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Official Report

MEETING OF THE PARLIAMENT

Wednesday 6 February 2013

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Scottish Parliament

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[The Presiding Officer *opened the meeting at 14:00*]

Portfolio Question Time

Health and Wellbeing

NHS Lanarkshire (Future Plans)

1. Richard Lyle (Central Scotland) (SNP): Presiding Officer, it is very nice to see you back.

To ask the Scottish Government what discussions it has had with NHS Lanarkshire regarding the board's future plans. (S4O-01769)

The Presiding Officer (Tricia Marwick): Can I just stop everyone saying how nice it is to see me back? I am delighted to be here, but everyone said yesterday that it was nice to see me back, so let us just take that as read. [*Applause.*]

The Minister for Public Health (Michael Matheson): I am moving straight to my answer: ministers and Scottish Government officials regularly discuss a wide range of matters of local importance, including future plans, with all national health service boards.

Richard Lyle: Does the minister share my concern that the Labour Party in Lanarkshire appears to be campaigning to close the mental health unit in Monklands hospital, which serves people from places across the region, including Cumbernauld, Kilsyth, Airdrie, Bellshill and district, Kirkintilloch and beyond? Does the minister agree that the campaign should be opposed and the unit should stay open?

Michael Matheson: I appreciate the strong local feeling in support of the in-patient mental health unit at Monklands hospital. At this stage, we have not received a proposal from NHS Lanarkshire for a major service change in mental health services. Should such a proposal be submitted to ministers, it will of course be given careful consideration.

Dr Richard Simpson (Mid Scotland and Fife) (Lab): In the context of work with NHS Lanarkshire on future plans, will the minister encourage the Cabinet Secretary for Health and Wellbeing to fulfil the promise that he made a few weeks ago to write to me with an explanation for the astonishing reduction in social unavailability—from 27 to 7 per cent between summer 2011 and 2012—that NHS Lanarkshire achieved? The cabinet secretary made that promise in the

Parliament, but as yet he has been unable to fulfil it.

Michael Matheson: I have no doubt that the cabinet secretary will want to ensure that the member gets his reply within the next week.

Individual Patient Treatment Request System

2. Graeme Pearson (South Scotland) (Lab): To ask the Scottish Government what its position is on the fairness and transparency of the individual patient treatment request system. (S4O-01770)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): National health service boards are expected to take full account of Scottish Government guidance when dealing with individual patient treatment requests for medicines that have not been accepted for routine use in the NHS in Scotland.

The guidance provides NHS boards with a framework to support consideration of IPTRs, to achieve a consistent approach. It makes clear that, as a matter of good practice, NHS boards should ensure that IPTR decisions are communicated to the patient or their representative by the clinician who is responsible for the patient's care. The guidance clarifies that the decision should be accompanied by a letter from the chair of the IPTR panel, to provide a summary of the rationale for the decision and to set out the circumstances under which an appeal can be considered.

If a patient has concerns about fairness or transparency in relation to their IPTR, their concerns should be discussed with the requesting clinician. The Scottish Government guidance includes a section that describes the circumstances under which an IPTR appeal can be considered.

The recently announced new medicines review includes a strand of work to examine the current IPTR arrangements and advise on whether changes are needed to them.

Graeme Pearson: The guidance to which the cabinet secretary referred is dated 17 May 2010, and its key features make its direction of travel quite clear. The cabinet secretary will not be surprised that, at a recent meeting of the Health and Sport Committee, concern was expressed about the application of the guidance. My experience of being involved in cases in the system suggests that the guidance is not adhered to. Will the cabinet secretary take steps to ensure that the guidance is adhered to?

Alex Neil: If the member sends me details of where the guidance has not been adhered to, I will

have the matter investigated and a timeous response sent to him.

Prescribed Drugs (Waste)

3. Angus MacDonald (Falkirk East) (SNP): To ask the Scottish Government how national health service boards ensure that general practitioners reduce the unnecessary waste of prescribed drugs. (S4O-01771)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): The prescribing workstream of NHS Scotland's efficiency and productivity programme is addressing medicines waste in a number of key areas.

Scottish Government guidance, "Appropriate Prescribing for Patients and Polypharmacy Guidance for Review of Quality, Safe and Effective Use of Long-Term Medication", which was issued in November 2012, provides guidance and recommendations on how to manage patients who are taking multiple drugs. It promotes the idea that, by further optimising the therapeutic benefit of complex treatment, there will be a resultant reduction in medicines waste. The process includes stopping drugs that are of reducing benefit and increasing risk, particularly with the frail elderly.

Repeat medicines are also being addressed by a project that promotes a more in-depth review of repeat medicine lists. Careful management of repeat medicine lists will reduce the potential for the overordering of medicines that are not required by the patient.

All other areas of the prescribing workstream, including the 12 national therapeutic indicators, promote quality and cost-effective prescribing, a key aim of which is to reduce medicines waste.

The Scottish Government is promoting compliance with NHS boards' local joint formularies as a key means of reducing the use of drugs that are considered less suitable for prescribing as identified in the Audit Scotland report "Prescribing in general practice in Scotland", which was published last month.

Angus MacDonald: I was encouraged to read in the Audit Scotland report about NHS Greater Glasgow and Clyde's invest-to-save initiative. What can the cabinet secretary do to ensure that the initiative is rolled out to other NHS boards in Scotland?

Alex Neil: We are taking forward the issues in the report. The Auditor General made a number of recommendations that are designed to increase the quality and cost effectiveness of prescribing. We intend to implement those proposals throughout the entire country.

The Presiding Officer: Nanette Milne.

Alex Neil: I think that the total estimated savings are £26 million a year.

The Presiding Officer: The moral is: do not pause for breath. Nanette Milne.

Nanette Milne (North East Scotland) (Con): Given the demographic changes that are facing communities throughout Scotland and the projected increase in the number of people with multiple health pathologies, which will presumably result in a corresponding increase in the volume of prescribed drugs, what assessment has the Scottish Government made of the cost of that to the NHS, should current levels of wastage continue?

Alex Neil: As I said in my first answer, under the efficiency framework we are constantly reviewing prescription practices and analysing where there is waste in the system. Steps have already been taken to reduce waste and save a substantial amount of money every year. We will now take forward the recommendations in the Auditor General's latest report, which, if fully implemented, it is estimated can save another £26 million a year through the prevention of wastage resulting from overprescribing. We will do that.

NHS Greater Glasgow and Clyde (Meetings)

4. Sandra White (Glasgow Kelvin) (SNP): To ask the Scottish Government when it last met NHS Greater Glasgow and Clyde and what issues were discussed. (S4O-01772)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): Both ministers and Government officials regularly meet national health service boards, including NHS Greater Glasgow and Clyde, to discuss a range of matters of importance to local people.

Sandra White: Is the cabinet secretary aware of the alleged practice in Glasgow City Council of implementing quotas for placements in care homes, resulting in a delay in discharging patients from hospitals? Will he raise that matter at his next meeting with NHS Greater Glasgow and Clyde?

Alex Neil: I am advised that Glasgow City Council does not operate a quota for care home placements although, like most local authorities, it allocates and operates a budget for all forms of care. That said, there are no patients delayed in hospital awaiting funding. In addition, the delayed discharge situation has improved considerably in Glasgow in the past year. I am happy to raise the issue, but I want to ensure that that progress continues.

Drew Smith (Glasgow) (Lab): At his last meeting with NHS Greater Glasgow and Clyde, did the cabinet secretary ask for a full report on the problems that are affecting the assisted

conception unit at Glasgow royal infirmary? I am still being contacted by distressed women and couples who have simply and categorically been told that they were unaffected, but information about what has happened at the GRI is not yet in the public domain.

As the cabinet secretary will be aware, I have asked his department many parliamentary questions on the issue of access to in vitro fertilisation treatment. Now that, as I understand it, the Scottish ministers have before them the report of the working group that is considering issues around standardisation, can the cabinet secretary give the chamber an update on the Government's direction of travel?

Alex Neil: We received the report within the past few days and we will be publishing it in full fairly soon. We will then consult on the recommendations in the report with a view to implementing those that enjoy a consensus in the chamber as well as in the medical community, I hope.

Jackson Carlaw (West Scotland) (Con): Does the cabinet secretary share the concerns of my constituents who have contacted me regarding the operational practice at the New Victoria hospital? I understand that last Friday, two receptionists were on duty to cover multiple clinics involving several hundred people before 9 o'clock and they were clearly overwhelmed.

Much more disturbingly—and of concern—two patients who were referred to the hospital for diagnosis of potential cancer treatment, having waited two and a half months, were told by their consultant that, if they had lived on the north side of the river, they would have been seen expeditiously in a fraction of the time. Will the cabinet secretary investigate with Greater Glasgow and Clyde NHS Board whether there is an issue there and whether that situation needs to be addressed urgently?

Alex Neil: I am happy to take that up. If Jackson Carlaw can provide me with more details, ideally this afternoon, I will ensure that that situation is urgently investigated and dealt with accordingly.

Resource Allocation (NHS Lothian)

5. Sarah Boyack (Lothian) (Lab): To ask the Scottish Government when it expects NHS Lothian to achieve NHS Scotland resource allocation parity. (S4O-01773)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): The NHS Scotland national resource allocation committee formula has been phased in from 2009-10. The NRAC formula was introduced to ensure that NHS board funding was better aligned to local characteristics such as deprivation, population, age profile and

rurality. It is right that it was phased in gradually to minimise disruption to board finances.

It has been made clear that any adjustments to the 14 territorial health boards' funding will be phased in over a number of years, as has been the practice under both the previous Scottish health authorities revenue equalisation and Arbutnott formulae—under previous Administrations—and that no board would receive a cut in funding. As a result of that phased process, we have ensured that no board has lost out financially and we have levelled up funding to support that. As NHS Lothian is below its target share of resources, the board receives additional NRAC funding each year to support movement towards the target.

Sarah Boyack: The formula has not kept pace with Lothian's expanding population and services have been stretched. Any additional NRAC funding that is received this year will immediately be eroded as the board pays back the Scottish Government's waiting times loan. This year, the board remains £50 million below the target allocation. That fundamental underresourcing is at the heart of NHS Lothian's problems. Can the cabinet secretary provide assurance that he will look to address the funding gap sooner rather than later in order to take into account the key issues that are arising due to a rising population in the Lothians?

Alex Neil: We are addressing the issue; in fact, the board is getting an additional £12.3 million uplift annually as a result of NRAC. On top of that, every territorial board will get a rise in excess of inflation this coming year and next year. The combination of those factors and proper management of its resources should allow NHS Lothian to deliver as required.

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): I thank the cabinet secretary for what he has said already, but I will just re-emphasise that the population of the NHS Lothian area is increasing faster than the population in any other part of Scotland. Does the cabinet secretary accept that that is creating particular pressures on the NHS in Lothian, in addition to the inherited problems that the new chief executive is making a very good attempt at trying to sort out?

Alex Neil: I thank Malcolm Chisholm for that final comment about the new chief executive—I will pass on his congratulations to Tim Davison. I remind Malcolm Chisholm that the NRAC formula is not just about population growth; it is also about the other factors that I mentioned in my reply to the initial question on resource allocation.

One of the major problems in the NHS Lothian area has been that there is undercapacity in the Royal infirmary of Edinburgh because when the

hospital was planned—many years ago, before this Government came to office—there was a 20 per cent underestimation of population growth in the Edinburgh area. We are tackling that issue with the additional resources and the additional capacity that we have put in place. I am aware of the challenges that NHS Lothian faces, but substantial progress—very substantial—has been made in the past few months, under Tim Davison's leadership, in tackling the backlog of problems that he inherited.

Prescribing (Best Practice)

6. Bob Doris (Glasgow) (SNP): I apologise for my late arrival in the chamber, Presiding Officer.

To ask the Scottish Government how best practice in prescribing is shared between national health service boards. (S4O-01774)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): Since 2011, the prescribing workstream of NHS Scotland's efficiency and productivity programme has worked with all NHS boards to promote best practice and improve the quality and cost-effectiveness of prescribing through national guidance, support tools and compliance with 12 national therapeutic indicators.

In addition, the national prescribing workstream is supporting NHS boards in making better use of their prescribing advisers network, which meets regularly to share information and good practice and to inform the Scottish Government about local prescribing issues that might require national action.

Bob Doris: I suspect that mention has been made of the 11 per cent real-terms fall in the cost of prescription drugs in the NHS since 2004, despite there having been an increase of one third in the quantity of drugs that are prescribed. The best practice that the cabinet secretary speaks of comes from NHS Greater Glasgow and Clyde. Will he give a commitment that its best practice on prescribing advisers and use of generic drugs—statins, for example—will be shared across Scotland?

Alex Neil: When I became the Cabinet Secretary for Health and Wellbeing, I was told that the national health service is very good at testing but not as good at spreading. I am absolutely determined that, as a priority, we become as good at spreading good practice as we are at testing and piloting it. Improved and more cost-effective prescribing is one of the aspects on which we intend to roll out good practice across the country, on the basis of Glasgow's tremendous performance.

Cumrae (Health Services)

7. Kenneth Gibson (Cunninghame North) (SNP): To ask the Scottish Government what progress is being made with the Cumrae public reference group on reviewing and improving health services on the island. (S4O-01775)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): Throughout the review to improve health services on Cumrae, there has been comprehensive engagement with people on Cumrae, including the Cumrae public reference group. The Scottish Government continues to take a keen interest in the progress of those discussions.

Ayrshire and Arran NHS Board assumed responsibility for providing out-of-hours cover on Cumrae from February 2012. From April 2013, new interim arrangements will be in place to maintain in-hours and out-of-hours general practitioner cover until the new model of working, which fully meets the requirements of the people of Cumrae, can be fully introduced.

Kenneth Gibson: Cumrae is a particularly vulnerable community; more than 30 per cent of its 1,350 or so residents are 75 or over. Will the cabinet secretary confirm that Ayrshire and Arran NHS Board's position is to improve and enhance Cumrae's health services, not least by securing a new GP practice on the island, if possible?

Alex Neil: I confirm that the Cumrae GP practice vacancy has been advertised—the closing date for applications is 8 March 2013. Following that date, the board will apply its normal process to appoint a new GP contractor. In the meantime, from 5 April—when the current GPs will retire—the board will run the practice directly with locum GPs who have already been secured. The board will continue to do that until a new contractor is appointed.

I stress that NHS Ayrshire and Arran sees the review as an opportunity to ensure that safe, sustainable, high-quality and cost-effective services are provided for Cumrae. It continues to progress the review openly and inclusively with all stakeholders, and particularly with the public reference group, which represents the people of Cumrae.

Healthy Eating (Cumbernauld and Kilsyth)

8. Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): To ask the Scottish Government what steps it is taking to encourage healthy eating in Cumbernauld and Kilsyth. (S4O-01776)

The Minister for Public Health (Michael Matheson): Last month, our Scottish cooking bus visited St Patrick's primary school in Kilsyth, where local children and parents enjoyed healthy cooking

sessions. Last week, I saw the cooking bus in action at Merkland school in nearby Kirkintilloch. The bus is just one part of a suite of actions to improve diet. We are also spending £7.5 million over three years to encourage healthy eating. We are also discussing actively with the food industry what more it can do to promote healthy eating.

Jamie Hepburn: I welcome the activity that took place at St Patrick's primary school, which recognises that one way to encourage healthy eating is to engage with young people early. Will the minister join me in congratulating the staff and pupils of Abronhill primary school—who need some cheer today, because North Lanarkshire Council has decided to close their local high school—on their success in earning the healthy eating initiative award 2012?

Michael Matheson: Jamie Hepburn has made an important point. It is important that we support young people to make healthy choices because we know that, if we help to educate their palates at an early stage by encouraging them to eat healthy foods, that is likely to continue with them as they develop. Abronhill primary school is clearly on the front foot in that respect, so I join the constituency member in congratulating the pupils and teachers on winning the healthy eating initiative award 2012. I wish them well with their on-going work in the area.

NHS Lanarkshire

9. John Pentland (Motherwell and Wishaw) (Lab): To ask the Scottish Government when the Cabinet Secretary for Health and Wellbeing last spoke to the chief executive of NHS Lanarkshire. (S4O-01777)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): Ministers, including me, and Scottish Government officials regularly meet senior management from national health service boards, including NHS Lanarkshire.

John Pentland: Has the cabinet secretary discussed with NHS Lanarkshire the letters from Lanarkshire Links that ask about the seven-month delay in implementation of the mental health plan for North Lanarkshire that was endorsed by Nicola Sturgeon? If the cabinet secretary is not the cause of that delay, why are we still waiting for the plan to go to the board?

Alex Neil: As I have made clear in the chamber many times, responsibility for any ministerial discussions and decisions on the matter rest with my colleague Michael Matheson, because I have taken myself out of the discussion to ensure that there is no potential or actual conflict of interests between my role as the member of the Scottish Parliament for Airdrie and Shotts and the

surrounding villages and my role as the Cabinet Secretary for Health and Wellbeing.

Clare Adamson (Central Scotland) (SNP): When the cabinet secretary last spoke to the chief executive of NHS Lanarkshire, did they discuss progress towards single-room provision in hospitals in Lanarkshire?

Alex Neil: When I met the chief executive of NHS Lanarkshire, a range of issues were discussed. My officials are working with colleagues in NHS boards to support them in the implementation of Scottish Government policies, including increasing the provision of single-room in-patient accommodation.

Healthcare Improvement Scotland (Inspections)

10. Linda Fabiani (East Kilbride) (SNP): To ask the Scottish Government what recent progress Healthcare Improvement Scotland has made in inspections of care for older people. (S4O-01778)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): Sorry—I have my notes in the wrong order. My apologies.

Healthcare Improvement Scotland has inspected care of older people in 12 of the 23 acute general hospitals in the inspection programme, across seven NHS boards. The inspections have highlighted areas of good practice and areas where improvements must be made.

Following inspections, boards have developed action plans to address all areas for improvement, and Healthcare Improvement Scotland is closely monitoring boards' progress in implementing agreed improvement measures. That is exactly why we asked for the inspections to be carried out, and it reassures me that they are driving up the standards of care for older people in hospitals across Scotland.

Linda Fabiani: Does the cabinet secretary agree that an important part of care for the elderly is ensuring that people have dignity? Will he consider how that is measured during inspections? Should hospitals be encouraged to implement robust procedures for encouraging and paying heed to feedback from users and their families and friends?

Alex Neil: Absolutely. There should be feedback to carers, families and friends as well as to patients themselves. Healthcare Improvement Scotland has made that absolutely clear. Indeed, if there are any urgent issues during inspections, they are reported immediately to the appropriate member of the senior management team in the hospital for immediate action.

A whole list of actions are taking place to improve the dignity of people in hospital. Yesterday, for example, I had the pleasure of opening the new Royal Victoria building as part of the Western general hospital in Edinburgh. Each of the five wards has 26 single-room units, with patients having their own toilet and en-suite facilities. When I spoke to the patients, even those who had been sceptical about the benefits of single rooms before they went into them told me that they are of huge benefit. Those people are real converts. One of the main advantages of a single room is that the person is not wakened during the night by other people snoring.

The Presiding Officer: I would not know.

Jenny Marra (North East Scotland) (Lab): Can the cabinet secretary tell me why Healthcare Improvement Scotland decided not to publish the report on the September inspection of Ninewells hospital elderly assessment unit after it had received the factual inaccuracies from NHS Tayside, which would have been the appropriate mechanism, and why two inspectors have resigned over the failure to publish?

Alex Neil: On the latter point, my understanding is that this particular inspection is not the reason why the inspectors resigned.

Secondly, as Healthcare Improvement Scotland has explained publicly, it decided not to publish the report at the time because it did not believe that the process had met its very robust quality assurance standards. That is why it made a second unannounced inspection, the results of which were published last week. Having read an interview that she gave last week, Ms Marra seems to have changed her mind from accusing the health board of a whitewash to admitting that no whitewash took place.

General Practitioner Services (Access)

11. Alex Fergusson (Galloway and West Dumfries) (Con): To ask the Scottish Government what measures are being taken to improve access to GP services. (S4O-01779)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): During 2012, the Scottish Government invested approximately £12 million in encouraging general practices to improve access for patients, and we have introduced an enhanced service arrangement that extends opening hours beyond core hours and offers patients early morning and evening appointments. The Scottish Government has also successfully reached a negotiated settlement with GPs for next year. As a result of those measures, more patients in Scotland will benefit from evidence-based care, including control of blood pressure and cholesterol and influenza immunisation, which will help to

reduce the risk of complications and admissions to hospital. As part of the agreement, we have the Scottish general practitioners committee's commitment to work with the Scottish Government on reviewing access arrangements.

Alex Fergusson: I am grateful for that response, but I am sure that the cabinet secretary is aware that the number of general practices has continued to decrease since 2007 and in Scotland has fallen below 1,000 for the first time. Many GP surgeries do not even have a website, and I am sure that the cabinet secretary is aware of moves in other parts of the United Kingdom to ensure that patients can arrange repeat prescriptions, book appointments and obtain test results online by 2015. What steps is the Scottish Government taking to encourage Scottish general practices to expand that type of activity particularly in rural areas, where I think it would be very helpful?

Alex Neil: The member raises a very valid point. Our view is that an online repeat prescriptions facility should be available from every general practice within a reasonable time period. In fact, it should be a basic requirement in 2013 and we are working with GPs and health boards across the country to ensure that such a service is available. We are also working with GPs and the British Medical Association's GP committee to look beyond this year at how we can reduce some of what they would describe as the red-tape requirements in the contract and free them up to spend more time on providing direct services to their patients.

Of course, the member will be glad to hear that unlike south of the border, where the Government, led by his colleagues in the Conservative Party, imposed an agreement on GPs against their will, we in Scotland negotiated an agreement with GPs.

Jackie Baillie (Dumbarton) (Lab): The cabinet secretary will be aware that far too few GPs operate in deprived areas and that as a consequence access for some of the most needy patients is constrained. Given that the last data set is apparently 10 years old, would it be useful for the Government to collect current data on GP numbers and their distribution? What action will the cabinet secretary take to ensure that extra GPs and additional capacity are available in deprived areas?

Alex Neil: I am very keen to look at how in particular we can extend the role of deep-end practices, which service deprived and poorer areas. Scotland now has more than 100 such practices, many of which are concentrated in the greater Glasgow area. They have clearly been very successful and I am proactively looking at how we can increase the number and improve the range of services provided by those practices in Scotland's poor and deprived parts.

Aileen McLeod (South Scotland) (SNP): The cabinet secretary will be aware that, in England, many local GP services are being contracted out to private providers such as Virgin Care or Circle and that there are accusations that that has led to poorer access to services. Will the cabinet secretary confirm that national health service services will remain in public hands in Scotland?

Alex Neil: I remember some time ago, when Andy Kerr—that long-forgotten name—was the health minister, he tried to privatise GP services in Harthill, which is now part of my constituency. We put an end to Labour's privatisation agenda in Harthill, and we will certainly not follow the Tory-Liberal Democrat privatisation agenda north of the border.

Air Ambulance Provision

12. Liz Smith (Mid Scotland and Fife) (Con): To ask the Scottish Government what air ambulance provision there is across Scotland. (S4O-01780)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): The Scottish Ambulance Service currently operates the only integrated and publicly funded air ambulance service in the United Kingdom. In 2011-12, it flew 3,382 missions. Under the current arrangements, cover is provided by two purpose-built fixed-wing King Air aircraft, which are based in Aberdeen and Glasgow, and two EC135 helicopters, which were also built as dedicated air ambulances and which are based in Inverness and Glasgow. Those aircraft are backed up by Ministry of Defence and coastguard aircraft in the case of time-critical emergency evacuations when weather conditions prevent the deployment of the contracted aircraft.

In June 2012, following an extensive reprocurement process, the Scottish Ambulance Service announced that the current service providers, Gama Aviation and Bond Air Services, had been awarded a new seven-year £120 million contract, which will commence from 1 April this year. In addition to sustaining the current levels of provision across Scotland in the coming years, the new contract includes the new generation of EC helicopter—the EC145—which will be introduced during 2014. The greater capacity, speed and range of those helicopters will enhance the current service.

Liz Smith: I am impressed by the cabinet secretary's technical knowledge. I am sure that he will want to welcome the new air ambulance that is provided by Scotland's Charity Air Ambulance, which is based at Perth airport and which has boosted the service by 50 per cent during daylight hours. Is it the Government's intention to measure just how much additional service we require to ensure that all rural areas are fully covered?

Alex Neil: Absolutely. We are keeping the situation closely under review. For example, I have had discussions with some of our parliamentary colleagues who cover the northern isles to ensure that the coverage is improved, particularly during periods of bad weather.

The additional capacity that is provided by the new service that the member mentions is very welcome indeed. Before I came to the chamber today, I had a meeting with one of the major funders of the new service, during which I congratulated him and his colleagues and thanked them for the tremendous generosity that they have shown. That service will make a significant improvement in air ambulance cover for many parts of mainland Scotland and particularly for the islands of Scotland.

The Presiding Officer: I want to make progress through the remaining questions, so I would be grateful for short questions and answers.

Equally Well (Glasgow)

13. Bill Kidd (Glasgow Anniesland) (SNP): To ask the Scottish Government what lessons have been learned from Glasgow's equally well testing programme. (S4O-01781)

The Minister for Public Health (Michael Matheson): The equally well test site programme set out to support new ways of working in community planning partnerships—to do things differently and to do different things. Several key factors have been associated with local success across all the test sites, including those in Glasgow. Those are the need for a skilled co-ordinator; clear shared outcomes; empowerment of staff; space for reflection and learning; and senior-level commitment and leadership. The evaluation has suggested that the more those building blocks are taken forward as part of partnership redesign and enthusiastically and consistently pursued, the more success there will be for projects.

The reconvened ministerial task force on health inequalities, which I chair, is already scheduled to examine, at its next meeting, the lessons learned and the outcomes derived from the test sites.

Bill Kidd: What plans does the Scottish Government have to implement Scotland-wide the lessons on the integration of health issues into city planning?

Michael Matheson: The Scottish Government is reviewing the national planning framework and Scottish planning policy. We are considering how best to reflect in those policy documents the lessons from equally well and from the good places, better health initiative. We aim to publish both those documents for consultation around the end of March this year.

NHS Greater Glasgow and Clyde (Meetings)

14. Duncan McNeil (Greenock and Inverclyde) (Lab): To ask the Scottish Government when the Cabinet Secretary for Health and Wellbeing last met the chief executive of NHS Greater Glasgow and Clyde and what was discussed. (S4O-01782)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): Both ministers and Government officials regularly meet national health service boards, including NHS Greater Glasgow and Clyde, to discuss a range of matters of importance to local people.

Duncan McNeil: The sudden death of a loved one can be a traumatic experience for any family, and in most cases it will result in a post mortem. In the west of Scotland, that procedure would likely be carried out at the Southern general hospital in Glasgow. The current wait for a post mortem there is 10 days, but in some local circumstances that can stretch to more than two weeks. Such a wait increases the trauma for the family, disrupts religious and cultural practice, and makes the bereavement process even more difficult. Will the minister instruct his officials to bring together Greater Glasgow and Clyde NHS Board and the Scottish fatalities investigation unit to ensure that there is an investigation into that unacceptable situation for bereaved families?

Alex Neil: First, I thank Duncan McNeil for the way in which he has raised what is a very sensitive issue. It is important that post mortems should be carried out as quickly as possible to minimise any upset and distress to bereaved families. I have been assured by NHS Greater Glasgow and Clyde that there are no delays to the service provided by the national health service. Fiscal post mortems are the responsibility of the Crown Office. Therefore, I will refer this question and answer to the Lord Advocate to bring the matter to his attention.

I understand that, within the health board area, fewer than 100 hospital post mortems are carried out annually. Pathology services for that activity are scheduled on a Tuesday and Thursday each week at the Southern general site. At a family's request and to meet personal arrangements, such as a set day for a funeral, a post mortem will be rescheduled to meet a need.

As I have already stated, I am not aware of any delays in the hospital-based post mortems in the NHS Greater Glasgow and Clyde area. I recognise the point that Duncan McNeil makes, and I will refer the matter to the Lord Advocate.

Radiotherapy

15. Rhoda Grant (Highlands and Islands) (Lab): To ask the Scottish Government what

action it is taking to ensure that patients requiring radiotherapy after surgery receive it as soon as possible. (S4O-01783)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): Cancer treatments that are subsequent to the initial cancer control treatment are in general covered by good practice clinical guidelines rather than management targets. That allows clinicians to prioritise and make decisions based on clinical need and best practice. Those guidelines and recommendations are based on clinical evidence on delivering the best outcomes for patients rather than on arbitrary timelines.

Over the past three years, the Scottish cancer task force has made more than £3 million available to facilitate the introduction of new technologies and to drive forward improvement to meet the ambitions of the quality strategy, including access to radiotherapy.

Rhoda Grant: As the cabinet secretary will be aware, a report in today's edition of *The Press and Journal* says that half of the medical physicist posts in NHS Highland are currently vacant. What steps is he taking to attract, train and retain medical physicists to ensure that treatment can be delivered at the optimum time? What thought has he given to including such treatment in the treatment waiting time guarantee?

Alex Neil: We are doing everything that we possibly can to recruit people in rural areas. There is a particular problem with the recruitment and retention of doctors, consultants and general practitioners in remote rural and island areas not just in Scotland but across the entire United Kingdom. We are concentrating on that issue to look at how we might do more to incentivise such professionals to come and work in rural areas.

When I visited the Ardnamurchan peninsula last week, I witnessed proposals to establish a completely new way of delivering GP services on the peninsula, whereby the existing three small GP practices will be incorporated into one larger practice. We believe that that is one way in which we can recruit and retain GPs in rural areas.

We also have a problem in filling consultancy posts. We recently filled a consultancy post in the Western Isles that had been vacant for almost a year. The upside is that the post was filled; the downside is that it was filled by somebody from another remote rural area hospital. The net contribution to solving the shortage in rural areas was therefore fairly neutral.

Rhoda Grant raises a valid issue: there is a genuine problem in recruiting consultants and GPs in rural areas. We are very conscious of that and we are taking a lot of proactive action to deal with it.

I apologise for the length of my reply.

The Presiding Officer: I should hope so, cabinet secretary.

I apologise—not on behalf of the cabinet secretary—to members for the external noise from the building work. The contractors are well aware that there should be no work when members are in the chamber. A message is going out to them to cease and desist.

Budget (Scotland) (No 2) Bill: Stage 3

The Presiding Officer (Tricia Marwick): The next item of business is a debate on motion S4M-05550, in the name of John Swinney, on the Budget (Scotland) (No 2) Bill. Time is very tight, so I will keep members to their time. I am unable to offer any additional time for interventions.

14:40

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The Budget (Scotland) (No 2) Bill confirms the spending plans that were set out in the draft budget and underpins the Government's approach to promote sustainable economic growth, improve public services and support families and businesses at a challenging time. I have engaged constructively with all parties on the contents of the bill and at all times taken into account its financial and economic context.

We continue to face acute challenges to public spending in Scotland. Over four years our budget has been cut by 8 per cent in real terms and within that our capital budget has been reduced by more than 25 per cent. The resources that are available to me to address the issues raised by Parliament are therefore limited.

The latest data shows that the Scottish economy returned to growth by 0.6 per cent in quarter 3 of 2012. Unemployment continued to fall in Scotland over the September to November period, with a significant fall in youth employment. Combined with the encouraging news on growth in export sales, those figures demonstrate that progress is being made on delivering economic recovery.

Despite that welcome progress, we are clear that more needs to be done. The budget bill seeks to accelerate economic recovery by creating jobs and supporting people into employment, particularly our young people, and by supporting Scottish business. The bill provides for the most competitive business tax regime in any part of the United Kingdom; delivers on our commitment to a social wage at a time of significant pressures on household budgets; and provides funding for key measures such as the council tax freeze, free personal care, and free prescriptions and eye tests.

The bill takes forward an ambitious programme of public sector reform, together with our delivery partners, which is based on the four pillars of better partnership working, collaboration and local delivery; investing in the people who deliver our services; a public service culture that improves

standards of performance; and, crucially, a decisive shift in favour of preventative spending.

As part of that decisive shift, the Government is taking forward the three change funds that we announced in the spending review, which are worth more than £500 million over three years, including in early years. Later this year the proposed children and young people bill will increase entitlement to early learning and childcare from 475 hours a year to 600 hours a year for three and four-year-olds and looked-after two-year-olds. Those are significant proposals to expand provision, which sit alongside a range of other measures that the Government is taking in the area, such as our investment in family nurse partnerships.

The bill maintains the Government's commitment to infrastructure investment. We are using every lever at our disposal to mitigate the impact of the severe cuts that the United Kingdom Government has made to our capital budget. Planned capital investment in 2012-13 now stands at £3.1 billion, which is estimated to support more than 40,000 jobs across the Scottish economy. In 2013-14, that figure is planned to rise to £3.4 billion.

Over 2012, nine of the major infrastructure investment plan projects, with a value of over £600 million, were completed and are now in use. We are taking forward major infrastructure projects through conventional capital, such as the Forth replacement crossing and the south Glasgow hospitals. The total value of non-profit-distributing projects—roads, hospitals, schools and colleges—that have entered procurement or have entered development through the hub is now around £1.6 billion. We are on track to meet our target of delivering 30,000 affordable homes.

Gavin Brown (Lothian) (Con): On the NPD point, the cabinet secretary keeps talking about procurement, but how much will be delivered on the ground in 2013-14?

John Swinney: I said that the total amount of capital expenditure would rise to £3.4 billion in 2013-14, and that is based on a conventional capital budget of about £2.7 billion. The remainder will come from switching resource into capital, NPD and capital receipts.

In total, using all levers that are at our disposal, and through a range of mechanisms, our plans over the three-year Scottish spending review period will support investment of more than £10 billion in the Scottish economy.

With that strategic approach in mind, I have considered again what steps I can take to increase the impact of our capital expenditure programme. I have agreed with Scottish Water to reduce its drawdown of loans next year by £35 million, whilst

maintaining its investment programme. During the spending review period, we plan to invest more than £400 million in renewable energy and low-carbon activity. In the short term, demand for financial support from the renewable energy infrastructure fund is lower than expected and I intend to release £15 million in 2013-14 for other projects, whilst ensuring that funding drawn down from the fossil fuel levy surplus will still be deployed in full to support renewables projects.

Our total capital budget has been cut by more than a quarter in real terms, but whenever we have had an opportunity to increase investment in housing, that is precisely what we have done. We have announced additional investment of around £200 million in the past 12 months. The Deputy First Minister and I have agreed to build on that approach with additional investment split between several programmes and designed to achieve multiple objectives.

We will invest a further £10 million in the affordable housing supply programme. We will invest £4 million in preventative adaptations, delivering vital improvements to existing homes. We will invest a total of £24 million in sustainability measures in the housing sector, namely: an additional £10 million for the area-based national retrofit programme; £4 million to extend eligibility for the successor to the energy assistance package; £5 million additional funding for the greener homes innovation scheme; and £5 million additional funding to bring new affordable homes up to silver energy efficiency standard.

Margo MacDonald (Lothian) (Ind): Those measures will be felt directly by families who are being badly hurt by the cuts we have already undergone and who will be hurt by the greater number of cuts that are to come. To avoid people having to take out payday loans, the cabinet secretary knows that I favour an expansion of the credit union system. Can he do anything to kick-start that?

John Swinney: In the past three years, the Government has supported credit unions to the tune of about £1.3 million from the just enterprise programme. Other funding streams have been available to credit unions, and I expect other measures to be made available through third sector funding arrangements that would be suitable for credit unions. I recognise Margo MacDonald's long-standing interest in those issues.

The combined housing measures that I have announced today will deliver approximately 350 new social and other affordable homes, around 2,000 preventative adaptations, and greater energy efficiency and carbon savings in 8,000 households across Scotland. That represents further substantial, additional investment in

housing, providing new homes and improving our existing stock, cutting emissions and supporting an estimated 800 jobs across Scotland with additional expenditure of £38 million. I can tell Parliament that, during the three years of the spending review, the total investment by the Government in housing supply will be £859 million.

Willie Rennie (Mid Scotland and Fife) (LD): Will the cabinet secretary take an intervention?

John Swinney: If Mr Rennie will forgive me, I have a lot more ground to cover. If I get a chance, I will give way to him later.

Another significant contributor to economic activity is a balanced package of investment in public transport and roads infrastructure, which will help business and the daily commute. Every £1 that is spent on road maintenance in Scotland gives a benefit of £1.50 to the Scottish economy. I therefore confirm that I will invest an additional £10 million in trunk road maintenance in 2013-14, with direct economic impact.

The Government strives to identify new and innovative means of driving recovery. I am therefore pleased to announce funding for two innovative policies that support growth.

First, we will invest £2 million in a fund that will enable housing providers, whether public or private, to test the development of affordable housing in vacant town centre properties. That ring-fenced competitive fund will help to meet our commitment to deliver quality homes and bring empty homes back into use. It will also support key themes emerging from the town centre review, and help to promote our town centres as attractive places in which to live and work.

Richard Baker (North East Scotland) (Lab): Will the cabinet secretary take an intervention?

John Swinney: If Mr Baker will forgive me, I will carry on for the moment.

Secondly, Scotland has a reputation for entrepreneurship and innovation in business. We need to capitalise on those strengths. We established the encouraging dynamic growth entrepreneurs fund to support small entrepreneurial Scottish businesses that are ready to grow but struggling to access finance. I have been struck by the large number of high-quality applications that the EDGE fund has received. I confirm to Parliament that I will add a further £1 million to the EDGE fund next year, doubling the amount that the Government is making available to some of Scotland's most ambitious and creative entrepreneurs.

Willie Rennie: The additional investment in housing is a welcome development.

The Cabinet Secretary for Finance, Employment and Sustainable Growth referred to childcare and nursery education. I was giving him time in his speech to explore the possibility of additional funding for that area, particularly for two-year-olds. Is he minded to invest more in that area?

John Swinney: As Mr Rennie knows, I have considered the points that he has advanced to me during discussions on the budget. Given the financial pressures that we face, the Government's planned approach to expand childcare provision for three and four-year-olds and looked-after two-year-olds is the right way to develop that as part of the Government's early years agenda.

The Government is proceeding with an ambitious and necessary programme of post-16 education reform. Our objectives at the outset were for a system that was better aligned with jobs and growth, that improved life chances and that was sustainable for the long term. The reforms will ensure that our college sector delivers high-quality education, helps learners get the skills that they need for jobs, and takes account of the changing nature of the labour market.

Those objectives will be met: they will ensure that our colleges deliver an improved student experience, a better service for employers and long-term sustainability. We are conscious of the need to help colleges maintain services for different learner groups—for example, women who want to return to work and those who wrestle with disadvantage. The Government is entirely committed to the process of reform and will ensure that it is implemented. Real progress has been made, and we welcome the positive engagement in the programme of reform from the college sector.

I announce that the Government will make available the best possible deal that we can for colleges. We shall provide an additional £10 million in 2013-14. That increase will establish the college budget at £522 million in the next financial year.

Our plan for 2014-15 would see a further reduction in the college budget to £471 million. The Cabinet Secretary for Education and Lifelong Learning and I want to give stability to our young people and colleges in the final stage of reform. I therefore confirm to Parliament that the college budget in 2014-15 will be set, not at £471 million, not at £510 million—which was the highest-ever figure before we came to office—but at a level consistent with 2013-14 at £522 million. *[Applause.]* That means £522 million of resource funding each year for the next two years, which is an extra £61 million over these two years *[Applause.]* That will allow Scotland's colleges to go forward with confidence and ambition to deliver the programme of reform.

The Government will discuss with the Scottish Further and Higher Education Funding Council and the sector how best to deploy the funding in a manner that supports reforms and, through it, learners and employers.

In providing that significant additional support, the Government is building on the substantial steps that we are taking to support young people into employment, through our opportunities for all initiative and the abolition of tuition fees.

At a time when we have a record number of Scots in higher education; when we are maintaining the number of college places; when we are investing millions in the college estate; when we are offering a record 25,000 modern apprenticeships a year; and when we are offering decisive extra funding for the sector, this Government is investing in the future to deliver for Scotland's young people.

The Scottish Government has delivered a budget for growth. We have listened to the views of Parliament and the country and are building on our original spending plans. We are delivering extra funding for housing, to create jobs and to cut emissions; funding to regenerate our town centres; more support for entrepreneurship; investment in our trunk road network; and decisive further investment in our colleges. I believe that the Budget (Scotland) (No 2) Bill deserves support from across the chamber, and I commend it to Parliament and to the people of Scotland.

I move,

That the Parliament agrees that the Budget (Scotland) (No.2) Bill be passed.

14:55

Ken Macintosh (Eastwood) (Lab): It is difficult to find the words to respond to John Swinney's budget bill. [*Interruption.*]

The Deputy Presiding Officer (Elaine Smith): Order.

Ken Macintosh: It is difficult to do other than use the word "disappointing". John Swinney's reaction is disappointing. A few announcements have been made, but if he expects the country to be grateful for the fact that he has not quite fully restored the cuts that he made last year, he has another think coming.

Anyone who is looking for something that will revitalise the Scottish economy, get businesses growing again, shake the lethargy out of the country, provide the jobs that we need and create the opportunities for young people that they are crying out for will have greeted John Swinney's words with dismay. There is nothing new—nothing fresh—in what he has said. We are stuck with the same prescription that the Scottish National Party

has offered us for two years running. For two years running, the SNP has promised jobs and growth, yet there have been no jobs and no growth.

We know that the Government's approach is not working because its own statistics tell us that it is not working. We know that it is not working because construction is in decline, the economy is flatlining and Scottish families across the country are feeling the squeeze. Even if we look at the budget simply as a way of ameliorating the worst of the Tory cuts rather than as an engine for growth, we find that it is doing nothing to protect the Scottish people. The most painful decisions have been left to be taken by public servants working on the front line in our health services or local authorities. The net effect will be the same: cuts to public services; fewer classroom assistants; carers with less and less time to spend with vulnerable elderly patients; and working families who are struggling because their pay has been frozen and the cost of living is increasing.

Scottish Labour did not ask for the earth. We did not indulge in backroom political horse-trading or make unattainable demands. We had three simple asks on colleges, housing and rail. We had straightforward and affordable demands that we believed would make a difference to people's lives and to the economy.

On colleges, in the midst of a recession that has seen Scotland return to unacceptable levels of unemployment, by which the young have been hit particularly badly, I do not think that it is too much to ask the finance secretary to restore the £35 million in cuts that he has inflicted on further education. Is it too much to expect our colleges to provide places for those people who are seeking to retrain and reskill to make themselves more employable in a difficult jobs market? We know that 70,000 fewer students are attending Scotland's colleges than was the case when the SNP came to power. Despite the denials of the cabinet secretary and the First Minister, we know that thousands more are being turned away from the college places that could help them.

John Swinney used the word "additional" to describe the £10 million that he has provided. It is not additional; it simply represents an attempt to ameliorate the cuts for which he is responsible. He dresses it all up in the language of reform, but it is not reform to turn people away from colleges or to shut the door in young people's faces.

Mark McDonald (North East Scotland) (SNP): Mr Macintosh will know that, of the consequential that the Scottish Government has received, some £19 million is earmarked for the further and higher education sectors. Does he stand by his comments in the stage 1 debate, when he said

that he would take that money back and allocate every penny of it to the housing sector?

Ken Macintosh: Mr McDonald should pay a little more attention to what I say in the chamber rather than make up his own press releases. *[Interruption.]*

The Deputy Presiding Officer: Order.

Ken Macintosh: We have a Scottish Futures Trust that was supposedly going to spend £500 million on capital projects but has spent £20 million. *[Interruption.]*

The Deputy Presiding Officer: Order.

Ken Macintosh: Scottish Labour has made it clear that the cabinet secretary has the capacity—the powers and the finance—at his disposal to fund all those commitments and more.

On housing—one of the most important sectors in the economy for sparking growth, creating employment and getting a country working again, as well as addressing a pressing social need—why does the cabinet secretary not use the full £350 million of net capital available to make a real difference and inject some real energy into the market?

Mr Swinney clearly recognises that he has got it wrong because, in the past year alone, he has reversed his cuts four times. Today's announcement makes it five times. He has revisited the matter five times. How many times does he have to admit that he is wrong? Why does he not just stand up and say sorry? Why does he not do something more: work with colleagues in this party and across the Parliament who have ideas and will make the economy work?

John Swinney: Is the answer for which Mr Macintosh is searching not the fact that the Government proposes a balanced budget that adds up and he is trying to spend the same amount of money twice? That is what got the country into a mess under the stewardship of Gordon Brown.

Ken Macintosh: Mr Swinney tries to make a virtue out of the fact that he fulfils his legal obligation to balance the budget and then has the nerve to talk about stewardship of the economy when he has presided over a country that has gone into recession twice and is in the middle of the worst unemployment and a budget—*[Interruption.]*

The Deputy Presiding Officer: Order.

Ken Macintosh: The SNP members clearly do not like to hear the truth when it is given to them. They clearly do not like to recognise the failure of their own actions. *[Interruption.]*

The Deputy Presiding Officer: Order.

Ken Macintosh: We have a cabinet secretary who has promised a budget for jobs and growth and not made one shred of difference to the Scottish economy. The Scottish economy has not improved and is exactly the same as the rest of the UK economy but the cabinet secretary says that he is making a difference with his choices.

I suggest yet again and remind the SNP that all it has to do is deliver on its manifesto promises sometimes. It was the SNP that suggested that it would spend £1 billion on rail infrastructure delivering the Edinburgh to Glasgow rail improvement programme. All we are suggesting is that it deliver on that promise and spend that money delivering jobs, growth and infrastructure to get people into work and to their jobs. That is a simple ask and, yet again, there is no more—

Kevin Stewart (Aberdeen Central) (SNP): Will Ken Macintosh give way?

Ken Macintosh: Mr Stewart should sit down. *[Interruption.]*

The Deputy Presiding Officer: Order.

Ken Macintosh: If I thought that any answers would come from the SNP back benches, I would be absolutely delighted to hear Mr Stewart.

We had three simple asks—on colleges, housing and rail. They have not come out of the blue and we have not sprung surprises on the cabinet secretary. We have argued the case for more than a year and have not been alone. We have been joined by the Scottish Federation of Housing Associations, the Scottish Building Federation, the Confederation of British Industry, Shelter, colleges and the National Union of Students.

We are not trying to create artificial or fictional divisions with the SNP. The point is that the SNP and Labour can agree that they disagree that there should be an austerity approach. However, Scottish Labour believes that the finance secretary has the powers and finance at his disposal to make a difference but is making the wrong choices with those powers. Instead of concentrating on the economy and unemployment, John Swinney is content to sit back and blame Westminster for the cuts. Meanwhile, he fobs off the worst excesses of his decisions on local authorities and lets our councils take the blame.

I will give one example of Mr Swinney's approach: the huge increase in the amount of severance and redundancy payments over which the Scottish Government has presided since it came to office. It has emerged that, since the SNP came to power, it has allowed more than £600 million to be spent getting rid of people in the public sector. It has spent £600 million pushing

people out the door when it should have been finding employment for them.

John Mason (Glasgow Shettleston) (SNP): Will Ken Macintosh give way on that point?

The Deputy Presiding Officer: The member is in his last minute.

Ken Macintosh: One of the most important policies that Labour has been promoting is a Scottish future jobs fund—a flagship wage subsidy programme. We were delighted when we heard John Swinney's announcement in September that he might be heading in that direction. It was not asking a lot to expect some detail on that programme between September and now, but what have we found? Instead of £15 million on a wage subsidy programme, that figure is totally dwarfed by the amount of money that John Swinney is paying out to get rid of people from the public sector. On colleges alone, when we were asking for £35 million for the restoration of revenue cuts, we found out that he spent £41 million on getting rid of staff and lecturers in our colleges.

All that the Government does is make a series of announcements and reannouncements on projects that are not happening. Instead of shovels in the ground, we have the laughable sight of the First Minister reading out project after project, none of which is actually being built, except possibly in his imagination.

The Deputy Presiding Officer: I am afraid that you must conclude.

Ken Macintosh: If the SNP cannot make a difference using the powers of the Parliament, the budget is truly disappointing not only for us as politicians, but for every family that is looking for a job, every business that is looking for growth, and every unemployed person who is looking for help.

The Deputy Presiding Officer: I must ask you to finish.

Ken Macintosh: The illusion of independence has blinded the SNP to what it can do here and now.

I urge members to reject the choices that Mr Swinney has made.

The Deputy Presiding Officer: I remind members that the time in the debate is very tight. Gavin Brown has up to six minutes.

15:06

Gavin Brown (Lothian) (Con): The Government was really summed up in the first two minutes of the debate. When the debate started, building work was going on outside quite happily,

but it stopped within minutes of John Swinney opening his mouth.

The Government has at its disposal £7 million more next year than it had this year. It has more money to spend in the next financial year than it had this year, so any cuts or changes that it makes are SNP political choices. It does not like that, but with more money to spend next year than it has this year, the choices are entirely its choices.

Let us look at where the Scottish Government says the savings have been made. It says that, through its great efforts, it has got an extra £35 million out of Scottish Water, but what it does not tell us—what we can find only in the small print—is that it gave an additional £50 million to Scottish Water this year through the sleeper project. In the 2014-15 budget, which it seems to be keen to talk about today, £190 million is going to Scottish Water. It tells us that it has saved money on renewables because demand is down, despite the fact that it has whinged and moaned month after month about renewables money not being brought forward to Scotland. When that happens, it seems incapable of delivering on the ground.

Let us look at the announcement on colleges. There was a bizarre situation. A £10 million increase in the college budget for this year was announced. There was a £34 million cut, and the Scottish Government decided to put back £10 million. There was spontaneous applause from SNP members for a £24 million cut for colleges. They will regret watching that back on television. I do not think that there will be any spontaneous rounds of applause outside the chamber for a £24 million cut for colleges.

John Mason: Will the member give way?

Gavin Brown: Sure. I am happy to give way to Mr Mason. I have been told that he is not allowed to take part in the debate. He was bumped, but let us have an intervention from him.

John Mason: For the member's information, I was clapping for the extra £51 million next year.

Gavin Brown: Very good. I can see why Mr Mason got bumped.

Let us consider housing, which the Government has talked about. Again, there has been boasting about all the additional money that is going into housing, but if we tot up all the money that went into housing in 2011-12, including the transfer of management development funding, the amount, according to Scottish Government figures, came out at £360 million.

Even if we add in the previous four tranches and the tranche that the cabinet secretary tried today to make sound like four additional tranches, we have about £300 million, which is still £60 million

down compared to 2011-12 for a budget that the Government claims is a priority. The Government asks to be judged on what this budget does for the economy. Mr Swinney said that he would put every single additional pound that he could into the economy but we see disappointing results in colleges, we see disappointing results when it comes to housing and we see more disappointing results when it comes to taxation.

We have seen three strikes against the business community since this became a majority Government: a retail levy, the empty properties tax, and a business rates burden that increases by 7 per cent next year and 9 per cent the year after.

John Swinney: Mr Brown is moaning on about cuts in public expenditure. What precisely has Mr Brown got to say to the UK Government that has cut our capital budget by 25 per cent?

Gavin Brown: To be accused by Mr Swinney of moaning about reductions in spending has a nice irony to it. [*Interruption.*]

The Deputy Presiding Officer: Order.

Gavin Brown: Let us look at what the Scottish Government has done in response.

Members: Answer the question.

The Deputy Presiding Officer: Order.

Gavin Brown: The vuvuzelas are in full flight this afternoon. If they would be quiet, I would happily answer the question. The Scottish Government's response to all this is to set up the NPD programme to replace the public-private partnership/private finance initiative programme that it decided to ditch. It told us that in year 1 it would spend £150 million and it spent zero.

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): What about the £20 million?

Gavin Brown: What about the £20 million? Yes, the Government is spending £20 million this year but it told us that it was spending £353 million when it came to NPD.

Mr Salmond, speaking from a sedentary position, has the audacity to talk about NPD. Last week, I asked him in this chamber not once but twice to give me a list of projects that have been delivered under NPD. Mr Salmond gave me a list of 15 projects. The only problem is that none of those 15 projects has been built and we are struggling to find one that has even a brick on the ground.

The Deputy Presiding Officer: Mr Brown, you must conclude.

Gavin Brown: I am happy to leave it at that and come to it again in closing.

The Deputy Presiding Officer: We turn to the open debate. Speeches should be of six minutes at the moment, but if members have to be given extra time due to the fact that they cannot be heard, that may change.

15:12

Bruce Crawford (Stirling) (SNP): I begin by acknowledging that there is general agreement between the Scottish Government and the Labour Party. That is not normal, but it exists on this occasion, in this Parliament. The SNP and Labour generally agree that the UK Tory-led coalition has set about dealing with the serious economic challenges that it faces in a wrong-headed manner by cutting too fast and too deep. The impact of the UK Government's chosen direction sees the UK teetering on the edge of a triple-dip recession. The result is prolonged agony for hard-working families trying to balance household budgets and the further stifling of hope for those seeking work.

It is abundantly clear that the chancellor's chosen direction is having the opposite effect to his stated aims. We need only look at the most recent figures, which show that the UK economy shrank by 0.3 per cent in the final three months of last year, to see that the evidence is staring us in the face.

By comparison, Scotland's Government has of course long put forward a consistent case for additional capital expenditure to help to boost the economy and create jobs. As we all know, Scotland's First Minister initially called for an increase in capital spending in 2008 and has been repeating that call ever since. That call was finally heeded by the chancellor in his autumn statement when he announced an additional £331 million of capital spending, taking our cut from 33 per cent down to 26 per cent. Yes, it is a welcome movement in the right direction, but in the teeth of the latest depressing figures for gross domestic product, it is too little, too late.

The comparison between the dithering of the UK Government and the decisive action of the Government of Scotland could not be starker. In February 2012, the Government of Scotland announced a further capital spending package of £380 million until 2015, which focused on housing, transport, health, digital and maintenance projects. In June 2012, the Government of Scotland announced another package of investment: £105 million for shovel-ready projects. Investment in infrastructure is also being boosted through the—much maligned by Gavin Brown—£2.5 billion pipeline of projects delivered through the non-profit-distributing model. Also, despite the

Government's having had to take hard decisions, £700 million has been switched from resource to capital, to support vital infrastructure projects.

Only two weeks after the Chancellor's autumn statement, the cabinet secretary outlined where £205 million of the £331 million of additional capital expenditure would be allocated.

Gavin Brown: Can the member provide any evidence that the revenue to capital switch that he mentioned has actually happened or evidence of the impact that it has made?

Bruce Crawford: The evidence is £3.1 billion of expenditure in the next financial year and 40,000 jobs across Scotland, Mr Brown.

The cabinet secretary listened to what stakeholders told him and today brought forward welcome additional capital expenditure in housing-related projects and £10 million for trunk road maintenance. The Government of Scotland is listening and showing itself to be consistent and clear about what it wants to achieve in terms of creating jobs and growing the Scottish economy.

In comparison, the Labour Party's approach has been at best confusing and at worst deceitful. Those are strong words, but they are accurate. During stage 1, Labour's stated position on capital, which it confirmed again today, was that the entirety of the additional £331 million should be allocated to the housing sector. On the face of it, that appeared to be a noble gesture in support of housing. However, it did not take long for people to recognise that Labour was playing a cynical game of deception.

Labour raised stakeholders' expectations of potential additional resources, in the sure and certain knowledge that the projections and proposals were undeliverable, because the removal of £331 million in its entirety would mean that millions and millions of pounds would be cut from transport and regeneration, further and higher education, national health service maintenance, economic development and many other areas that the Labour Party has said are a priority.

The Labour Party's solution is to pretend that all that expenditure could somehow be undertaken by the Scottish Futures Trust, no doubt from money grown on trees. Labour has refused to tell us which resource budgets would be cut to finance additional capital expenditure of £331 million.

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

Bruce Crawford: Would the cash that Labour plans to cut—

Ken Macintosh: Will the member give way?

Bruce Crawford: I am in my last minute, as you heard, Mr Macintosh, and you have made a disgrace of yourself today.

Would the cash from Labour's cuts come from education, health or local government? This Parliament and the people of Scotland deserve to know where the Labour axe would fall, to deliver the hard choices that Johann Lamont says that she wants to make. Of course, Labour members will not tell us that, either because they are too confused and do not understand the budget process, or, more likely, because they are prepared to play a shabby game of deceit with the Scottish people. Scotland deserves better from a Labour Party that claims to be better together—with the Tories.

The Deputy Presiding Officer: I remind members, first, that they should speak through the chair and not directly to one another from the benches and, secondly, that they should be watchful of the language that they use to one another.

15:19

Elaine Murray (Dumfriesshire) (Lab): In the budget debate a year ago, I argued that spend on housing should be a priority, on the basis that it is preventative spend. The arguments for prioritisation have not changed. People who live in inadequate, overcrowded or damp accommodation, or who are worried about losing their home, will suffer from stress. They are more likely to suffer from physical and mental ill health, perform less well at work and experience relationship breakdown. Children who live in poor or temporary accommodation and witness the stress that that causes their parents will not reach their potential at school. Stable, good-quality housing is essential for people's wellbeing. Further, as we have all said, housing expenditure also helps the economy, creating employment and supporting the construction industry.

Despite the importance of housing, the budget for affordable rented housing has continued to reduce. I know that there have been four in-year revisions that placed around £100 million back into the housing budget, and we have just heard about £10 million being returned from a £46 million cut in next year's budget. However, the SFHA stated in its briefing that the social rented housing sector has been unfairly penalised in this budget. Shelter states that, with 157,000 households in Scotland on local authority waiting lists, the shortage of affordable rented housing is acute and is the most urgent social problem facing us.

I know that the cabinet secretary announced that £859 million will be invested in housing across three years, but that is still £531 million less than

in the previous spending review. However, the ability to construct social rented homes is not governed only by the total sum of funding that is available. For housing associations in particular, the issue is whether they are able to build affordable homes for rent with the level of subsidy that is available to them.

I recently contacted all the housing associations in Scotland regarding their plans for building homes for social rent in the next two years. I asked whether those plans had been affected by the reduction in subsidy and how they anticipate that welfare reform will affect their organisation and their tenants. I will not attribute comments to individual housing associations, but I assure the chamber that the quotes that I will read out are genuine and give a flavour of the replies that I have received in the course of the past few days. Housing associations have said:

“because of the association’s tight finances it has ceased to develop for the time being”;

“no plans to develop any new housing over the next 2 years due to unsustainable levels of subsidy to develop new housing and the lack of affordable private finance”;

“Until the last couple of years we were an active developer ... We have had to review our strategic position and will not build any new homes in the immediate future”;

“we expect to continue with our programme for the next two years. The position beyond that is uncertain”;

“the reduction in HAG for the construction of social housing has resulted in a reduction in our programme by approximately two thirds”;

and

“we have no immediate plans to build new homes over the next two years due to subsidy cuts”.

I will quote from the SFHA’s press release of 21 January, as it is better than anything that I could say. It advised that the SFHA remains concerned about

“the level of subsidy that is now available per new home—cut from approximately £70,000 per house to £40,000 per house on average—as this gives housing associations and co-operatives a real dilemma about how to use this money.”

It continues:

“Many of our members have used sites bought at low prices or given free by local authorities combined with their own cash reserves to carry on building, but these options will run out. The other option is to raise rents for tenants and borrow more private money from banks. However, this hits the poorest in Scottish society at a time when welfare reform is already causing anxiety over issues like reduction in benefits for additional bedrooms and direct payments of benefit to tenants.”

Mark McDonald: Will the member give way?

Elaine Murray: I am sorry, I want to develop the argument. Shelter also told the Infrastructure and Capital Investment Committee that

“we are heading for a cliff edge with regard to new completions in the next few years.”—[*Official Report, Infrastructure and Capital Investment Committee, 24 October 2012; c 973.*]

My colleague Richard Baker recently raised that concern with Mr Swinney, who did not seem to believe that there was a problem and stated instead that the Government was driving up efficiency.

I ask the cabinet secretary to accept the evidence that was presented by the SFHA and individual housing associations that shows that they cannot sustain their social rented housing building programme with the current level of subsidy. Most have used up their reserves of funds and land and the bank account is empty.

If Mr Swinney does not believe the housing associations, however, will he examine the figures that were released to me by the Minister for Housing and Transport, to which I referred in my contribution to the debate on 20 December? They showed that housing starts—not completions—for homes for social rent decreased from 7,677 in 2009-10 to only 3,025 in 2011-12. That coincides with the impact of the reduction in subsidy in 2011.

Over the same period, the amount of grant funding that was claimed by housing associations fell by 53 per cent, with housing associations in some local authority areas claiming 10 per cent or less of what they had claimed two years earlier. Surely that indicates that a problem is developing.

In April this year, tenants and providers of social rented housing will be hit by the bedroom tax. Tenants who are defined as underoccupying will lose housing benefit. Surely this is the worst time for housing associations to be unable to build new homes at an affordable rent. I am therefore using this opportunity to urge the Scottish Government to reconsider the level of subsidy that is offered to housing associations during these hard economic times.

15:25

Kenneth Gibson (Cunninghame North) (SNP): I congratulate the cabinet secretary on once again ensuring a balanced budget that delivers for Scotland despite extremely difficult and uncertain economic conditions and continuing real-terms reductions in the block grant from the UK Government.

Managing Scotland’s finances with care and competence has been a hallmark of the Scottish Government—getting best value for taxpayers, focusing on economic growth, improving outcomes despite shrinking budgets, and moving towards sustainability through genuine efficiency and a bold pursuit of preventative spending measures. That has all been achieved while maintaining the

social contract with the people of Scotland—freezing the council tax, abolishing prescription charges, and reintroducing free higher education.

Today's budget again focuses on the need to support fragile economic growth and the creation and sustaining of employment. Since 2008, the First Minister has called on Westminster to increase capital spending in order to boost economic growth. To their shame, those calls were ignored by successive Labour and coalition Governments, resulting in thousands of Scottish jobs being lost while the economy slipped into a double-dip recession.

Only in recent months has the penny finally dropped in London that increased capital spending and targeted infrastructure development is the way to pull the economy out of the mire. Nick Clegg has at last admitted that the coalition got it wrong. Ed Balls, from the comfort of opposition, recently called for increased capital spending, even though we know in reality that his colleague Alistair Darling was planning cuts deeper and tougher than those of Margaret Thatcher. Even Boris Johnson has said that the UK Government must abandon its hair-shirt economic programme.

For the unionist Opposition in this chamber to criticise the Scottish Government's capital spending programme and efforts to boost the economy and create jobs frankly beggars belief and exposes their bare-faced hypocrisy.

The chancellor finally recognised the need to increase capital spending and announced an additional £331 million of capital spending for Scotland. This improves matters to the point at which our capital budget has still suffered a 26 per cent cut over the spending period.

Within a fortnight of the autumn statement, the cabinet secretary detailed how the majority of that money would be spent, including £50 million for housing, £22 million each for transport and regeneration, and £19 million for further and higher education.

In his quite remarkable speech during the stage 1 debate, Ken Macintosh sprung on us that Labour's back-of-an-envelope position was to divert the entire £331 million of consequentials to housing. Although I do not agree with Labour, I am pleased to see at least some progress and economic maturity in terms of highlighting where it would make cuts.

Labour now wants £22 million diverted away from transport projects, and £22 million diverted from regeneration projects—including a £5.2 million investment in the Irvine Bay Regeneration Company, which includes £2.5 million for a new health centre in Ardrossan in my constituency, as Margaret McDougall confirmed last month.

Ken Macintosh: Does Mr Gibson accept that if the SNP Government did not spend anything on its Scottish futures fund programme last year and has only spent £20 million out of the £353 million that it was due to spend this year, there is abundant capacity in its NPD programme to make up that shortfall?

Kenneth Gibson: NPD, as Mr Macintosh should know, is attached to projects. If he looked at the Scottish Futures Trust project report, which came out and was sent to his colleagues in the Finance Committee, he would know that that was the position. [*Interruption.*]

The Deputy Presiding Officer: Order.

Kenneth Gibson: I am astonished that Mr Macintosh did not even mention the resource implications in his speech. Last month, he said that resources would be provided through underspend savings and efficiency and Rhoda Grant went on to say that £200 million should be spent on fuel poverty alleviation. That was not mentioned by Mr Macintosh today. I wonder whether Rhoda Grant will mention it—last month she was totally unable to say where that money could come from.

Rhoda Grant (Highlands and Islands) (Lab): What you have not said is that it is Energy Action Scotland and the like that are pointing out that the Government needs to ensure that at least £200 million is spent on fuel poverty to reach its own targets. The Government is not pointing out how it will do that and if the energy companies do not come up with their share, how will that gap be filled?

Kenneth Gibson: I thought that Labour might come up with some of the solutions. Labour is supposed to be providing alternatives to the Scottish Government, but it is utterly incapable of doing so.

The cabinet secretary tried to engage with parties across the chamber to find common ground. Clearly he was not able to do so, but he was still able to find an extra £61 million for colleges over the next two years, an additional £40 million for the housing budget and an additional £10 million for investment in trunk roads.

As for the Tories—sadly, Gavin Brown is not in the chamber—how much worse a position would we be in if we implemented the policy that Ruth Davidson, the Conservative Party's temporary leader, announced on 6 November last year, which was to reduce personal taxation by 1p in the pound? She said:

"I want us to look further to see if 1p in the pound is all we can afford."

If that change was made, what position would our spending and investment programmes be in, given

that every cut of 1p would take £559 million off the Scottish budget?

The Deputy Presiding Officer: The member is in his last minute.

Kenneth Gibson: Today, the cabinet secretary has announced a well-rounded and dynamic budget that will help to grow the economy, improve living standards and create and sustain jobs. There is no doubt that, while he remains hamstrung by the regressive and reactionary policies of the UK Government, which the Labour Party appears to want to run Scotland for ever, we will never reach our full potential as a nation.

This Parliament desperately needs the ability to control Scotland's resources and finances fully, to secure our future prosperity. Nevertheless, today's commitments to increased national health service budgets, additional house-building projects, a boost in infrastructure spending and improved college funding settlements, and the continued commitment to early intervention and preventative spending measures, are most welcome and will make a positive difference to the lives of tens of thousands of Scots.

The budget helps to protect Scotland's fragile economic recovery during tough economic times, maintains the social contract with the Scottish people—which Labour has abandoned—and protects the universal services that Scots expect and deserve.

The Deputy Presiding Officer: You must conclude.

Kenneth Gibson: Support the budget.

15:31

Michael McMahon (Uddingston and Bellshill) (Lab): There is no doubt that, when SNP members have spoken about the budget, they have consistently tried to convey optimism about its capacity to generate growth in the economy. However, after listening to Mr Swinney and his colleagues promoting their conviction about the budget, I am reminded of Voltaire's view that optimism is

"the obstinacy of maintaining that everything is best when it is worst".

I will not rehearse the argument that I made at stage 1—that witnesses provided no support to the Finance Committee that would allow the Government to maintain its proclamation that this is a budget for growth. Rather, I will convey my own example of why such a gap exists between what the Government asserts and the reality of its failure to deliver.

Back in my office in Bellshill, I keep a glossy brochure that Transport Scotland produced in

about 2006. The brochure contains a timetable for the M8 Newhouse to Baillieston upgrade, the Raith interchange reconstruction and the M74 Raith to Maryville expansion plan. The first of those projects was to start in 2009, the second was to start in 2010 and the entire interrelated programme was projected to be completed in 2014. Yet here we are in the second month of 2013 and the only sign of those construction schemes, which are now known as the M8 bundle, remains that sleek Transport Scotland booklet.

Companies that have located in the area remain poised—if not suspended—in anticipation of the benefits that are predicted to accrue from that much-vaunted but delayed enhancement to the motorway network in the heart of Lanarkshire. We are approaching four years after the projects were supposed to start, and we have nothing more than the bloated boasts of the Government and the Scottish Futures Trust that those road projects will be ready to start in 2014—the year when they were due to finish.

Bruce Crawford: It is incredible that Michael McMahon talks about the "bloated" SFT, yet his front-bench members want to use the SFT in some way to cover up the inadequacies in their budget numbers. That is remarkable.

Michael McMahon: What is more remarkable is that Bruce Crawford still refers to the SFT as if it was the money, when it is actually a body that was set up at huge cost to spend money that it does not have.

Even more laughable is the claim of the First Minister and his Government that the works are part of a £3 billion infrastructure contract list that is already with us and is in the budget. If it were not so sad that construction companies—and, more important, their employees—know that the work should already be in progress, it would be hysterical. The projects are not so much shovel ready as shovel rusty, as the tools lie around waiting for the Government to pay someone to pick them up.

Construction output in Scotland fell by an estimated 13 per cent in 2012, which means that the sector will remain in recession even as the wider economy sees some signs of life. Estimates for the sector indicate that, despite the 1.1 per cent growth that is predicted over the next four years, employment will fall by about 1 per cent in the same period—it is expected to stabilise only in about 2016-17.

Economists who are assessing capital investment in Scotland expect growth and employment in the construction sector to fall, which they attribute to the scaling back of Government investment in housing and in spending on public non-housing projects, such as

the building of schools and hospitals. That reduction in investment is likely to see a decline of 3.5 per cent in the public non-housing sector in the period up to 2017. If we add to that a public housing sector that is also likely to contract by 0.4 per cent over the same period, we can anticipate a 58 per cent drop in Scotland's forecast annual recruitment requirement for construction.

I am happy to commend the cabinet secretary for retaining his commitment to training and upskilling. We have to ensure that, as industry crawls back from the recession, it is prepared and ready to cope with the increased level of demand. However, if that commitment to producing the skilled workforce that we need is to be more than rhetoric, we need a reversal of the disastrous cuts that are planned for the education sector, which is best placed to provide the practical skills that industry sectors, especially construction, will need.

At best, therefore, and taking an optimistic perspective on what it contains, this has been a very benign budget. Yes, there were huge challenges to be met because of the cuts from Westminster, but rather than rising to meet the challenge, Mr Swinney has played safe. He has protected the headline-grabbing populist policies that, while bringing short-term electoral success to his party, have diverted resources away from the long-term sustainable spending that Scotland needs at this time.

The Deputy Presiding Officer: Last minute.

Michael McMahon: We could be forgiven for thinking that the budget is designed not to meet Scotland's current economic needs but to lay the foundations of the more munificent budget that the SNP Government is preparing to deliver just before the referendum.

While protecting the SNP's short-term ambitions, Mr Swinney has sought to blame Westminster for the failure of Scotland's economy to grow. What he has forgotten is that, when someone spends their time blaming others, they give up the power to change things themselves. As there is no strategy for change, there is little prospect of the investment in the right areas of the Scottish economy that we need from the budget if growth is to manifest itself as a result.

Having forgone the opportunity to do what is right by the Scottish economy, the Government has also forfeited the right to our support for the budget.

15:37

Aileen McLeod (South Scotland) (SNP): I welcome the chance to participate in this afternoon's debate and support a budget that is

focused on jobs and growth and that makes the right decisions in very difficult economic times.

I begin by congratulating the finance secretary on producing a budget that demonstrates this Government's steadfast commitment to protecting the national health service even in these difficult times, and in the face of the changes to the wider welfare system that are being imposed on Scotland by a Tory-led Government at Westminster. They are certain to increase inequality in our society, including in health, and damage the lives of the poorest and most vulnerable in our society.

In the budget, the Scottish Government honours its pledge to protect health spending for the whole of the current spending review period. Health boards will receive above-inflation increases in funding in the next two financial years, just as they have done in the previous two, while NHS workers will benefit from the lifting of the public sector pay freeze, with a 1 per cent increase for the lowest paid in 2013-14.

The Government is keeping its promise to pass on the full Barnett consequential for health. By 2014-15, the resource budget for health will be more than £1 billion higher than it was in 2011. Over the next four years, £390 million will be invested in improving NHS buildings and equipment, and the finance secretary announced last June that an additional £10 million will be allocated for additional maintenance spend in the next financial year, rising to £25 million the following year.

The budget reflects the SNP Government's commitment to increasing and investing in preventative actions and early intervention—a commitment that will not only improve the quality of life for many Scots, but reduce the long-term demands that are placed on our NHS.

The budget will allow the NHS to continue to deliver the detect cancer early initiative for early detection of breast, bowel and lung cancer. It continues the £80 million change fund to support the integration of adult health and social care, which is crucial to our achieving better and more sustainable public services in the longer term. It will allow the early years collaborative to deliver on the priorities of the early years task force. It will deliver the family nurse partnership programme to first-time parents under the age of 19, and it will make further investment in dementia services.

Members will also be aware of other announcements that have been made since the budget statement, including the additional £1 million for recruiting more accident and emergency consultants to back up our A and E action plan. This is a budget for the better health of the people of Scotland now and in the future.

Investment in capital projects continues despite Westminster's 26 per cent cut in Scotland's capital budget, a cut that is forecast to reach 33 per cent in real terms by 2014-15. From major projects such as Dumfries and Galloway royal infirmary in my region to smaller ones such as a new health centre in Dalbeattie, which has been 10 years in the making but is absolutely vital to the people who have waited for it, this Government is continuing to invest in modern facilities that are equal to the clinical challenges of the future. Such activity creates jobs, boosts the economy and helps economic recovery.

Prioritising our NHS, as successive SNP Governments have done, is paying real dividends for the ill and infirm in our society. Hospital-acquired infection rates have fallen by more than a third and, since 2007, premature mortality rates have fallen by 6 per cent for cancer, by 27 per cent for coronary heart disease and by 19 per cent for deaths from stroke. Of course, those results are testament to the magnificent work done day in, day out by our NHS staff.

As a member of the Parliament's Health and Sport Committee, I make no apologies for fully endorsing a budget that is not only designed to protect Scotland's NHS from Westminster cuts and the cuts that we know the Labour Party here would impose if it were ever returned to Government in Scotland, but goes much further than that and continues this Government's pledge to invest in our NHS's future and, in doing so, to invest in and improve the lives of future generations of our citizens.

In health, as in all other aspects of this budget, the SNP Government is once again renewing and reinvigorating the social contract that we struck with the people of Scotland when we came to power in 2007, at the heart of which is an unwavering commitment to social justice—including, I might add, an unwavering commitment to a social wage, part of which includes the universal service provision that has now been abandoned by the Scottish Labour Party.

With this budget, the finance secretary is continuing the journey to deliver a better and more sustainable NHS on which the SNP Government embarked in 2007. However, the stark reality is that the journey cannot be completed until and unless our Government has the full range of powers over the provision of care and welfare that only independence will bring. In 2014 the people of Scotland will have the opportunity to allow us to complete that journey by voting yes. It is an opportunity that I believe they will take.

In the meantime, I urge Opposition colleagues across the chamber to support the Government's budget for jobs and growth this afternoon.

15:42

Willie Rennie (Mid Scotland and Fife) (LD): I get amused by speeches that condemn the Westminster Government for being mean and cutting funds to the Scottish Government but then celebrate the levels of investment in the NHS. It is the Westminster Government, not the SNP, that is making the decisions about the NHS. *[Interruption.]*

The Deputy Presiding Officer: Order.

Willie Rennie: To sound a note of consensus, however, I have to say that I have found this budget process to be open and inclusive. John Swinney and I can work together and discuss priorities for Scotland, and I hope that he shares my ambition of building a strong economy in a fairer society to give people the chance to get on.

Indeed, that is why in the budget process we picked two realistic priorities. First, on colleges, we made quite a bit of progress last year, reversing the £40 billion—I mean £40 million; it feels like £40 billion—cut to their budget. This year, our ambition was to restore the £35 million cut, which would have had a significant effect on colleges that are going through a period of reform. It is difficult to expect our colleges to reform during a period of contraction, especially when we are trying to train not just young people but people of all ages in the skills they will need to fill the jobs that we are working hard to create.

I was therefore astonished to hear celebrations from the SNP benches when the £25 million cut to the colleges' budget was announced. It is nothing to celebrate. Given the £35 million cut that had been planned, £10 million is nothing. I was really disappointed in the announcement.

Neil Findlay (Lothian) (Lab): Will the member take an intervention?

Willie Rennie: Not just now.

Our second priority was nursery education. Mr Swinney has heard me say repeatedly that we want two-year-olds—ideally, 40 per cent of them—to get 15 hours a week of nursery education. In England, 40 per cent of two-year-olds will get that, starting in September. Many people, including Professor James Heckman, have cited that as a great investment, because investment before the age of three has the best educational returns. However, in Scotland, only 1 per cent of two-year-olds will get that, and today's budget has not changed the situation one inch. Under our proposal, 24,000 of the poorest two-year-olds in Scotland would have received 15 hours of nursery education a week.

We recognise that money is tight and that finances are difficult, but we identified where the money would come from to invest in those areas.

That is why I am really disappointed that John Swinney has not taken up our offer. He cites the family nurse partnerships, but those are not unique to Scotland—they are happening in England as well. However, what is unique to Scotland is that only 1 per cent of two-year-olds will get the nursery education that 40 per cent of two-year-olds in England will get. Scotland is being left far behind. James Heckman will be disappointed by the SNP Government's decision today.

Joan McAlpine (South Scotland) (SNP): I understand that Professor Heckman was talking about quality early years education, but that our colleagues in the south are increasing the ratio of children to carers. Does the member not agree that it is better to have high-quality early years care, and that it is generally understood that the care in Scotland is of a higher quality than that in England and Wales?

Willie Rennie: I am not sure where the member got that fact from. If she checks the announcement of the measure in England, she will find that it is about increasing, not decreasing, the standard of nursery education. She should go back and check her facts, because 1 per cent in Scotland is not an improvement on 40 per cent in England. It is a real disappointment that the SNP has not stepped up to the plate.

The experts have clearly said that that is a good investment. Many SNP back benchers, along with members of all parties, signed a motion on the issue. Many of those SNP members are here today, but they applauded the budget. We should aim for 40 per cent, but we are getting 1 per cent. The budget is letting down 24,000 two-year-olds. James Heckman will be disappointed; John Swinney should be disappointed; and I am certainly disappointed. I thought that we could work with John Swinney and come up with an agreement. Last year, we worked together and came up with an agreement.

Linda Fabiani (East Kilbride) (SNP): Will the member give way?

Willie Rennie: Not just now—I am in my final minute.

We worked together last year and we got more money for colleges. I hoped that we could work together again this year, at least for two-year-olds, because they deserve that kind of investment. Our plan was not unrealistic: it set out the investment, which was to be phased up to 2016. We had a plan. John Swinney has time to reverse his decision. He can work to make a commitment for two-year-olds. If he seriously believes that we need to change a generation and improve the life chances of those young people, he should turn back now.

15:49

Kevin Stewart (Aberdeen Central) (SNP): When I was first elected to Aberdeen City Council in 1999, a wise man—one Brian Adam—said to me, “You know, if you ever aspire to govern, you have to have a budget in opposition.” I stuck to that when I was on the council; Brian Adam did it when he was the sole SNP councillor on Aberdeen City Council; and Mr Gibson did it in Glasgow. We produced a line-by-line budget. I just wish that some of those SNP budgets had actually been passed at the time—we might not have been in the mess that we were in by the time that we came to power.

I think that it is really diabolical that any Opposition party should come here today without an alternative budget. It is unbelievable—the people out there will find it hard to believe—that the Opposition parties have failed to do that. Having heard Mr Macintosh both today and previously propose the double counting of spend, I think that he may be a little out of his depth in his current portfolio.

Turning to points that other members have raised, I want to start with investment in housing, which Dr Murray mentioned. I welcome today's announcement from the cabinet secretary on additional investment in housing, which will mean 350 new homes and a huge amount of adaptations and retrofitting. That will be good for all in the social housing sector.

More money for such projects could be found, not necessarily from the Scottish Government—obviously, we face cuts to our capital budget from Westminster—but by accessing investment from pension funds to increase the amount of social housing that we can build. On numerous occasions, my colleague Mark McDonald has written with such proposals to the Aberdeen City Council leader Councillor Crockett, who is also convener of the council's pensions panel, but he has not even received the courtesy of a reply. If the Labour Party is truly serious about these issues—

Neil Findlay: Will the member take an intervention?

Kevin Stewart: Not just now, thank you.

If Labour members are truly serious about these issues, they will get together with others to find solutions to move things forward.

Margo MacDonald: Does the member trust any Treasury in London to see through the measures that he is suggesting?

Kevin Stewart: Ms MacDonald knows full well that I do not trust any Treasury in London. I will come back to that at the tail-end of my speech.

Turning to welfare reform, in recent times we have heard lots from folk from across the chamber about what the Scottish Government is doing about welfare. Let us be honest: the welfare reforms that are being introduced are Westminster reforms. The Scottish Government has tried to mitigate the impact of a number of those measures through the Scottish welfare fund, moneys for advice services and mitigation for council tax benefit, but we cannot do it all. There is no way that the cabinet secretary can find the money to mitigate the impact of all the disastrous policies that are coming into play.

In some regards, I am amazed at what Mr Rennie said. I do not disagree that we would like to spend money on increased day care for children across the board, but the reality is that the money is not available. We are about to see one-year-olds, two-year-olds, three-year-olds and four-year-olds being kicked out of their houses because there is an extra bedroom in the house. Mr Rennie should try to sort that out before he lectures anyone else.

Turning to what I believe is good news, I think that the pilot for town centre regeneration, which seeks to turn empty properties into housing, is an absolutely fantastic idea that will be welcomed in many communities throughout the country. I hope that the pilot is successful in bringing about real and dramatic change in our town centres and that it can be rolled out.

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

Kevin Stewart: Thank you, Presiding Officer.

The extra moneys for trunk roads will also find a great welcome out there. The EDGE fund is also well worth investing in.

From the Opposition today, we have seen fantasy finances of the first order. I do not trust the London Treasury because we have seen those fantasy finances before, under the auspices of Gordon Brown as Chancellor of the Exchequer and then as Prime Minister. One reason why we have the tough budget that we face today is because we are having to deal with the aftermath and sotter of that Labour Government.

15:59

Patrick Harvie (Glasgow) (Green): Here we are, as we are year after year, for stage 3 of the budget. Mr Swinney uses this day—as his predecessor finance cabinet secretaries used it—to dig a little deeper and find some last-minute flourish with an announcement about a new spending priority. Coalition Administrations, minority Administrations and majority Administrations all want to make a few more good-

sounding announcements on the last day of the budget process.

If Kevin Stewart had had the pleasure of a seat in the Scottish Parliament when the SNP was in opposition, he would know that the budget is always a process of negotiation between Opposition political parties and the Administration. In the Parliament, Opposition parties are not able to propose alternative budgets—there is a difference between the council process and the parliamentary process.

Kevin Stewart: Many times in Aberdeen, opposition parties supported administration budgets because there was that negotiation. However, they had to be realistic. If the Opposition wants to spend money, it has to tell Government where that money will come from. That is where the process fails.

Patrick Harvie: I will address that point, although perhaps not to Mr Stewart's satisfaction.

I acknowledge that this year, the cabinet secretary has a harder job than in most years. I agree with his views—which I think most members share—about the UK Government's austerity agenda and our opposition to it. I take that as read.

However, the cabinet secretary is making his job this year even harder than it needs to be in some respects. For example, we could provide a pay increase of almost inflation—or at least one closer to inflation—in the public sector. We could prioritise other public services through the revenue side of the budget, were it not for the shift from revenue to capital, which is to pay for some very positive programmes—and some things that I do not support. When the UK Government gave its autumn budget statement, additional money was made available that could have offset some of that revenue-to-capital shift. We could have made sure that public sector workers got a fair deal instead of a real-terms pay cut.

There has been a reversal of £10 million in the colleges' budget cut. That issue has been raised by every single Opposition party in the budget process. Reducing funding by £34 million or £35 million and then reversing £10 million of that still leaves a substantial cut. The issue is about the choices that we make with the resources that are available to us.

Transform Scotland's briefing highlights that, even going on the Government's own figures, just 3.6 per cent of the transport budget will go to projects that reduce CO₂ emissions from the transport sector, whereas 96.4 per cent will go to projects that increase those emissions. Some members may be comfortable with that balance. Some—perhaps Michael McMahon—would not mind getting rid of that 3.6 per cent so that a few

more motorways could be built in Lanarkshire. Mr McMahon is nodding his head.

Even if some members take that view, every single member of this Parliament has voted in favour of the climate change targets that we have set ourselves. Every single SNP member who I have heard talking about them talks in glowing terms of global leadership, yet every member who takes a look at the draft RPP2—the second report on proposals and policies—on climate change will see that, even just in the 2013-14 financial year that this budget will cover, there will be a dramatic reduction in the scale of ambition in the proposals and policies for transport. By the end of 2014, there will be an additional 0.5 million tonnes of CO₂ on the figure in last year's RPP.

Michael McMahon: Let me make a serious point about the M8 bundle. One of the key reasons why the M8 has to be extended is to allow goods to get to the Mossend rail freight terminal so that we get them off the road and on to trains. That is the intermodal shift that we need. In the longer term, some of those infrastructure projects will achieve the outcomes that Patrick Harvie wants.

Patrick Harvie: That might happen if it is done in association with demand management on the roads, but all too often, projects that have been justified because they will achieve modal shift end up achieving modal spread, and we get more of everything. We will debate that another day.

We heard some announcements about additional spending on housing, including on energy efficiency measures, yet those announcements come just a week after the figures on emissions from homes and communities show a dramatically lower level of ambition in 2013 and 2014, with an extra 200,000 tonnes of CO₂ equivalent in those two years.

Whether it is reversing part of a cut in college provision or saying that we are doing a little bit more on transport or housing when last week we said that we would do so much less, I am reminded of nothing more than a shop window emblazoned with a great sale sign proudly displaying a 10 per cent cut in prices when the shop quietly hiked the prices by 20 per cent last week. The customers are still being fiddled.

We need to do a great deal more in the long term as we face even deeper cuts from Westminster. After the budget has been passed, I urge the cabinet secretary to revisit his opposition to reviewing local government revenue. We need to be willing to raise revenue from those who can afford to pay more if we are going to offset those Westminster cuts and make future budgets easier to bear.

16:01

Rob Gibson (Caithness, Sutherland and Ross) (SNP): The budget underpins the sustainable development of our economy in many ways. It supports the hugely successful food and drink industry, manufacturing—which is taking us further out of the recession—renewable energy, and oil and gas. It also supports many of the sectors that are creating the jobs that will give the country a sustainable economy into the future. The budget takes us in that direction, and I welcome its thrust.

Kenneth Gibson: Will the member give way?

Rob Gibson: I will certainly give way to the other Mr Gibson.

Kenneth Gibson: The member talked about sustainability. Does he share my delight that today SSE Renewables announced a £212 million private investment to build an undersea electricity cable from Kintyre to Hunterston in my constituency?

Rob Gibson: I thank Mr Gibson for his intervention. There are excellent examples across the country of investment in renewables—investment that makes sure that many of the far-flung parts of our rural economy can contribute to the whole economy. It is on that specific point that I want to make some points.

Rural poverty is being addressed by some of the means provided in the budget, including the retrofit programme for hard-to-heat and hard-to-treat houses. That programme is a vital part of making sure that the people who live in the poorest of areas and often in the poorest of housing have a chance to contribute to our economy.

There is also the next-generation funding that will take broadband to rural areas. Highlands and Islands Enterprise has a project to bring that about. That will give people a better chance of taking part in our economy.

Alongside the land fund, the land reform review group's work could mean that we put more people in charge of the acres on which they live and allow them to develop a new economy, which might include ideas from renewables, tourism and many other areas.

All those enabling factors are underpinned in the budget.

Neil Findlay: Will the member take an intervention?

Rob Gibson: Not at the moment; I want to develop my point a bit further. I might take an intervention later.

The rural economy supports 68,000 jobs in agriculture and fishing. In answer to a question

from my colleague Graeme Dey, the cabinet secretary pointed out how many hundreds of millions of pounds are involved in supporting sectors such as farming and crofting. If we decided to have other priorities, we could just close down the rural areas. The SNP is an all-Scotland party. I never hear a word from the Labour Opposition about anything that would help rural Scotland.

Neil Findlay: Will the member take an intervention on that point?

Rhoda Grant: Will the member give way?

Rob Gibson: No, I will not give way to the Punch and Judy show that is going on on the other side of the chamber.

The Deputy Presiding Officer (John Scott): The member is not taking an intervention at this time.

Rob Gibson: I welcome the £522 million that is going into colleges this year. Some of those colleges teach many of the rural skills that we require to underpin the transformation of the rural economy. Many young Scots can train to get skills in environmental and rural business at all levels—skills that are underpinned by modern colleges in the regional model, such as the University of the Highlands and Islands.

I suggest to members that we are looking for the cabinet secretary to help rural businesses, as the Rural Affairs, Climate Change and Environment Committee said in its report to the Finance Committee on the budget. The committee said that the Scottish Government needs

“to consider allowing rural businesses to take up modern apprenticeships in a more flexible way, permitting, for example, an apprentice to work for a range of businesses throughout the term of the apprenticeship. This should also enable apprentices to acquire the range of skills needed to better equip them for sustained year-round employment.”

I hope that we can find that flexibility in the budget because the colleges that aim to do those things are capable of providing such training. Modern apprenticeships, which can be set up in rural businesses, ought to be able to find that flexibility in the budget. We need to ensure that we make the best of young peoples' skills, and that we let them live in the country in which they were born.

I turn to preventative spend. Patrick Harvie mentioned the draft second report on proposals and policies, which we are starting to discuss. We are working on climate change activities that are among the most advanced in the world and the most difficult to achieve. We are talking about an economy in which the Government has only some of the powers and not all the means to change people's behaviour. Fuel tax duty and the like are

reserved to London. We need to move away from those things.

I am sure that Patrick Harvie welcomes today's announcement on the free installation of home charging points for electric cars.

The Deputy Presiding Officer: You should be drawing to a close.

Rob Gibson: Although Patrick Harvie may not want roads, people most certainly must be able to get around our country so that they take part in the economy. The purpose of much of what we are talking about in the budget is to make sure that that is exactly what happens.

The Deputy Presiding Officer: You must close, please.

Rob Gibson: We have an opportunity to ensure that many of those things take place by supporting the budget.

The Deputy Presiding Officer: I call Malcolm Chisholm. You have up to six minutes—less would be more.

16:07

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): Labour is taking a focused approach to the budget by concentrating on two areas: colleges and housing. We are doing that not only because the economy and social justice require it but because the cuts to the college budget have been much bigger than the average cuts to the resource budget and the cuts to the housing budget have been much bigger than the average cuts to the capital budget. That was pointed out by, for example, the Infrastructure and Capital Investment Committee in its budget report. It said that, over the spending review period as a whole, the average cut to the capital budget is 33 per cent but the cut to the housing budget is 45 per cent.

Of course, we should acknowledge that some improvements have been made. The total budget for housing over the spending review period, as announced by the Cabinet Secretary for Finance, Employment and Sustainable Growth, is £859 million compared with £1.39 billion in the previous spending review period. That amounts, roughly speaking, to a 40 per cent cut. Some of the gap between the 45 per cent and the 33 per cent has been closed following the Infrastructure and Capital Investment Committee's recommendation. However, it would be much better to follow the Labour proposal because that would close the gap completely and a little bit more.

I accept that it is a little bit unusual to say that all the consequentials could go to one area, housing, although that is not so strange for me because I have been arguing for several years in budget

debates that housing should be the number 1 priority for capital expenditure. That is a proportionate and sensible response to the scale of the housing crisis.

Shelter has already been quoted as saying that we are

“heading for a cliff edge with regard to new completions”.—
[*Official Report, Infrastructure and Capital Investment Committee*, 24 October 2012; c 973.]

The Government recognises that, because it has made five separate additions to the housing budget over the past year, while changing the original target only marginally today, by 350.

Although the Government recognises the problem, it is not dealing with the heart of the matter, because it will not address the fundamental problem of the big reduction in the subsidy level for each social rented house, which is manifesting itself in 3,000 starts a year. The Government quotes the completion rate, but that is based on the old subsidy levels. We now have a problem of many housing associations building little, if any, new social rented housing.

That was brought home to me very forcibly at a briefing by the City of Edinburgh Council on Monday, when I was told that its projections over the current spending review period and beyond are that it will not increase the number of social rented houses in Edinburgh. That is not to say that a few additions will not be made by particular housing associations, but they will be netted off by some demolitions. There will be no increase in the social rented stock in Edinburgh, even though the level of social rented stock there is already among the lowest levels in Scotland. I was told that the social housing model is broken.

Kenneth Gibson: How much of the additional money that Malcolm Chisholm would like to be spent on housing would be spent on increasing the housing association grant and how much of it would be spent on building additional units?

Malcolm Chisholm: We have to do both. We need a significant injection of new money into housing because so many different actions have to be taken in this area. I am arguing that if the Government does not grasp that nettle, it will not solve the housing crisis.

I realise what a crisis we have in Edinburgh, where 3,000 people are in temporary accommodation at any one time. There has been a 15 per cent increase in the time spent in temporary accommodation over the last five years, and that is before the 2012 commitment kicks in. As I have indicated, Edinburgh has one of the lowest levels of social rented housing in Scotland. In addition—not many people outside Edinburgh realise this—it has one of the lowest levels of owner-occupation in Scotland: the City of

Edinburgh Council is fifth lowest out of the 32 authorities in Scotland for owner-occupation. People will be surprised to hear that. I have offered an Edinburgh angle, which it would not be appropriate to go into in more detail now.

The college cuts have also been bigger than the average resource cut, although next year's cut is now £25 million instead of £35 million. I congratulate the NUS on its splendid campaign. I am sure that some members might have felt that they got rather too many emails, but it was all in a very good cause. It was certainly an excellent campaign. However, I have to say that I do not think that the NUS and its thousands of members and supporters will be dancing in the streets tonight, because the college sector still faces significant cuts, which come on top of the 70,000 reduction in the number of students at colleges and the concerns that exist about provision for the over-24s.

Willie Rennie: Mr Chisholm is spot on about the NUS, because Robin Parker has just said that the NUS cannot accept a cut of £24.6 million to colleges, on top of the huge cuts that have been made over the past few years.

Malcolm Chisholm: It is not just the NUS that feels that way. In its written submission to the Education and Culture Committee, Edinburgh College—which gave oral evidence at yesterday's meeting of the committee—said:

“Colleges will have to reduce costs rapidly to remain financially sustainable and there is a risk that opportunities for our students and our communities will be compromised. We believe savings and efficiencies can be achieved but the current pace of financial cuts runs the risk of creating a funding crisis”.

As far as the economy and social justice are concerned, colleges and housing are the right areas to focus on. Labour's proposals for funding those areas have been criticised, but the Scottish Government supports the use of revenue for capital—that is exactly what the NPD model does. Labour's proposals involve using a little bit more NPD, but they fall well within the 5 per cent cap for revenue-financed projects. The most recent answer to a parliamentary question that I saw on that from John Swinney said that the payments for revenue-financed projects would amount to 3.3 per cent this year. Therefore, Ken Macintosh's funding proposals are perfectly feasible.

16:13

Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): I very much welcome the budget that is before us. I want to talk about some of things in it: the £180 million that is to be provided over two years for investment in construction, skills and the green economy; and the £80 million of planned investment in the schools for the future

programme, which will increase the number of schools being built from 55 to 67—I am delighted to say that one of those will be a new Greenfaulds high school.

In addition, commitments have been made to a wage increase for most public sector employees and to no compulsory redundancies. I say gently to Mr Macintosh that it is somewhat galling to hear criticism of the amount that is being spent on redundancies when Labour-controlled Glasgow City Council made a pay-off of £500,000 to the head of the Glasgow East Regeneration Agency. The Labour Party should do more to get its own house in order instead of criticising others.

Ken Macintosh: Why is exactly the same trend evident across every public sector organisation in every area? Why has there been a huge increase in redundancy and severance payments in every area under the SNP Administration?

Jamie Hepburn: Perhaps it is because organisations such as Glasgow City Council are paying £500,000 to certain individuals. The key point, of course, is that the Government has a policy of no compulsory redundancies.

John Mason: I make the point that £270,000 of that was according to contract but £230,000 was extra, which is why the Labour councillors were guilty of misconduct.

Jamie Hepburn: That is a useful clarification from Mr Mason.

Let us talk a little more about what the Government is doing. It is delivering free university tuition. It is keeping the council tax down, delivering free prescriptions and supporting concessionary travel. In Labour's cuts commission, none of those are off the table. In December last year, the Government also announced an additional £205 million package of capital investment.

Rather than welcoming those initiatives, Ken Macintosh demanded that all the money be spent on housing. We hear demands from Labour members for support for the further education sector. Ken Macintosh will have to explain to them why he would want the £19 million support for capital investment in that sector to be cut. We also regularly hear Labour members decry the condition of the NHS. Ken Macintosh will have to tell them why he wants the £10 million for health maintenance to be cut.

Ken Macintosh: Will Jamie Hepburn give way?

Jamie Hepburn: No, I will not. I have already taken an intervention from Mr Macintosh and he would do well to remember that he did not take a single intervention during his speech.

I point out the other areas of investment that Mr Macintosh wanted to be cut. They include the £4.6 million of investment in Scotland's canal network. That represents regeneration at Pinkston basin, Bowling, Port Dundas, Spiers wharf, Sighthill, Applecross, Grangemouth and seven locations along the Caledonian canal. There is also £21 million for regeneration projects in Dalmarnock, Irvine and Ardrossan. Those are all projects that Mr Macintosh presumably wanted to be cancelled.

Willie Rennie: I do not want to interrupt Jamie Hepburn's self-congratulatory list, but will he express any concern about the NUS's comment this afternoon that it cannot accept the £24.6 million cut?

Jamie Hepburn: I was going to turn to that a little later, but I will turn to it now. I very much welcome the £61 million of funding for colleges in addition to the budget that had been set. It is surely good news.

When Mr Parker came before the Finance Committee, of which I am a member, the convener asked him to say where, if he did not want the settlement, the money should come from, but, as in the chamber, answer came there none. I can see Mr Rennie's reaction. I will not criticise Mr Parker for that because it is his role to advance a proposition for his interest group. However, to be frank, if the other parties in the Parliament aspire to government, they must raise their game and tell us where the money will come from, but they never do.

What is particularly welcome about the college settlement is that it is a two-year settlement. When I am in discussion with my local college, one of the concerns that it expresses is about looking further ahead. To be frank, I would have thought that the fact that there will be sustainability and a level of stability from the coming year to the next would be welcomed across the board. It is unfortunate that that is not the case, because the college sector will welcome the investment.

We would also do well to remember that, as the cabinet secretary pointed out, the highest-ever level of investment in the college sector before the SNP came into government was £510 million. To be frank, the calls from the other parties sound hollow to me.

The additional £40 million for housing is also welcome. Two aspects of that in particular are welcome. The £4 million for preventive adaptations is hugely welcome, because one of the key themes that have come out of the Finance Committee's changing demography inquiry—the report will be published soon—is the need for such investment.

Also, like Mr Stewart, I hope that the £2 million pilot on regenerating our town centres—finding

ways to get people to live in them and to increase activity in them—will be a huge success. The town centres in my constituency could do with some attention.

It was interesting to hear Mr Rennie having the audacity to bemoan SNP members' welcome for the budget. Let us consider what his party's Government has done. It has cut capital spending and only belatedly reversed a little of that cut. Even then, Nick Clegg—his party leader—has admitted that the UK Government had cut too far too fast. His party is also introducing austerity budgets, cutting investment and hurting growth and families. That is before we even get to the UK Government's draconian welfare reforms. SNP members can be proud of their Government's budget. Willie Rennie should be ashamed of his.

16:19

Murdo Fraser (Mid Scotland and Fife) (Con):

Across the western world, Governments are having to deal with difficult financial situations as a result of excessive borrowing in the past and the economic crisis of 2008, and they are having to make tough choices. Despite his protestations, John Swinney is actually better off than most, if not all, of his contemporaries. In cash terms, the Scottish Government's budget this year is higher than it was last year, albeit by a mere £7 million. Nevertheless, it has increased, and we need to see it in that context.

We have heard from SNP members that Mr Swinney is to be congratulated on delivering a balanced budget. They seem to forget that that is a legal requirement for the finance secretary. It is a bit like congratulating him on paying his taxes on time or driving at the speed limit. I am sure that, as a responsible citizen, Mr Swinney does both those things, but they are not causes for congratulation.

Mr Kevin Stewart made an interesting point about the need for the Opposition to bring forward alternative budgets. I know that he was not in Parliament when the SNP was in opposition but, before he made that comment, he might have checked with his front bench what the SNP's custom was in the Parliament when it was in opposition. Unfortunately, he has dug a rather large hole for himself as a result of not doing so.

Mr Swinney said that the budget is about assisting economic recovery and supporting business. He is right to say that the recovery will come only through a growth in business. That is why it is so important to listen to businesses' concerns. If he had listened to businesses' concerns in drawing up the budget, he would have heard them say that this is not the time to increase the tax burden. The retail levy will raise an additional £30 million from the business sector,

and the reduction in empty property rates relief will raise an additional £18 million from it. There is a proposed increase in business rates revenue of £400 million across two years, and a rates revaluation has been put back two years, to 2017. That will leave businesses paying rates on valuations that were set for 2010, when the economic situation was much better, of course. Before any member mentions the comparison with England, I gently point out that England and Wales have a transitional relief scheme, of course, and that such a scheme does not exist in Scotland.

Let us consider the vexed issue of capital spending. The SNP would be on stronger ground in demanding additional money for capital spending if it were able to demonstrate a stronger track record with the money that it has had. Over the past few weeks, the failures of the NPD private finance model so beloved of Mr Swinney have been exposed. In the current year, instead of spending £353 million on vital projects, the SNP has spent just £20 million. Last year, it promised to spend £150 million, but it spent nothing, so at least things are getting better. That means that, in the current year, £119 million has not been spent on new schools, £65 million has not been spent on colleges, and £27 million has not been spent on roads. A couple of weeks ago, the First Minister told us that it was all the fault of the Aberdeen western peripheral road. We know now that that is not the case.

It is extraordinary that the Scottish Government is always lecturing us on the need for more capital spend, but it fails to deliver vital projects with the cash that it has. Mr Swinney's own paper to the Finance Committee said that the delays had cost 6,700 jobs in the construction sector. Much-needed and much-hoped-for jobs in construction have not been delivered because of the failures of his particular project. Before he demands more money for capital projects, he must demonstrate the ability to spend the money that he currently has.

At a time of economic difficulty, it is vital that colleges are properly funded. That is important because young people are leaving school and looking for the training that they need to get into the workforce. Many of them are not able to find jobs and are therefore looking for an alternative. People who are being made redundant and people who are underemployed are looking to retrain and get skills to get back into the workforce, so we need a good deal for colleges.

Mr Swinney said that the Government has delivered the best possible deal for colleges. He has reduced the size of his cuts. That is what he has done. In 2013-14, the cuts will be only £25 million; the year after that, they will be only £26 million. Never have savage cuts been announced

with such flourish to such acclaim from the SNP benches as they have been today.

The issue of where to cut is entirely a political choice by the SNP. I am not surprised at the negative reaction from Robin Parker of the NUS. I imagine that he will be getting a call from the First Minister before the day is out.

The Government has more money to spend than it had last year and it has made the wrong choices. It made a choice to make savage cuts to the further education budget. It made a choice to tax Scottish businesses more. It has presided over the dismal failure of the NDP funding model for capital projects—

John Swinney: NDP?

Murdo Fraser: The NPD model.

It has failed to deliver the 6,700 jobs that could have made a difference to improving the Scottish economy. The SNP has made the wrong choices today and the Scottish economy will be poorer as a result.

16:25

George Adam (Paisley) (SNP): I welcome the budget and the fact that, even in challenging times, and despite the claims of the Opposition, the Scottish Government still keeps delivering a bright future for the people of Scotland. I find it ironic to hear from the Tory benches about massive cuts when part of the reason that we are sitting here is the cuts made by the Liberals and the Tories at Westminster. It is a two-sided argument—they are willing to say one thing here and another down south.

Despite the cuts made by the two-faced Tories, cutting and slashing in their wake, this budget is about jobs and growth. The Scottish Government's draft budget has jobs and economic growth at its heart. The important thing about this budget is that, at its heart, it remembers the people of Scotland whom we serve and considers how we can make their lives better.

I sometimes sit here listening to debates that are almost university-like, in which it sounds as if the people that we represent, and the fact that we should be doing things for them, have been forgotten. This is about real people and real lives.

The SNP Government has consistently taken action to make full use of its limited powers over the economy to try to mitigate the impact of Westminster's austerity agenda. Our continued commitment to the social wage will deliver benefits to everyone in Scotland. I am talking about not just the social wage but people's families—mums, dads and children. We are maintaining the council tax freeze, keeping higher education and

prescriptions free, and supporting concessionary travel. Those are important issues to the public. They are issues that we should remember when we are having debates such as this, even given our limited powers and the attacks made by the dark cloud of Westminster.

There is a better way. The better way is independence. Opposition members can laugh all they like. If we have independence, we can make decisions here, in this Parliament. With the moneys available to us, we can make things better. On the back of what Mr Swinney has delivered over the past five or six years, we can see that the SNP offers the dynamic future that the unionist parties do not.

What is Labour's future? It talks about its cuts commission and the something-for-nothing society. It does not want to talk about people and their lives and how we can make a difference. Where is the ambition? Where is the idealism? Where is Labour's belief in the people of Scotland? It is no longer there. Labour's cynicism has increased so much that it is just a political game for the party.

Much has been said about college numbers and education. Again, the SNP Government keeps delivering: 10,000 young people could benefit from support for jobs; the 2013-14 education and lifelong learning budget includes £50 million for the early years change fund; there is continued investment to raise attainment through curriculum for excellence; and there is the delivery of 67 new or refurbished schools. The early years fund is giving families an opportunity to find out the support that they need in order for us to help them in future. Again, the Government is listening to the public as opposed to telling them what they should expect.

A number of comments have been made while the debate has been going on. Mr Rennie mentioned a couple of things. There was a tweet—Presiding Officer, I did not see it online in the chamber—

The Deputy Presiding Officer: I trust not.

George Adam: It was given to me outwith the chamber. Seonag MacKinnon, from the BBC, tweeted:

"Scotland's Colleges say delighted with £61m more than expected over 2 years. Says can complete reforms and offer students wide range courses."

Now the truth comes to fruition and we see the difference between the Opposition parties and the SNP. We are delivering for students in Scotland and giving them an option for the future. Post-16 reform and regionalisation enable all the colleges to focus on jobs and ensure that all our young people have a future in which they can be prosperous and can move forward with their lives.

If Colleges Scotland says that, and people out there are saying that, it appears that only the Opposition parties think that things are not going right.

I know that I have only five minutes, so I will just say that the future that the SNP offers Scotland through independence is bright. Nothing has come from any Opposition member in this debate.

16:31

Richard Baker (North East Scotland) (Lab):

There seems to be little room in political discourse in Scotland for any issue other than the Scottish Government's plans to break up the United Kingdom, but for people in Scotland—our families, our trade unions, our businesses and our civic groups—the issues that we are debating today are the most important ones.

The Scottish Government's greatest task and ambition should be to get our economy growing again, but in too many areas of the budget, the Scottish Government is either not doing enough or is making decisions that damage our chances of growth rather than improve them. We have focused on the three areas in which we think the Government is making the biggest mistakes.

First, on college funding, from which tens of millions of pounds are still being cut, the Government's actions are damaging chances for our young people. When we in Aberdeen hear that we will need 120,000 new employees for the oil and gas industry at a time when millions of pounds are being cut from our local colleges' budgets, it becomes clearer that the Scottish Government's approach does not make sense.

Secondly, on housing, the cabinet secretary appears to think that more homes can be built even though he keeps cutting investment. Many of the new homes to which he has referred in the past were built under the previous housing association grant regime, not the current regime. Housing associations have had to dip into their reserves to enable them to build new homes and in many instances the reserves have been exhausted and associations do not have the funds to build the new homes that we need. Today's announcement will not change that.

If the Scottish Government will not take my word for that, it should look at the briefing from the SFHA, which says that the level of housing association grant must increase. That measure was absent from the cabinet secretary's speech. The Government should also note that Shelter endorses our proposal for the allocation of all the consequential to housing, not only to address housing need—which remains acute—but to deliver speedy investment in infrastructure and to support our struggling construction industry. If the

Scottish Government fails to do that, we will face a housing crisis, as Elaine Murray said.

Finally, on infrastructure, we have highlighted the cut of £350 million from the budget of the Edinburgh to Glasgow rail improvement programme. That decision was particularly poor because the project was going to take advantage of Network Rail borrowing, because the full benefits of the scheme will not now be realised and because EGIP was that cherished thing—a shovel-ready project. There is a clear gap between the rhetoric and the reality when it comes to ministers' stated goal of investing in infrastructure to stimulate the economy.

Bruce Crawford: Will Richard Baker give way?

Richard Baker: I apologise to Mr Crawford; my time has been cut.

We have reminded ministers that investing in infrastructure is the right approach, but they are not delivering. On Monday, the Cabinet Secretary for Infrastructure, Investment and Cities announced a refreshed infrastructure investment plan but neglected to mention that the Government's flagship programme of projects that would be funded through the NPD funding mechanism has failed to deliver investment at the very time when it has been needed most. We know that, because although we were told that £353 million would be invested in 2012-13, only £20 million was spent.

The figures that the Scottish Futures Trust released yesterday show that that is not the end of the problem. We were told that £686 million would be invested next year, but now we know that there will be only £338 million of investment. We have been given no clear explanation for the delay in all those projects. We have not been told why, of the £119 million that was meant to be invested in schools through NPD, nothing was spent in this financial year, or why next year, when £150 million was to be invested in schools, new plans allocate only £62 million. How many job opportunities were lost last year because of the delays to key projects?

Even when its projects proceed, we believe that maximum economic benefit to our economy is still not being secured because of the Scottish Government's failures in procurement. Too often, there is no level playing field that would allow Scotland-based firms that could employ people locally to compete with big multinational companies, because the Scottish Government has not done what other countries have done—within EU rules—to ensure that contracts include community benefit clauses and other provisions that would mean that local firms could compete. We have to look only at the debacle of the Forth replacement crossing contract to see how our

economy has lost out. We hope that that will be changed through the forthcoming procurement reform bill, although we still await details of when it will be published.

The cabinet secretary has said that the budget is firmly focused on growing the economy. However, in making the wrong decisions on colleges and housing and in failing to deliver on infrastructure plans, it does not live up to that billing. It is, rather, documentary evidence of a Government with its eye off the ball at the worst possible time for our economy. That is why the budget should not be supported by Parliament today.

The Deputy Presiding Officer: We move to closing speeches.

16:35

Gavin Brown: When the draft budget was presented in September, the Scottish Conservatives believed that it was not a budget for the economy. We took the same view when we debated it in December, we took the same view when we debated it at stage 1 two weeks ago and, I have to say, we take the same view today. The Government wants to be judged by what it does for the economy; in our view, it has simply not done enough.

Just under a month ago, the cabinet secretary gave evidence to the Finance Committee, at which he said:

“An assessment of the 2013-14 budget against what I set out in the spending review in 2011 demonstrates that changes to the budget are pretty peripheral.”—[*Official Report, Finance Committee*, 9 January 2013; c 2008.]

I challenge the cabinet secretary to say something more than that in his closing speech and to tell us that the changes that he has announced today are anything more than “peripheral”.

We have had an interesting debate. We heard Bruce Crawford boast about what the Government is doing in relation to the switch from revenue to capital, but when he was asked—as I have asked a number of ministers in recent months—whether that has happened and what impact it has had on the ground, the answers were pretty barren. The Government keeps changing its view on where it has happened and is unable to provide evidence that it has made any impact whatever on the ground.

We have heard back benches after back benches praise the Scottish Government for the excellent work that it is doing on capital spending and on driving forward our economy, with particular reference to the announcements that were made last February and last December. However, as they criticised the UK Government,

none of those members acknowledged that those announcements last year came about as a direct consequence of Barnett consequentials flowing from the UK Government. They criticised the UK Government for—in their view—being slow, but because the Scottish Government spent some UK Barnett consequentials, they said that it was fast, effective and fleet of foot. In response, Jackson Carlaw said—from a sedentary position, I have to say—that Barnett consequentials come from the UK Government and not from any other third-world country. [*Interruption.*] That got them excited, didn't it?

We heard from George Adam, for whom the future is bright, apparently. He failed to acknowledge the point about colleges when he blamed on Westminster the SNP's decision to dramatically cut the college budget. However, the reality is that, in the next financial year, there will be a cash-terms increase of £7 million to the overall Scottish budget and a cash-terms cut to colleges of £25 million. The Scottish budget is going up in cash terms and the college budget is going down in cash terms. That cut is due entirely to a decision of the Scottish Government, not of the Westminster Government.

Mark McDonald: Richard Baker makes it sound as though a £7 million increase in the face of inflationary pressures is something for which we should be grateful. Perhaps he would like in the remainder of his speech to reflect on the following question: if the college budgets in Scotland are being cut “dramatically”, what is the situation in England? That situation has, of course, a direct bearing on the funding that is received by the Scottish Government?

Gavin Brown: That is absolutely desperate stuff from Mr McDonald—anything to take the focus away from the Government, its priorities and the choices it has made. Nobody on this side of the chamber has said that a £7 million increase is generous, but it is a cash-terms increase compared with a cash-terms cut for colleges, which again makes it this Government's choice and its decision.

We heard ridicule of Mr Fraser for talking about “NDP” instead of “NPD”, as if that is the most ridiculous thing that has come out in the past couple of weeks in relation to that particular project. Mr Fraser, of course, made the mistake of thinking that it stood for “non-delivery profit” model as opposed to “non-profit distributing” model, which is an easy mistake to make—or so it seems.

Not only is there more money next year, but I found a letter from John Swinney to Andrew Welsh, the then convener of the Finance Committee, from January 2011, which was just a couple of months before the election and just a couple of months before the SNP manifesto was

finalised. Mr Swinney told Mr Welsh that he predicted that for 2013-14 he would get £28.2 billion to play with. The Treasury allocation that he has to play with is £28.6 billion—almost £400 million more to spend than he thought he would have when he wrote his manifesto and when the SNP was elected on that platform in 2011. The only people who can be blamed for the choices that have been made today are the people in the SNP Government.

16:42

Rhoda Grant (Highlands and Islands) (Lab): This has been a very disappointing day. We put forward suggestions—[*Interruption.*]

The Deputy Presiding Officer: Order.

Rhoda Grant: We put forward suggestions that were modest and deliverable and that could have made a difference, but this Government has proved that it does not listen. So much for governing like a minority.

We asked for the FE cuts to be reversed. We welcome the £10 million that has been reinstated, but it is not additional, it is not improved, and it is not extra. It is a cut of £24 million to the FE budget. That is why people including Robin Parker, the NUS Scotland president, are expressing their disappointment and pointing out that it is still a cut, and it is why Malcolm Chisholm talked about how Edinburgh College feels that it is facing a funding crisis. This is not going to go away.

Why do we in the Labour Party want more money for colleges? We want it because unemployment is high for 16 to 24-year-olds. Many people in that generation are facing a lifetime on the dole—another lost generation—but the Government is cutting money to colleges to stop that group having a future.

Underemployment of graduates is taking the jobs that would be available at entrance level for young people who do not have skills. Those unskilled young people will become that lost generation, so we need to ensure that they are skilled and ready to take jobs at the upturn. We also need to ensure that those who are underemployed—the graduates who are working in filling stations and supermarkets—have their skills updated so that they will be ready to take up other jobs when those jobs eventually come along.

Margo MacDonald: I thank Rhoda Grant for taking an intervention. I will try to make it brief. I agree with every word that Rhoda Grant has said, but she must say where she would get the extra money to put into the colleges.

Rhoda Grant: Maybe Margo MacDonald was not in the chamber when we explained how we

would find that money. [*Interruption.*] From the noise that they are making, it seems that none of the SNP back benchers was in the chamber then, either. Perhaps we should look at such things as the Ryder cup, on which the Government spent £470,000, or the Scotland House fiasco, when it spent £400,000 at the Olympic games. [*Interruption.*]

The Deputy Presiding Officer: Order.

Rhoda Grant: That is not to mention top salaries and the 16 referendum workstreams on which the Government is wasting our money, instead of spending it on young people who need skills and need to be trained to take the jobs that are available for them—[*Interruption.*]

The Deputy Presiding Officer: Order.

Rhoda Grant: Richard Baker talked about the skills shortages in the oil and gas industry. We need funding for colleges, so that people can be trained to fill such skills gaps. It is wrong that people are sitting at home and are not even getting unemployment benefits when they could get jobs if training in colleges was available to them. They are real people—they are not the people who are sitting in this chamber navel gazing. They are people who are thinking about their opportunities, their career chances and their life chances.

Rob Gibson said that the Labour Party does not want to do anything for rural areas, but he forgets North Highland College, which is in his constituency. The funding formula already damaged it; how much more damaged will it be by the funding cuts? Colleges operate in both rural and urban areas and they create skills and help people to maximise people's life chances, which is why we need to fund them properly.

The SFHA has stated clearly that social rented housing has been unfairly penalised. I am sure that it welcomes, as everybody else does, the additional money that was announced today, but £10 million for the affordable housing budget is a drop in the ocean and is far too little. Elaine Murray talked about the housing associations that responded to her, which said that building had stalled in their areas. She pointed out the effect of bad housing on people's life chances.

Kevin Stewart: Will Rhoda Grant give way?

Kenneth Gibson: Will the member take an intervention?

Rhoda Grant: I will not take an intervention. I need to make progress.

The housing association grant has been cut by £30,000 a unit, which means that it is impossible to build units—even more so in rural areas. I remind Rob Gibson that a rural house cannot be

built on a £40,000 subsidy. A lot of the housing associations in my area cannot build because of the subsidy level.

Kenneth Gibson: Will the member take an intervention?

Rob Gibson *rose—*

Kenneth Gibson: I appreciate Rhoda Grant taking an intervention. Given what she has said, what should the HAG level be?

Rhoda Grant: The HAG should be at a level that allows people to build housing units. Rural housing associations used to attract more HAG because they could not achieve economies of scale. We need to set the HAG at a level that makes building sustainable, otherwise no houses will be available.

We face a crisis in housing. The bedroom tax will affect 100,000 Scottish households. We need to build smaller homes to help families to avoid that tax, because families—real people—are facing poverty or homelessness, and the Government has done nothing but cut the funding that would build homes in which they could live.

Shelter has said that we face a cliff edge in house building and it has backed our policy of investing consequentials in housing. However, the Government has not listened.

Kevin Stewart: Will Rhoda Grant give way?

Rhoda Grant: A measly £10 million for housing will do nothing for people who are facing homelessness.

The Deputy Presiding Officer: Rhoda Grant is not giving way.

Rhoda Grant: We welcome the £10 million for the retrofit programme, but for people who are living in fuel poverty, and if we need to spend £200 million to combat fuel poverty and to meet the Government's targets, £10 million is but a drop in the ocean. It was sad that the SNP used its majority on the Economy, Energy and Tourism Committee to stop the committee reiterating its recommendation that the Government invest no less than £100 million in dealing with fuel poverty. Members of that committee are not carrying out their duty to scrutinise the Government; indeed, they are a sop to it and are giving it cover. However, the people of Scotland will not afford them such cover.

This is not a budget for growth and it does nothing for jobs. There are cuts to the Edinburgh to Glasgow rail improvement programme and the M8 bundle that Michael McMahon discussed, which are cuts to jobs and our economy. NPD is not working; it has been either mismanaged or misused. The figures show cuts of £333 million this year and £348 million next year but—guess

what?—in 2014, £199 million will go into NPD, to coincide with the referendum. I do not think that the Scottish people will be bought in that way.

The Government has also failed in procurement. It is creating leakage within capital spending programmes.

The budget is a missed opportunity to create jobs and homes, a missed opportunity to cut carbon and poverty and a missed opportunity to save the next generation from the scrap heap. The Scottish people will not be bought by the Government.

The Presiding Officer (Tricia Marwick): It would be courteous to members if other members ceased to turn their backs on the chair.

16:50

John Swinney: The test of a stage 3 debate and the process that leads up to it is whether there is a reasoned fair wind to consider the proposals that the Government has put forward in response to the arguments that have been marshalled by other stakeholders and other political parties. In that respect, Mr Rennie makes a fair distinction in the sense that he and his party have marshalled to me a proposal to extend childcare support to a significantly larger number of two-year-olds than the Government is prepared to do because of the policy choices that we have made. Essentially, I assess those two respective positions as a fair acknowledgement of the fact that Mr Rennie wants to do one thing in the budget and we want to do another. That is an honest disagreement about where the focus should lie.

When it comes to some of the other issues, around colleges and housing, I am genuinely staggered by some of the things that I have heard from some of the Opposition members who have been involved in dialogue with me about the issues in the budget. However, before I get on to those questions, I want to take a moment to discuss an issue about welfare reform that has percolated through the debate. It was commented on by my colleagues Bruce Crawford, Aileen McLeod, Jamie Hepburn and Kenneth Gibson, and also by Dr Murray, Malcolm Chisholm and Michael McMahon.

I unreservedly accept the difficulties that are coming our way as a consequence of welfare reform. I and the Government find it an unacceptable agenda. We and our local authority partners are going to face much greater burdens and pressure as a consequence of the welfare reform agenda that is being pursued by the United Kingdom Government. Nobody in the chamber can dissent from that view.

The Scottish Government has acted in a number of areas—including on council tax benefit, again working with our local authority partners—to try to ameliorate the arbitrary 10 per cent reduction in council tax benefit by the United Kingdom Government. The Deputy First Minister has established a £9.2 million Scottish welfare fund and we have put in place advisory service support to try to deal with the issues.

However, I will not in any way stand here and be accused by members of misleading Parliament and suggesting that, somehow, what we have done can tackle the significance and scale of the welfare reform problem that is coming our way. We have done what we can, within our resources, to tackle it. That is inherent in the budget, which is another reason why it is worthy of support. However, we cannot pretend that we can make all the difficulties go away. That is why this Government wants to do something about them by acquiring the powers over welfare that will enable us to tackle the issue.

Willie Rennie: Will the cabinet secretary take an intervention?

John Swinney: I ask Mr Rennie to forgive me for a moment.

If Rhoda Grant seriously expects us to be able to tackle the full effects of the bedroom tax by building one-bedroom houses between now and 1 April, when the changes will kick in, it highlights the total mental paralysis that exists in the Labour Party on the whole issue. The idea that it would be possible to build a phalanx of one-bedroom houses before 1 April to try to deal with the issue highlights the absurdity of the do-nothing position of the Labour Party—well, it is actually not the do-nothing position of the Labour Party, but the better-together position of the Labour Party and the Conservatives.

Ken Macintosh: Instead of grossly distorting the—[*Interruption.*]

The Presiding Officer: Order!

Ken Macintosh: Instead of grossly distorting my colleague Rhoda Grant's measured contribution on housing and sitting back with his complacent attitude that the Scottish Government is doing everything it can when it clearly is not, will the cabinet secretary recognise that although putting additional money into housing would not ameliorate everything it would make a difference and that putting in £350 million would make a bigger difference?

John Swinney: I am putting more money into housing and have done so over the past 12 months. What I will not do is try to con the people of Scotland by spending the same money twice. That I will not do.

Capital expenditure has been a major issue in the debate. I asked Gavin Brown, who was complaining about our decisions and the fact that not enough progress has been made on NPD, what he thought of the UK Government's 25 per cent cut in capital budgets. For all his great debating prowess, not a stitch of an answer came forward from him.

Gavin Brown: Will the cabinet secretary give way?

John Swinney: Ah—here it comes now.

Gavin Brown: I am grateful to the cabinet secretary for giving way. He knows full well that we would pay for the housing through Scottish Water's mutualisation, which would save £100 million a year. However, will he finally admit that what he told this chamber in September about accelerating NPD was not quite right?

John Swinney: I note that for the second time there was no answer to the 25 per cent question. That means that Mr Brown is a hypocrite, because he says one thing here and then defends other things in terms of the UK Government's position in the House of Commons.

Mr Brown asked me how much of the resource-to-capital transfer had taken place. I can tell him that I have reported to Her Majesty's Treasury that from 2012 to 2013 the Scottish Government will have transferred £227.6 million from resource to capital. My planned transfer was £206.6 million but the transfer from revenue to capital DEL has been £227.6 million.

Mr Fraser said that I should not be allowed to have any more capital money because I cannot spend the capital money that I already have. It was part of his big attack on NDP—or, to correct him, NPD. The capital underspend in 2007-08 under my stewardship was £2 million; in 2008-09, £3 million; in 2009-10, £3 million; and in 2010-11, £2 million. In 2011-12, the underspend was £30 million, because of project costs in relation to the Forth replacement crossing. I know how to spend capital budgets efficiently and effectively; I do not waste money on the PFI schemes on which all my predecessors wasted money when in office.

We have heard many comments about the issues surrounding the college budget. I gently point out to Parliament that the college budget for the next two years is going to be £522 million, which is higher than any college budget ever was before I came to office as finance minister. It was £510 million and it is now £522 million. Let me—

Neil Findlay: Will the cabinet secretary give way?

John Swinney: Oh yes—we will take Mr Findlay.

Neil Findlay: Given what he said to Mr Brown, can Mr Swinney tell us whether he and the rest of the glee club on his back benches are hypocrites for cheering a £25 million cut over the next two years? [*Interruption.*]

The Presiding Officer: Order!

John Swinney: We have been waiting all afternoon for someone to accept Mr Findlay's intervention—and I am so glad that I did.

Let me read to Mr Findlay—[*Interruption.*] If we could all settle down for a moment, we will all be able to hear this. I want to read to Mr Findlay the words of John Henderson of Scotland's Colleges—[*Interruption.*]

The Presiding Officer: Order!

John Swinney: —in a message relayed by Twitter that has been printed out for me. He says:

"We are delighted. This is welcome—hugely welcome. The picture has changed significantly."

That comes back to my first point. Are the Opposition parties being reasonable about what the Government is trying to do in difficult financial circumstances? The answer is no; they are being utterly unreasonable about what the Government is doing.

The Presiding Officer: You need to bring your remarks to a close, cabinet secretary.

John Swinney: The Labour Party has told us that, throughout the process, it has focused on housing, colleges and rail, but then Ken Macintosh started wittering on about the issues to do with voluntary severance, with some Alice in Wonderland view that somehow we can keep on more staff than we actually have the money to pay for. That not only illustrates his financial inability to deal with the issues, but perhaps explains why he cannot understand the project finance model. Thank goodness that he is not sitting where I am today.

Business Motion

17:00

The Presiding Officer (Tricia Marwick): The next item of business is consideration of business motion S4M-05570, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Tuesday 19 February 2013

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Scottish Government Debate: Tuition Fees

followed by Legislative Consent Motion: Enterprise and Regulatory Reform Bill – UK Legislation

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 20 February 2013

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Culture and External Affairs;
Infrastructure, Investment and Cities

followed by Scottish Conservative and Unionist
Party Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 21 February 2013

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

12.30 pm Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Economy, Energy and Tourism
Committee Debate: Report on the
achievability of the Scottish
Government's renewable energy targets

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

Tuesday 26 February 2013

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions
followed by Topical Questions (if selected)
followed by Scottish Government Business
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business
 Wednesday 27 February 2013
 2.00 pm Parliamentary Bureau Motions
 2.00 pm Portfolio Questions
 Education and Lifelong Learning
followed by Stage 3 Proceedings: Water Resources
 (Scotland) Bill
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business
 Thursday 28 February 2013
 11.40 am Parliamentary Bureau Motions
 11.40 am General Questions
 12.00 pm First Minister's Questions
 12.30 pm Members' Business
 2.30 pm Parliamentary Bureau Motions
 2.30 pm Scottish Government Business
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time—[*Joe FitzPatrick.*]

Motion agreed to.

Decision Time

17:01

The Presiding Officer (Tricia Marwick): There is one question to be put as a result of today's business. The question is, that motion S4M-05550, in the name of John Swinney, on the Budget (Scotland) (No 2) Bill, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (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)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Keir, Colin (Edinburgh Western) (SNP)
 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, Gordon (Edinburgh Pentlands) (SNP)
 MacDonald, Margo (Lothian) (Ind)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (North East Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)

Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Walker, Bill (Dunfermline) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Baxter, Jayne (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Findlay, Neil (Lothian) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scott, John (Ayr) (Con)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)

Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

The Presiding Officer: The result of the division is: For 68, Against 56, Abstentions 0.

Motion agreed to,

That the Parliament agrees that the Budget (Scotland) (No.2) Bill be passed.

Street Stuff

The Deputy Presiding Officer (Elaine Smith):

The final item of business today is a members' business debate on motion S4M-05218, in the name of Annabel Goldie, on street stuff. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes the exciting Street Stuff project, a youth diversionary scheme, based in Renfrewshire, which it understands has helped to reduce youth crime by offering activities such as street football, "The Box" and the Street Stuff buses; notes that Street Stuff is a partnership between St Mirren Football Club, Renfrewshire Council, Strathclyde Police, Strathclyde Fire and Rescue, Engage Renfrewshire, McGill's Buses and Reid Kerr College; supports the Kick and Collect programme run by Street Stuff, which sees youngsters take part in voluntary work in the community and be rewarded with prizes; congratulates all those involved who, it considers, work tirelessly to ensure that the scheme benefits local young people who learn about social engagement and mutual respect, and believes that Street Stuff is an asset for the whole community.

17:04

Annabel Goldie (West Scotland) (Con): I am delighted that the motion has been selected for debate, and I thank everyone who has supported it.

The street stuff project has been operational across Renfrewshire for the past four years. The project is core funded, managed and co-ordinated by Renfrewshire Council's education and leisure services, and it is delivered in partnership with environmental services, St Mirren Football Club, Engage Renfrewshire, Strathclyde Police, Strathclyde Fire and Rescue, and McGill's Bus Service.

I want to thank and pay tribute to all those partners as well as to the main drivers of the project: Councillor Eddie Devine; Stephen Gallacher, who is the project's co-ordinator and a St Mirren member of staff; Carolanne Robertson of Renfrewshire Council environmental services; and Fiona Watson, who is the sport and health services manager for the council.

Every member in the chamber will have experienced the thrill of excitement and hope that arises from coming across something completely unexpected that has success written all over it. I remember vividly my first visit to street stuff. On a rather damp evening in a not very accessible part of Renfrew, I had been invited to inspect the box. I had repeatedly got lost and I was totally unprepared for the animated enthusiastic young people who welcomed me with open arms. They could not wait to tell me about the project and show off the box, which is a fitted-out and heated

metal shipping container. They told me how proud they were of the project and how much they enjoyed being able to meet up with one another, and they entertained me with some song and dance.

The enthusiasm and passion of those young people are matched in equal measure by the people whom I have already mentioned and by the other supporters and volunteers, whose commitment to the young people is unwavering. My second visit, on the cold frosty night of 7 December, was just as inspiring, and it included a visit to the Inchinnan bus depot to see the two specially adapted buses.

What is the project all about? Street stuff is a youth diversionary scheme that aims to give kids in local communities something to do in the evenings as an alternative to hanging around the streets. The project has helped dramatically to reduce youth crime and antisocial behaviour. Let me just give some of the facts: between 2007-08 and 2011-12, the number of incidents of vandalism and youth disorder fell in Paisley North from 3,150 to 1,768, in Paisley South from 2,356 to 998 and in Renfrew and Gallowhill from 2,668 to 1,312. I do not know about other members, but I call that inspiring and impressive.

How does it work and what happens? Working with disaffected and hard-to-reach young people aged between 10 and 18 in some of the most deprived areas of Renfrewshire, the project seeks to do the following: with the local police, identify youth disorder hot spots; engage directly with diversionary activity; inform the young people of the opportunities open to them; support referral to the local employment initiative; provide training and volunteering opportunities; encourage the young people to participate in local youth clubs or sports clubs; and deploy a range of mobile equipment, including four mobile football pitches, a youth bus, a gym bus and the box to which I have referred. All of that happens six nights a week for 48 weeks of the year, with additional facilities being provided during school holiday periods.

The box is a multipurpose entertainment unit kitted out with computer games and dance mats. The two buses are very impressive. The youth bus offers information technology equipment, including computers and a Wii game. The gym bus has been fitted out with state-of-the-art gym equipment. Obviously, both buses are mobile, and McGill's both garages and maintains the vehicles and provides drivers as required.

But there is something else. The kick and collect programme, which is run by street stuff, encourages youngsters to take part in voluntary work in the community, for which the youngsters are rewarded with prizes. They learn about mutual respect and they learn about the community. That

is real hands-on community engagement, and it works.

The kick and collect programme continues to engage with young people who are willing to volunteer in their communities. In partnership with environmental services, a range of clean-ups, litter picks and graffiti removals have taken place across Renfrewshire. Each time a young person volunteers for a clean-up or community activity, the young person's kick and collect card is stamped. Once the young person has collected a number of stamps, the card can be redeemed for a reward.

To date, all rewards have been donated by a number of local organisations and businesses, including Renfrewshire Leisure, Xscape, Domino's Pizza, Filshill and Showcase Cinemas. The rewards and experiences provide an opportunity to participate in activities that are potentially out of the reach of very vulnerable young people.

Not surprisingly, street stuff has been recognised for innovative practice and has received 12 awards over the past 18 months. The project has been cited as a model of best practice in Scottish Government publications, and it has been shortlisted for a 2013 Convention of Scottish Local Authorities excellence award.

Street stuff is a huge success, and I believe that the initiative could be rolled out across Scotland. Street stuff staff have told me that they would be very happy to share their experiences. Perhaps the minister could encourage that. I urge her to go and see the project for herself. She will find it an uplifting and informative experience.

Street stuff is an exemplar of organisations working in partnership with a team of dedicated individuals who are all committed to making a real difference to young lives and to their local communities. I wish everyone who is involved in the project the very best for the future, and I sincerely hope that the initiative can be rolled out across the rest of Scotland.

17:10

Stuart McMillan (West Scotland) (SNP): I congratulate Annabel Goldie on her motion. The street stuff project is an example of the best use of partnership working to deliver positive change in our communities.

At the end of her speech, Annabel spoke about her hope that the project could be rolled out across the country. If a project or any area of the public sector is really successful, I am only too happy for that work to take place. I hope that Renfrewshire Council will provide information to the Local Government and Regeneration Committee, which is undertaking an inquiry into

public sector reform. It is entering phase 3 of the inquiry and it would be very useful if the council gave it some information on this subject.

The street stuff project is a youth diversionary scheme that is very popular in Renfrewshire. It combines the resources, skills and experience of a number of partners who all work towards a common aim. As we heard from Annabel Goldie, the project consists of the youth bus, the gym bus, mobile football pitches and the box, which is a converted transport container that provides an area for dance mat sessions, DJ sessions and chill-out zones. The project attracts more than 20,000 young people a year and, as we know, has led to youth disorder dropping by between 18 and 15 per cent in each area in which it operates. That is an important point that MSPs could highlight in areas that they represent.

All too often we hear negative stories about young people—about youth disorder and so on—and it is important that MSPs, councillors and MPs in the areas that they represent highlight the positive things that go on. Many of our young people do tremendous good work in their communities and they do not always get the recognition that they deserve.

The street stuff project involves a wide range of partners including St Mirren Football Club, Strathclyde Police and Strathclyde Fire and Rescue.

The initial two buses—the youth bus that contains various PlayStation and Xbox consoles and games and the gym bus, which was the first mobile youth gym in Scotland—were provided by Arriva. Since Arriva was taken over by McGill's Bus Service, the buses have had a makeover and are now back on the road, providing a wider range of diversionary activities to young people across Renfrewshire. The support of McGill's adds to the partnership approach inherent in the street stuff project.

Street stuff was launched in 2009 under the investing in the future initiative by the then Scottish National Party-led Renfrewshire Council. The project was established because evidence showed that some young people were committing acts of antisocial behaviour and violence, partly through gang-related behaviour and partly—allegedly—through boredom. A number of hotspot areas where the project could make the biggest difference were identified. Street stuff engages with disaffected and hard-to-reach young people through a host of diversionary activities such as football, electronic gaming and dance.

I am conscious of the time, Presiding Officer.

To date, the street stuff initiative has won 12 awards, including the Scottish Premier League best community initiative award two years in a row

with St Mirren Football Club. Some members will know that I am a great Morton fan, so it takes a lot for me to give any credit to St Mirren, but they deserve it in this case. The project has been cited as a model of best practice by the Scottish Government and the street stuff co-ordinator won the role model/mentor of the year at the national youth worker of the year awards in 2012.

Those awards highlight the street stuff project's success and I pay tribute to everyone involved in it. As I said, the project was established in 2009 by the SNP-led Renfrewshire Council. It has gone from strength to strength and I hope that it continues to do so. I warmly welcome the debate and I pay tribute to Annabel Goldie for bringing it to the chamber. I look forward to street stuff being even more successful.

17:14

Neil Bibby (West Scotland) (Lab): I thank Annabel Goldie for the debate, which is a great opportunity for us to highlight the excellent work that is being done by street stuff and the impact that it is having on young people across Renfrewshire. From speaking to young people in Renfrewshire and across the west of Scotland, I know that they are looking for things to do. I doubt that any member in the chamber has not spoken to a young person who has complained about there not being enough for them to do in their area. They want varied, engaging, affordable and accessible activities that prevent them from being bored and I believe that the street stuff project is successful in providing those things to thousands of young people between the ages of 10 and 18 in Renfrewshire each year.

As we know, the project takes into communities activities that would otherwise not be available there. It delivers for hard-to-reach and disaffected young people throughout Renfrewshire. One of the reasons that the street stuff project has proved to be so successful is the variety of activities that it offers. That is vital for keeping young people engaged. Those activities include street football, youth gym sessions, interactive dance mats, DJ workshops and computer gaming. There are a number of important mobile facilities, including a youth gym bus and a mobile youth activity unit.

The only complaint that I have ever heard about the street stuff project is not really a complaint, but a compliment. People would like it to be brought into their areas, which is testament to how popular and highly regarded the project is across Renfrewshire.

The key aims of the project are to develop the social and interpersonal skills of young people who are engaged in the project, to increase physical activity and to promote active and healthy

lifestyle choices. Those aims are all welcome. They help to educate young people and build on the skills that they already have. The project also provides training and work experience to support young people into education and employment. We have also heard that one of the main aims of the project is a sustainable reduction in antisocial behaviour and violence in our communities. The success in achieving that is shown by the reduction in the incidence of youth crime across Renfrewshire, which has fallen significantly in recent years. Although there is no doubt that a number of factors have contributed to that fall, the positive impact of the street stuff project on local communities is clear.

The project has not stood still since it was first launched, but has looked to improve and build on its success. The kick and collect programme was added in 2011 and we should thank St Mirren and the other businesses that have provided free tickets for that initiative. It is a great way of motivating young people to play an active role in improving their local communities and I hope that the programme can be rolled out across the country.

I join other members in paying tribute to all those who are involved in the street stuff project for their fantastic work in our local communities. I also thank Councillor Eddie Devine, Stevie Gallacher, Angela Convoy, Fiona Walsh, and Carolanne Robertson at Renfrewshire Council and the local area committees and businesses for their invaluable financial support. I will also mention some of the project's partners, including Strathclyde Police, Strathclyde Fire and Rescue, Engage Renfrewshire, St Mirren FC and Reid Kerr college.

The street stuff project relies on core funding and LAC funding and any reduction in that would mean a direct reduction in the services that the project is able to offer. In these challenging financial times, I hope that the street stuff project continues to receive the necessary support to ensure that young people in local communities across Renfrewshire continue to benefit from the project's excellent work.

17:19

George Adam (Paisley) (SNP): I also thank Annabel Goldie for bringing the debate to Parliament.

My background with this project probably goes back to the summer of 2008 when, as a councillor in Paisley South, I decided to go along and see what was happening. I went every Monday night to Glenburn, which was an area that the police had identified as a hotspot for antisocial behaviour.

Much to the annoyance of my wife, I went every Monday night to see how the project worked.

Dealing with young people is not exactly rocket science—it has been done for decades by church groups, faith groups, the Boys Brigade, the cubs and scouts and the YMCA—but the big difference with this project is credibility. The coaches sit with their St Mirren tracksuits on talking to the young people. Those coaches may have the same sports qualification as a social worker or someone who works in education or leisure, but they have the credibility with the young people that others do not.

The first time I was at the project was quite interesting. A group of young men were drinking alcohol in the play park. They decided to come across and talk to us. Right away they said to me, “Big man,”—that seems to be the term that people used when speaking to me, not “Councillor”—“If I’d known this was here, I wouldnae have had a drink.” The gentleman who spoke to me was 14. At the time, I had just turned 40, so I turned to him and said, “I like a beer as well, but the difference is that I’m 40 and you’re 14.”

We need to move away from that situation. The football project made the boy engage. It took him and his friends away from antisocial behaviour and, on that evening, stopped them drinking. They came back week after week.

The work is challenging for the coaches because there have been various times when young people have turned up after taking drugs. Let us not kid ourselves: the social issues are still there, regardless of how good the scheme is. The coaches must deal with those social issues and the challenges that they present. The good thing about the project is that the coaches and the people who run the buses are trained to deal with young people in those scenarios. In some cases, they have got some of the young people to become volunteers, got them involved in the project and given them an opportunity to access a different way of enjoying themselves locally.

When the project was set up, it was basically a case of Derek Mackay, the then leader of Renfrewshire Council, banging a few heads together. The ideas were there; what was needed was to get everybody in the one room to discuss them. Arriva had talked about providing buses, and St Mirren wanted to do more work in the community. They were all talking about what they could do, but without talking to each other. The fact that they have got together has made such a difference—my council ward has seen a dramatic 25 per cent reduction in antisocial behaviour.

Mr Bibby is correct to say that the local area committees were the prime funders during that time. I was a chair of one of them. There was

cross-party support—I assure members that that was radical for Renfrewshire, but everybody agreed and could see the progress that we were making.

Eddie Devine and I shared a council ward. Both of us were big St Mirren fans, and we saw the project as a way of getting a new generation of buddies involved in football. Stevie Gallacher, who runs the street football project for St Mirren, is a legend. He is brilliant with the children and young people, who love him. One thing that people involved in the street stuff programme constantly say to St Mirren is that they have won more silverware and more prizes than the premier league football team has. However, in Paisley, we believe that that can change and, come 17 March, St Mirren could have a trophy to go along with those of street stuff.

17:23

The Minister for Community Safety and Legal Affairs (Roseanna Cunningham): I thought that George Adam went rather off-topic at the end of his speech; I will not be following him down the alleyways of football preferences.

Like other members, I, too, congratulate Annabel Goldie on securing the debate. I know from conversations with her how enthusiastic she is about the street stuff initiative. Her opening remarks communicated perfectly how inspirational some of the projects can be.

I welcome the debate. It emphasises the importance of partnership working and actively involving members of the community, even those who may be difficult to reach, in supporting our aim of a safer and stronger Scotland.

As Minister for Community Safety and Legal Affairs, I believe that our local communities are our greatest strength, and the key to a flourishing, successful Scotland. All members of society, of all ages, have an important part to play. That includes young people who, in particular, are critical in ensuring a positive future.

Local projects such as street stuff in Renfrewshire play an important role in offering young people opportunities to develop new interests and skills, and in diverting them from sometimes harmful and risky behaviour; we have had one or two examples of that. They provide what Neil Bibby identified as important—interesting activities that young people want and can access easily. Adults—particularly older folk—can sometimes be a little prescriptive in putting in place activities without thinking about whether they are what young people want. A particular activity might have interested us, but these days other things are important. It is vital that we ensure that what we put in place is what young people want.

I am glad that Neil Bibby namechecked some of the individuals who put time and effort into making the street stuff project work. We sometimes forget that a lot of personal commitment is involved.

I want to say a little about the cashback for communities programme. The Government recognises the value of access to high-quality diversionary activities for our young people, which is why we introduced the unique and innovative cashback for communities programme back in 2007. Essentially, it involves taking the ill-gotten gains of crime and investing them in community programmes, facilities and activities that are largely—but not exclusively—for young people who are at risk of turning to crime and antisocial behaviour. One hopes that, over the years, that will begin to create a more virtuous cycle.

The programme helps us to create safer communities by providing young people with opportunities to get off the streets and into positive activities. Since 2007, more than £50 million that has been recovered from the proceeds of crime has gone back into communities the length and breadth of Scotland. More than 600,000 young people have benefited, and more than 11,000 young person volunteers are now putting something back into their communities. I am sorry, but I cannot remember which member made the point that some of the young people involved graduate to become peers and mentors.

Of the money that has been put back into communities, more than £1.2 million has been invested in Renfrewshire and East Renfrewshire, which has benefited more than 47,000 young people in communities in those areas. I am delighted that street stuff is one of the local projects that have benefited from that investment.

Since the start of the project, the cashback for communities programme has been a key delivery partner: it has funded street stuff coaches and has provided diversionary activities for boys and girls through cashback Scottish Football Association street football, midnight leagues and schools of football. We are committed to ensuring that the cashback programme continues to support local communities, and we will use the proceeds of crime receipts to fund the programme to 2015-16.

The no knives, better lives initiative is part of the work that is being done. Street stuff has been working in partnership with the Government's national youth initiative, no knives, better lives, which is an education and diversion initiative that aims to get across to young people the dangers and consequences of carrying a knife and encourages them to make positive choices. The partnership between street stuff, the cashback programme and no knives, better lives provides a safe, non-threatening environment for young people to discuss issues to do with violence and

knife crime, which, in turn, gives them the skills to identify positive alternatives.

The approaches that we and our local partners are taking to divert young people away from crime and antisocial behaviour are working—members have already indicated how they are working. At a national level, recorded crime is at a 37-year low; offence referrals to the children's reporter have fallen by 66 per cent since 2006-07; and the number of recorded crimes and offences committed by children and young people—eight to 17-year-olds—decreased by 32 per cent between 2008-09 and 2011-12. Some extremely positive impacts are beginning to feed through into the statistics and the system.

However, there is always more that we can do. The approach that has been taken by the street stuff project and all its local partners is exactly the kind of responsive partnership working that we would expect to see across community planning partnerships in Scotland. That approach of responding collaboratively to local need and having a clear focus on positive outcomes for communities is what the Government intends to support under the national priorities for CPPs.

I thank Annabel Goldie for putting forward the motion and I thank other members for their valuable contributions to the debate.

Stuart McMillan is right when he says that it is important that MSPs and others take time to recognise the hard work and dedication of those who lead local projects that are having positive impacts on their communities, such as street stuff.

George Adam reminded us of the huge challenges that confront some of the young people who are involved. However, despite the challenges, we can often learn much from them.

I say to Annabel Goldie that I would be only too happy to visit the project. My officials will set that up as soon as possible.

Meeting closed at 17:30.

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