FINANCE COMMITTEE

AGENDA

9th Meeting, 2002 (Session 1)

Tuesday 7 May 2002

The Committee will meet at 10.30 am in Committee Room 1 to consider the following agenda items:

1. Cross-cutting Reviews: The Committee will consider a paper outlining progress made on its cross-cutting reviews.

2. Items in Private: The Committee will decide whether to consider an issues paper in relation to its inquiry into PFI/PPP in private at its next meeting.

3. Budget Process: The Committee will consider a paper from the Clerk on whether to discuss the reports of Subject Committees during the Budget Process in public or in private in future.

4. PFI/PPP Inquiry (in private): The Committee will consider a paper on matters relating to its PFI/PPP Inquiry.

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The papers for this meeting are:

**Agenda item 1**

Paper by the Clerk

**Agenda item 3**

Paper by the Clerk

**Agenda item 4**

PPPs – an International Comparison – Paper by Professor Peter Jackson

ERI Case Study Report

Balfron High Case Study Report

Glasgow Schools Project Case Study Report

Seafield Waste Water Plant Case Study Report

Royal Aberdeen Children’s Hospital Case Study Report

Issues Paper – Paper by the Clerk
FINANCE COMMITTEE
CROSS-CUTTING EXPENDITURE REVIEWS

Background

At its meeting on 26 March 2002, the Committee agreed to select two subjects for its cross-cutting expenditure review: Children in Poverty, and the Funding of the Voluntary Sector with the focus on regeneration issues. This paper provides an update on how these reviews are progressing.

Children in Poverty

A formal letter confirming his appointment as the adviser to the review, has been issued to Jonathan Bradshaw, Professor of Social Policy at the University of York.

The following organisations have agreed in principle to act as consultees to the reporter group, although not all have, as yet, named the individual(s) who will be appointed to the Consultee Group:

- Child Poverty Action Group
- New Opportunities Fund
- COSLA
- Apex Scotland
- Poverty Alliance

Members of the reporter group have held a preliminary meeting with clerks and Professor Arthur Midwinter. It was agreed that it would be helpful to have an introductory meeting with the Consultee Group and the adviser at the earliest possible date, in order to try and establish a detailed programme of work; determine how best consultees can share their expertise with MSPs; and identify those groups or individuals from whom evidence should be taken.

It was also agreed that clerks should contact the relevant representative bodies (acting as budget holders) in the areas of health, social work, housing and education, to invite them to comment on the review and identify any relevant areas of spending.
The Voluntary Sector

An application for appointment letter has been issued to Dr. Robert Rogerson, Department of Geography at Strathclyde University.

The following organisations have agreed in principle to act as consultees to the reporter group, although not all have, as yet, named the individual(s) who will be appointed to the Consultee Group:

- Scottish Council for Voluntary Organisations
- Scottish Enterprise
- The Wise Group
- National Lottery Community Fund
- Scottish Urban Regeneration Forum

Members of the reporter group had discussions on Thursday and agreed that those invited to be consultees should be reduced to the above organisations. It was also agreed that the Adviser should produce an issues paper at the earliest date possible.

Research Pool

The Conveners’ Liaison Group has agreed to the Committee’s bid for funding to create two research pools from which the advisers can commission individual pieces of research. This research will be managed and distilled by the advisers, while SPICe will have responsibility for procurement. A total of £30,000 has been made available for both research pools, on the proviso that the Convener reports back regularly to the CLG on how the money is being allocated to individual projects within the review.

Next steps

Meetings will be set up at the earliest possible opportunity between the reporter groups, the advisers and as many of the consultees as can attend. At these meetings, it is hoped that agreement can be reached on a programme of work and initial witnesses from whom evidence can be sought. Members are asked to give consideration to this in advance of the meetings.

Members are asked to note the current position and suggestions as to preparatory work that can be carried out in advance of the next meetings would be welcome.

David McGill
2 May 2002
Consideration of reports of the subject committees at Stages 1 and 2 of the Budget process

Background

Members may recall that at its meeting on 13 November, the issue of whether the reports of Subject Committees at Stages 1 and 2 of the Budget Process should be considered in public or in private by the Finance Committee was raised. After discussion, the then Convener stated that there was a consensus that the matter should be considered (Col 1489). At the Committee’s next meeting on 21 May, it will be considering Subject Committee reports at Stage 1 of this year’s process and the Committee is invited to reach a decision on whether that consideration should be in public or in private.

Issues

At Stages 1 and 2, Subject Committee reports are submitted to the Finance Committee and are first published by the Finance Committee as annexes to its report at each of those Stages. The individual reports have normally been considered in private by the Finance Committee in advance of it agreeing its report. There was a feeling among members at the 13 November meeting that there was no particular for private consideration as the Subject Committee reports had been agreed by the Subject Committees and the Finance Committee was not at that point considering its own draft report. Set against that, however is the Code of Conduct for MSPs.

The Code states at paragraph 9.4.2 that “all drafts of Committee reports should be kept confidential, unless the Committee decides otherwise. In addition the following should be treated as confidential: …Committee reports which, although agreed by the Committee and no longer in draft, have not yet been published”.

It is clear from this that the Subject Committees would either have to be party to any public disclosure of the contents of their reports or would have to ensure that their reports were in the public domain before the Finance Committee was able to discuss them in public.

Solution

In discussion with colleagues within the Clerking Directorate, very little concern was expressed about any public consideration of Subject Committee reports by the Finance Committee. The problems posed by the Code of Conduct were discussed and it was agreed that Subject Committees would be willing to publish their agreed reports on the Parliament’s website in order to place them in the public domain. That would allow the Finance Committee to conduct a public consideration of them, while retaining responsibility for publishing individual reports in hard copy as annexes to its budget reports.
The result of this is that, should the Committee confirm that it is desirable to consider Subject Committee reports in public, systems can be put in place to allow it to do so.

Decision

The Committee is asked to decide:

- whether it is desirable to consider reports of the Subject Committees at Stages 1 and 2 of the Budget Process in public. In doing so, the Committee will have to be content that any advance notice it is thereby giving of the findings and recommendations of Subject Committees will not adversely affect its own report. It would be normal for there to be a gap of around 3 or 4 weeks between the submission of Subject Committee reports to the Committee and publication of the Finance Committee’s report.

- if it decides to take the reports in public, whether to request that Subject Committee reports are published on the web in advance of the Committee’s consideration in order to avoid any question of breach of the Code of Conduct.

David McGill
2 May 2002