the point that no council was prevented from raising the council tax. She is right, but there was a penalty of £X million. In Fife's case, it was £4 million. As I said at the first meeting of the commission, Fife Council asked two questions on the council tax as part of the budget consultation. It asked whether people would be prepared to pay additional council tax if the money was ring fenced for education, and whether they would be prepared to pay additional council tax, first if the penalty was there—as I said, it was about £4 million—and secondly if it was not. The answers that came back were that people were absolutely not prepared to pay more if the £4 million penalty would be incurred before we had even started, but a majority said that, if the penalty was removed, they would be prepared to pay more money.

I should be clear that Scottish Labour's position is that we would not increase the council tax now because we have a cost-of-living crisis, which was mainly brought on by Gavin Brown's party.

Alex Johnstone: Will Alex Rowley take an intervention?

Alex Rowley: No. I do not have time.

People have, in effect, been on wage freezes and have in many cases had wage cuts over the past five years, so it is not the right time to introduce taxes on hard-pressed families.

However, we have to find a way forward, and there is an indication from public consultations that have taken place in local authorities throughout Scotland that people recognise that local services need to be paid for. The minister might want to touch on this when he sums up, but that is why one role that the commission must play is in engagement with civic Scotland. It must engage with communities throughout Scotland so that we can get a wider discussion and debate about the types of services that we want.

Gavin Brown: Going back to an earlier point that Mr Rowley made, I note that although the commission is barely four days old he has suggested that the Labour Party might not sign up to any proposals that it comes up with. Is that the position of the Labour Party four days into the commission?

Alex Rowley: What I said was that the Labour Party will bring forward for its 2016 manifesto a vision of local government and how we see it moving forward. The council tax represents something like 16 or 17 per cent of local government finance. We want to see a much bigger vision for how local government delivers for the people of Scotland. I would not expect any party to say today that it will sign up to the outcomes of a commission that will report in August. We will get a lot more information, and the commission can work to inform all the parties. It is just a pity that Gavin Brown's party did not get involved—but that is perhaps more to do with its lack of commitment to a local say and the acknowledgement that the state actually has a role to play in government.

Kevin Stewart also made the point that it is important to engage with civic Scotland, and I absolutely agree with that. He and his committee have done an excellent job in getting round Scotland, talking to people and listening to their views about local government. I hope that the commission will pick that up.

Anne McTaggart made a point about poverty and inequality, and there is an example in Glasgow City Council—the authority that she was a member of. The city deal that has been struck with the seven or eight authorities in the Clyde and Glasgow area is going to bring about major change and major investment in the wider Glasgow area, and that has been achieved by the local authorities working with the Scottish Government and Westminster.

There are many routes to finance other than the narrow council tax; we need to remember that as we look at our vision of the future and how we move forward.

I realise that it is time for me to wind up. I welcome the commission, and the Labour Party in Scotland will work with the other parties. It is just a pity that the Conservatives are not going to join us.

16:49

Marco Biagi: The commission is here to achieve greater clarity; that is its fundamental mission. If this debate has achieved anything, it is that I am now quite clear on the Labour Party's position on the council tax freeze. I have heard repeatedly from Alex Rowley that Labour supports it. Perhaps that is a result of the Labour Party's new leadership but, nevertheless, I am glad to have that clarity, which we, and all members, will factor into on-going debates about local government funding and the council tax freeze.

The council tax freeze, which Labour claims that it invented—even though Cara Hilton might dispute that—has been both fair and funded. It

helps those at the bottom twice as much, as a proportion of their income, as it does those at that top, and no wonder, because council tax is a regressive tax. It hits the poorest hardest, so putting it up hits the poorest hardest and not putting it up helps the poorest the most. That is fairly simple.

On the wider issue of local government funding, which the debate has touched on, broadly there are three big chunks to what the Scottish Government spends money on: health, which everyone here agrees we have to protect; local government; and everything else. Between 2013 and 2016, the local government chunk is increasing by 2.6 per cent in cash terms. Everything else is increasing by just 1.0 per cent in cash terms. Let us accept that local government is under pressure—ideally, I would not to be in a situation where I was getting a 2.6 or a 1.0 per cent cash increase. However, we are all under pressure here, and there are Government departments coming under far more pressure than the local government finance team.

If you need an example of what austerity economics can mean for local government, you just need to look at England, where local authorities are facing in the current spending round a real-terms cut of about three times what local government in Scotland is facing. That is just today, but there is also tomorrow. If we look ahead to the spending round in 2020, there are massive implications for local government funding from the Conservative Party's spending plans. The First Minister has set out an approach in which UK public spending should rise in real terms by 0.5 per cent per year. According to Office for Budget Responsibility analysis, that would result in the debt to gross domestic product ratio declining, but it would have massive benefits for local government if for no other reason than the fact that the £59 billion gap between the First Minister's and the Scottish Government's ideal situation for the UK and what the Conservatives plan to do would perhaps mean between £4.5 billion and £5 billion in Barnett consequential. That would have a huge impact on the funding available to local government. A funding gap of £4.5 billion to £5 billion is broadly equivalent to every penny that we spend on nursery, primary and secondary schooling in this country, and the consequences for local government would be severe.

The Conservative Party's plans would see us live out a decade of austerity and return to public spending levels not seen since the 1930s. If we want to protect the core funding that goes to local government, as well as the taxes that it raises to make up the rest, and protect the needy and vulnerable who depend on the vital services that councils provide, we have to work together as

much as we can in this chamber to resist that austerity.

We all agree on the need to find more revenue, but I hope that none of us would want to raise it from those who are least able to pay. Gavin Brown should be aware of the difference between a tax that takes into account ability to pay, which to an extent council tax does, and one that does not. His beloved poll tax, which he has spoken about in previous debates, took no account of that whatsoever.

In Westminster in 2010, Labour and the SNP went through the lobbies together to oppose George Osborne's VAT rise, because we agreed that, although it would create more money for vital services, which was needed, it would hit the poorest hardest and it was the wrong way to do it. That is the principle that we have here.

Alex Johnstone: Will the minister acknowledge that, under the current system, the poorest are not hit hardest, because they are supported to pay their council tax through the benefits system, and that is 90 per cent funded by the block grant from Westminster?

Marco Biagi: The poorest were certainly not helped very much by the 10 per cent cut to the scheme that was made by the UK Government and which the Scottish Government had to step in to deal with. We should also remember that people who are just above the level required to qualify for council tax benefit suffer very severe increases. I used to think that the Conservative Party supported the person in the middle, the person of modest income and people such as pensioners on low but fixed incomes, but those are exactly the kind of people who have had difficulties with the council tax system.

Gavin Brown suggested earlier that Kevin Stewart was a left-wing tax cutter. I will leave that for the discussion afterwards, but this is not about cutting or raising tax. I simply point out that, when the VAT vote went through, every Conservative in the House of Commons became a right-wing tax increaser. The measure of the principle is not whether tax is going up or down but who it is going up or down for. In looking at the funding of local government, this commission has to set out that kind of cost benefit analysis, assess the options and provide the next Scottish Government—whoever that might be—with a platform on which to base local tax reform.

I previously described this as a menu.

Anne McTaggart: The Local Government and Regeneration Committee recommended that the commission examine other ways in which local government can raise funds. This is not just about the council tax. Will that be on the menu for the commission?

Marco Biagi: As Willie Coffey has pointed out, the commission already has a quite ambitious remit and a tight timescale, and its focus is on replacements for council tax. However, the broader debate is in process. I have had meetings with COSLA about wider local government finance, and that debate will continue.

Going back to the menu analogy, I think that, if the commission produces a menu and Labour decides to order the meat and potatoes of council tax—in other words, stodgy but a bit familiar—it will still be well informed in its decision. The Greens might look at land value tax—the open-topped Scandinavian sandwich that everyone looks at but not many order—while others will consider some kind of fusion cuisine. However, what we will have will be a suite of informed options.

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): Did he say “sweet”? Is that the pudding? [*Laughter.*]

Marco Biagi: As the remit makes clear, the commission will identify and examine alternatives. We have to do that, because only a brave person will predict that the commission will unite around one option. However, we can unite around an assessment and a suite of options and lay the groundwork for relatively rapid—

Christine Grahame: He’s on about his sweet again.

Marco Biagi: I hasten to add that I meant “suite”, not “sweet”.

Christine Grahame: Thank you.

Marco Biagi: I am sure that there will be something for dessert, but that is a debate for another day.

That process of change, which will probably happen quite quickly after the 2016 election—let us face it: we cannot continue a council tax freeze for 40 years; there has to be some long-term solution—has to carry legitimacy for those of us in the chamber as well as for the public. As a result, the commission is going to lead a participative process. In fact, that was one of the biggest topics that were discussed at the commission’s first meeting, and we aim to finalise and launch a written consultation very soon.

We also want to go out and have face-to-face meetings around the country to understand what the public want and expect. After all, we have had these commissions before. Commissions of the great and the good have examined things behind closed doors; local authority commissions have looked at the issue but have not really had the power to implement any changes; and there have been academic, professional and single-party examples. This commission brings together the

people who could, as the next Government, be in a position to implement change. It has a wide political buy-in around the chamber that makes it uniquely capable of being effective.

In mentioning that wide political buy-in, however, I am very sorry that Gavin Brown did not just abstain from membership of the commission but actually asked, “What is the point?” I sometimes wonder that myself when I listen to Mr Brown speaking, but the point of the commission is to go through a process of engagement. Is the commission that the Conservative Party has set up going to examine all kinds of taxes as part of its remit? If no one from civil society or with a social justice background is on it, is it going to be able to examine things in enough detail? Will it be able to provide the detail for the carers whom Kevin Stewart mentioned? Will it be able to provide the detail on how regional mechanisms will work, which Clare Adamson highlighted? Will it provide clarity for everyone?

The commission on local tax reform will do that. I ask everyone to support it. If the Tories are not going to do so, it will, sadly, be just one more example of Scotland going one way and them going another.

Decision Time

17:00

The Presiding Officer (Tricia Marwick): There are two questions to be put as a result of today's business. The first question is, that amendment S4M-12423.1, in the name of Alex Rowley, which seeks to amend motion S4M-12423, in the name of Marco Biagi, on the commission on local tax reform, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Boyack, Sarah (Lothian) (Lab)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Gray, Iain (East Lothian) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hilton, Cara (Dunfermline) (Lab)
 Hume, Jim (South Scotland) (LD)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Marra, Jenny (North East Scotland) (Lab)

Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDonald, Mark (Aberdeen Donside) (SNP)
 McDougall, Margaret (West Scotland) (Lab)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMillan, Stuart (West Scotland) (SNP)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Rowley, Alex (Cowdenbeath) (Lab)
 Russell, Michael (Argyll and Bute) (SNP)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (Ind)
 Yousaf, Humza (Glasgow) (SNP)

Against

Brown, Gavin (Lothian) (Con)
 Buchanan, Cameron (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 McGregor, Jamie (Highlands and Islands) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

The Presiding Officer: The result of the division is: For 88, Against 13, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The next question is, that motion S4M-12423, in the name of Marco Biagi, on the commission on local tax reform, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)

Baker, Claire (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Boyack, Sarah (Lothian) (Lab)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
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 Don, Nigel (Angus North and Mearns) (SNP)
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 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Gray, Iain (East Lothian) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hilton, Cara (Dunfermline) (Lab)
 Hume, Jim (South Scotland) (LD)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
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 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
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 MacDonald, Angus (Falkirk East) (SNP)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDonald, Mark (Aberdeen Donside) (SNP)
 McDougall, Margaret (West Scotland) (Lab)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMillan, Stuart (West Scotland) (SNP)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Robertson, Dennis (Aberdeenshire West) (SNP)

Robison, Shona (Dundee City East) (SNP)
 Rowley, Alex (Cowdenbeath) (Lab)
 Russell, Michael (Argyll and Bute) (SNP)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
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 McGregor, Jamie (Highlands and Islands) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

The Presiding Officer: The result of the division is: For 88, Against 13, Abstentions 0.

Motion, as amended, agreed to,

That the Parliament supports the establishment of an independent cross-party commission to examine alternatives to the council tax as proposed by the Local Government and Regeneration Committee in its 8th report in 2014, *Flexibility and Autonomy in Local Government*; welcomes this being undertaken jointly by the Scottish Government and local government; endorses the remit as set out in the response to question S4W-24542, and looks forward to its report in autumn 2015.

Meeting closed at 17:02.

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