



OFFICIAL REPORT
AITHISG OIFIGEIL

DRAFT

Education, Children and Young People Committee

Wednesday 21 January 2026

Session 6



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**EDUCATION, CHILDREN AND YOUNG PEOPLE COMMITTEE
3rd Meeting 2026, Session 6**

CONVENER

*Douglas Ross (Highlands and Islands) (Con)

DEPUTY CONVENER

*Jackie Dunbar (Aberdeen Donside) (SNP)

COMMITTEE MEMBERS

*George Adam (Paisley) (SNP)

*Miles Briggs (Lothian) (Con)

*Ross Greer (West Scotland) (Green)

*Bill Kidd (Glasgow Anniesland) (SNP)

*John Mason (Glasgow Shettleston) (Ind)

*Paul McLennan (East Lothian) (SNP)

*Paul O’Kane (West Scotland) (Lab)

*Willie Rennie (North East Fife) (LD)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Natalie Don-Innes (Minister for Children, Young People and The Promise)

Jenny Gilruth (Cabinet Secretary for Education and Skills)

Clare Hicks (Scottish Government)

Shirley Laing (Scottish Government)

Ben Macpherson (Minister for Higher and Further Education)

Alison Taylor (Scottish Government)

Andrew Watson (Scottish Government)

CLERK TO THE COMMITTEE

Pauline McIntyre

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament

Education, Children and Young People Committee

Wednesday 21 January 2026

[The Convener opened the meeting at 09:30]

Budget Scrutiny 2026-27

The Convener (Douglas Ross): Good morning, and welcome to the third meeting in 2026 of the Education, Children and Young People Committee.

The first item on our agenda is an evidence session on the Scottish budget for 2026-27. I welcome Jenny Gilruth, the Cabinet Secretary for Education and Skills; Natalie Don-Innes, the Minister for Children, Young People and The Promise; and Ben Macpherson, the Minister for Higher and Further Education. I also welcome their officials from the Scottish Government: Clare Hicks, director of education reform; Shirley Laing, director of lifelong learning and skills; Alison Taylor, director of learning; and Andrew Watson, director for children and families.

I understand that you wish to make an opening statement, cabinet secretary, so over to you.

The Cabinet Secretary for Education and Skills (Jenny Gilruth): The Scottish Government's budget for the year ahead focuses resolutely on the priorities of the people of Scotland. Accordingly, the education and skills budget for 2026-27 is more than £3.5 billion, with an increase of £136 million in resource spending this year. That will support the expansion of free breakfast clubs and wraparound childcare; the delivery of the real living wage in early learning and childcare and children's social care sectors; and increased investment in our colleges and universities. That ensures that the education portfolio is focused on helping to eradicate child poverty.

For children and families, we continue to fund 1,140 hours of early learning and childcare. Last year, nearly every three and four-year-old took up their entitlement, meaning that more than 90,000 children benefited and families saved more than £6,000 per child per year.

We will invest an additional £15 million to provide free breakfast clubs in every primary and additional support needs school by August 2027. We are also investing £2.5 million of recurring annual funding to expand the delivery and reach of

the extra time programme and provide wider after-school activities in areas with the greatest need. The £5.5 million that we are already investing in the extra time programme is delivering free after-school and holiday clubs for up to 5,000 children who are most at risk of living in poverty. We will work with the Scottish Football Association and other partners to test the delivery of wider after-school activities for primary school children, including testing a 3 pm to 6 pm wraparound activities model. Those measures help to improve outcomes, support school attendance and family stability, and reduce the number of children moving into and staying in care.

In school education, we remain absolutely committed to closing the poverty-related attainment gap. In 2026-27, we will build on what we have achieved regarding the number of children achieving record levels of literacy and numeracy, improvements in attendance, more teachers in our schools, lower class sizes and, perhaps most significantly, the poverty-related attainment gap being at its lowest level on record.

The budget protects teacher numbers and allocates funding for the development of local pilots that work towards the delivery of reduced class contact time. Up to £200 million will be invested to maintain the Scottish attainment challenge, including pupil equity funding. We will also do more to address the cost of the school day for families by uprating the school clothing grant, in line with inflation, and extending eligibility for free school meals to enable a further 5,500 pupils, from primary 5 onwards, to access nutritious and healthy food.

The schools budget will also support the ongoing reform of our public bodies, and I am pleased to advise the committee that, subject to the completion of pre-appointment checks, I intend to recommend the appointment of Ruth Binks as His Majesty's chief inspector of education in Scotland. Subject to those checks and the appointment being made by His Majesty by order in council, Ruth is expected to take up post on 30 March. Graeme Logan will continue to cover as interim chief inspector until that time.

Reform in the post-16 education and skills landscape also continues while providing stability for existing provision. We are providing an above-inflation investment for colleges, delivering an extra £78 million of investment and an additional £55 million for our universities. We will continue to protect free tuition, widen access and give more people more opportunities to take up apprenticeships.

Stability, sustainability, progress and delivery are the key themes underpinning the priorities in the education and skills budget for 2026-27. My

ministers and I would be happy to take any questions that the committee may have this morning.

The Convener: Thank you, cabinet secretary. Before we get into the budget, I would like to ask about a point in the letter that you sent to the committee on 16 January, on behalf of yourself and your ministers, which covered the issues that were raised at committee in the joint ministerial session on 17 December. Did it cover everything that you promised to write to the committee about?

Jenny Gilruth: As far as I am aware, it did, although I think that you might be about to tell me otherwise.

The Convener: I certainly am. On 17 December, we had a very difficult session on grooming gangs. We heard from Alexis Jay, followed by the Cabinet Secretary for Justice and Home Affairs, and then we heard from you. While we were discussing the issue, I raised what you had said on “The Sunday Show”. The *Official Report* records that you said:

“I am happy to check my briefing for ‘The Sunday Show’ and to write to the committee with more detail in that regard.”—[*Official Report, Education, Children and Young People Committee*, 17 December 2025; c 61.]

Why was that detail omitted from your letter?

Jenny Gilruth: I will seek clarification from Andrew Watson, who is with me, but I remember that exchange and I thought that that detail was covered in the letter. I have subsequently checked what I said in the interview and what we said in our exchange in that meeting, and I can clarify that my officials and I are not aware that that were any issues in relation to the wording that was used at the time.

Douglas Ross: Will you share with us a copy of the briefing notes that you had for “The Sunday Show”?

Jenny Gilruth: I am more than happy to share them with you.

Douglas Ross: So, we can get a copy of the briefing notes.

Jenny Gilruth: Absolutely; I have no issue with that at all. We will make sure that you have them.

Douglas Ross: During this meeting?

Jenny Gilruth: Well, my officials are with me during the meeting, but we will make sure that you have those notes as soon as possible. I apologise if they have not been shared with the committee. I checked the letter and saw that the matter was addressed in it, but I accept your point in relation to the briefing notes for “The Sunday Show”. I am happy to get them to you on the back of today’s meeting.

Douglas Ross: I will ask a question about the budget generally, before we get into some of the specifics. This is the final budget by the Scottish National Party Government in this parliamentary session. What aspects of the manifesto that you and the Government were elected on in 2021 are now not going to be delivered?

Jenny Gilruth: I think that there are a number of really positive aspects in the budget.

The Convener: I know, cabinet secretary, and we will get to that—there will be questions about the positive aspects. I am just asking, what are you not going to deliver? You have had five years, and this was your final chance to implement elements of your budget from 2021. What is now not going to be delivered? Give us a list.

Jenny Gilruth: I am not going to provide you with a substantive list, convener.

The Convener: Why not?

Jenny Gilruth: Because I think that there are a number of really positive things in the budget that we have provided for that were not provided for in the 2021 manifesto. We should be mindful of the fact that things have changed substantively since the manifesto was written, and there have been challenges for the Government, which I am sure that we will come on to discuss. I am not going to provide you with an exhaustive list of manifesto commitments from 2021, but I will talk about some of the really positive measures that we have put into the budget, not least the funding for free breakfasts.

If you want to talk about examples of policies in that manifesto that have not been delivered—which I said I would not do, but I am now going to do it—the provision of free breakfasts is one. We have not been able to get there during this parliamentary session, but we are now putting in funding to ensure that that will be delivered in every primary school and every special school across the country. We should welcome that. I totally accept that we should have been able to deliver that more quickly than we had originally planned for, but we also need to reflect on the substantive changes in the financial climate, which is now markedly different from that which existed in 2021.

You will well recall some of the challenges that we faced during my time in transport in relation to the roll-out of big infrastructure projects that we had promised to deliver and which were much more challenging to deliver due to soaring capital costs—of course, that has been the subject of other debate in recent weeks. The challenges that have been experienced in different portfolios have also been experienced in the education portfolio,

and we have tried to mitigate those challenges as best as possible.

One of the things that we have had to respond to is the soaring cost of staff pay. We have met those demands, but that has been challenging for the portfolio, and I think that such challenges have been experienced across the piece in Government.

The Convener: Do you accept that, as we are going into an election period, people will look at parties' manifestos and expect the policies that they contain to be what will be delivered? There is a concern that the bold promises that were made by the First Minister, when he was in your position as education secretary, have clearly not been delivered and that, therefore, people will look at what you and other parties are promising in May and wonder what the point of those manifestos is and whether the policies will be delivered. You are being very open with us that many of the things in your 2021 manifesto have not been delivered in the last budget opportunity before the election.

Jenny Gilruth: Some of the things that we attempted to deliver were not able to be delivered because of the funding costs increasing, and I have set out some of the challenges in that regard. We have gone further in many other areas and are making progress—I gave the example of free breakfast clubs. It would be remiss not to talk about some of the progress that we have seen in recent years, particularly since the pandemic, which was challenging. I am sure that we will come on to talk about closing the attainment gap, on which we are now starting to see real progress. The most recent achievement of curriculum for excellence levels—ACEL—data from our primary schools shows the lowest-ever attainment gap in literacy and numeracy across the board, and that is to be welcomed. Further, this year's exam results are real signs of progress, and there has been an increase in teacher numbers for the first time since 2022.

We are starting to see real progress in many respects, but, from an education perspective, we must not discount the impact of the pandemic on performance in our schools and the challenges that we have seen across the public sector. Wages have increased and we have had to meet that demand accordingly.

The Convener: Did your party overreach when it was forming its manifesto for 2021? Did it promise more than it could possibly achieve?

Jenny Gilruth: No, I do not believe that we overreached. I think that our ambition—

The Convener: Do you accept that you have not delivered on a number of the manifesto commitments in the portfolio?

Jenny Gilruth: Let us wind our way back to May—

The Convener: Let us look, for example, at the promise to provide free iPads and laptops for every pupil across Scotland.

Jenny Gilruth: On that example, we have not been able to go as far as we would have liked.

The Convener: Did you overreach in promising that?

Jenny Gilruth: Let us wind back to—

The Convener: Did you overreach in promising a free laptop or iPad for every pupil in Scotland to use at school or at home?

Jenny Gilruth: No, I do not accept that we did.

The Convener: So you did not overreach, but you have not delivered on that promise.

Jenny Gilruth: But why have we not delivered on it? We have not delivered on it because of the change in the financial and economic climate that we all exist in. I mentioned the challenges that exist in transport, for example, in delivering big capital investment in infrastructure. The exact same challenges are faced in education at the current time. We had to respond to that.

I do not think that anyone around this table could have predicted, for example, the impact of Liz Truss's mini-budget. That had a devastating impact on the Scottish Government's ability to spend money.

The Convener: Were you on target to deliver a free laptop or iPad to every school pupil before that budget?

Jenny Gilruth: Inflationary pressures had an impact—

The Convener: Sorry, cabinet secretary, but were you on target to deliver that promise before that budget?

Jenny Gilruth: Forgive me, convener, but I think that I was the Minister for Transport at the time, so I cannot give you a direct response.

The Convener: Was the Government on target to do that? Can any of your officials answer that?

Jenny Gilruth: I do not know whether officials will be able to answer that, but it is a little unfair to ask me whether I was on target to do that when I was not serving in my current role at that time.

It is imperative to understand that the financial climate that we exist in is markedly different from that which existed in 2021. That is why Governments across the world have struggled to meet demand. We in Scotland have been consistently clear in meeting, for example, the demands of the trade unions for higher public

sector wages. It is important that we have delivered record salaries for teachers, and I stand by that. However, there have been consequences across the portfolio.

The Convener: I would like to continue that discussion for a bit longer, but there are other issues that we want to look at. Tell us about funding for colleges.

Jenny Gilruth: We have been able to increase funding for colleges. I am sure that Mr Macpherson will want to say more on that, but I am conscious that he was leading for the Government on a bill until after 9 o'clock last night, so I will say a little about the uplift for colleges.

The budget delivers a combined increase of £70 million in resource and capital funding, which is the equivalent of a 10 per cent uplift on last year's budget. That takes the total investment in the core college funding settlement up to £764 million.

That budget uplift has been broadly welcomed by the sector. An ask was made of us, and I met Colleges Scotland, along with Mr Macpherson, towards the end of last year, to hear about colleges' challenges. I am sure that we will come on to the detail of this, but a number of institutions are facing challenges at the current time. As ministers, we are very alive to those challenges and to how we might meet that ask. I made it clear in budget negotiations with the Cabinet Secretary for Finance and Local Government that we needed additionality for the college sector to help to support those institutions, and she was receptive to that ask.

I do not know whether Mr Macpherson wants to say more on that point.

The Convener: I will come to Mr Macpherson in a moment. At the equivalent session last year, I asked you about the cuts in college funding. I put to you a quote from the First Minister from the day before, when he had said that, with regard to college funding cuts,

"with the budget that we are putting forward, I am confident that we have adequate resources to support individuals' employability and skills journeys".—[*Official Report*, 7 January 2025; c 30-1.]

The next day, when I asked you,

"Do you agree with the First Minister that this budget provides adequate resources to Scotland's colleges?",

you said:

"I do agree."—[*Official Report, Education, Children and Young People Committee*, 8 January 2025; c 6.]

Is this year's uplift a recognition that you got it wrong with the cuts that you made last year?

Jenny Gilruth: No, because the instability that we have seen across the sector has grown in the past year.

The Convener: Because you cut the budget.

Jenny Gilruth: No, not necessarily. The briefing that Colleges Scotland has provided explains that external factors—not least, the increases in inflation and in employer national insurance contributions—have contributed to a much more challenging landscape for the sector. We have responded to that by providing a significant uplift.

We have also been engaging with the sector throughout the year. Mr Macpherson has been leading on that work, and I have been engaging directly with Colleges Scotland and with individual institutions. We wanted to ensure that this year's budget provided an uplift. I think that the uplift has been welcomed by the sector, and we are keen to work with the Scottish Funding Council to ensure that it is distributed to those that need the help and support from the Government that has been provided for in the budget.

The Convener: Do you understand that we are in a situation in which we are being asked to welcome an uplift in a budget that was slashed last year? Last year, you said that the slashing of the college budget was fine and that it would still meet all the priorities. This year, you recognise that more money needs to be put in.

Jenny Gilruth: I know that you will find it difficult to welcome anything that the Government does, but this is significant—

The Convener: I am sorry, cabinet secretary—please do not put words in my mouth. [Interruption.]

Jenny Gilruth: Well—quite.

The Convener: There is an issue. Last year, there was not a problem with massive cuts to college funding, and—[Interruption.] Sorry?

Jenny Gilruth: I am just gesticulating to my official to say that, from my recollection, there was an uplift in funding for colleges last year, so I am not sure that I accept that—

The Convener: Well, I can go through the quotes from last year.

Jenny Gilruth: I can read out quotes, too, if you want, convener.

The Convener: Colleges Scotland said:

"This announcement is deeply disappointing for Scotland's 24 colleges ... the sector's call for greater investment"—

Jenny Gilruth: Let us trade quotes, then. That is fine.

The Convener: Sorry, cabinet secretary?

09:45

Jenny Gilruth: I do not know whether we are in the business of trading quotes. I have quotes from Colleges Scotland welcoming the funding—

The Convener: I am just trying to understand where we are. The point that I am making is that you were happy with the college budget last year, but Colleges Scotland was very unhappy with it. Colleges Scotland is slightly happier this year because the budget is not as bad as it was last year—

Jenny Gilruth: The funding has been significantly enhanced.

The Convener: It is not as bad as it was last year. Why should we celebrate an increase this year when we were right to criticise the cuts that the Government made to college funding last year and in previous years? Do you accept that?

Jenny Gilruth: I accept that we are providing significant additionality this year, which I hope the committee and the Parliament will welcome.

I have reflected on the challenges that the sector has experienced, and you are right to point those out. Those challenges were not going to be resolved through a one-year funding settlement.

Conditionality is attached to the £70 million—we are asking the college sector to work with us on radical reform. We know that the sector needs to work its way out of where it is currently. The issues were not going to be fixed in last year's budget. I accept the point that you are making about the challenges, but no one-year budget settlement will provide a resolution. We need long-term reform across the sector—Mr Macpherson is leading on that work—which is why the additionality that we have announced must be tied to reform.

The Convener: Is there still a threat to the future of one or more of Scotland's colleges? Do you think that, through the budget settlement, the Government has now protected the future of all Scotland's colleges?

Jenny Gilruth: A number of institutions are facing challenges currently, but I want to be clear that this year's budget settlement will help to protect those institutions. I need to be quite careful on this point, because, as you will understand, ministers do not distribute the funding. The Scottish Funding Council has a key role in that regard, as is right and proper, but, to my mind, the funding that we have provided in the budget will help to create the stability that the sector needs to address the challenges that you have rightly raised. I accept that a number of institutions are in a challenging position currently, and there are others that are in a less challenging position.

The Convener: Do you believe that, as a result of the budget decisions of your Government, you have secured the future of all 24 colleges in Scotland and that we should not lose any?

Jenny Gilruth: Based on my discussions with officials, it is my understanding that the funding that we have secured through the budget will create stability across the sector in the year ahead. However, that is predicated on reform, so we have to work with the sector on that. Mr Macpherson wants to come in on that point.

The Minister for Higher and Further Education (Ben Macpherson): This is a really important area of consideration. The college sector has warmly welcomed the budget. That view has been articulated by Gavin Donoghue, and I have spoken to a number of principals since the budget was announced who have made similar statements or given their view in other ways.

The committee will probably agree that this is an opportunity for a new chapter for our colleges in Scotland. As the committee regularly acknowledges and emphasises, colleges will be of significant importance in the period ahead, as the economy changes and as people continue to need to reskill and upskill.

We must also consider the need for sustainability. The committee will be aware of the work with our university sector in that regard. Committee members are involved in that work, the process for which was finalised before the festive break. That significant sustainability work with universities is progressing.

Between now and the end of the parliamentary session, the Government and the college sector want to establish and have up and running a similar process for the college sector in relation to sustainability and reform. We are very motivated to do that, and we want to work together collegiately. I am very excited about that work, which I think will make a meaningful difference. The funding in the budget has helped to provide the reassurance, the room and the resources to progress that work.

This is a really good time for our colleges, our Government and our Parliament to move forward together to ensure that our colleges can continue the good work that they do every day and adapt, as is necessary, for the period ahead. There is a lot of innovation and dynamism in the sector, with people wanting to do that work, so this is an important moment.

The Convener: You mentioned Gavin Donoghue's response to the Government's budget. Was he correct to say that the budget

"does not fully restore the investment lost in our colleges over recent years, which has been cut by 20% in real terms

since 2021/22”?

Ben Macpherson: I have been clear that, when that Audit Scotland report came out, we accepted it. It is thorough analysis that has been done by professional people. However, we cannot go backwards. We must go forwards.

The Convener: But the point is that the investment in the budget does not fully restore the 20 per cent real-terms cut since 2021. Do you accept that, minister?

Ben Macpherson: There is a period of years. I know that you are looking for a “got you” moment, but this is not—

The Convener: Honestly, I am not. I am just looking for an answer.

Ben Macpherson: What is productive is thinking about how, together, we can ensure that our colleges have the resource and the forums to enable them to undertake the innovation that they, and we, want and that is in the common good. The budget is an increase, and the Government has arrived at that because we want to support our college sector. That has always been the case through all the years that the Government has been in power. I am sure that other Governments would want to support our college sector, too, because that is in the common interest.

The importance of making the additional investment is built on the dialogue that we have had in the Parliament. Obviously, the committee has played a role in that, for which I commend it, as have the stakeholders. There is now an interesting and important opportunity to collaborate and make progress. This is a really positive time.

The Convener: Okay. I do not think that I am going to get an answer on that point, so we will go to John Mason.

John Mason (Glasgow Shettleston) (Ind): Cabinet secretary, you mentioned in your statement today the figure of a £70 million increase for colleges, and the convener has repeated that. Can you explain where that £70 million comes from?

Jenny Gilruth: I have seen some debate about that played out in the press, and the issue is mentioned in the committee’s public papers. I will check again with officials to make sure, but I think that the issue is referred to in table 3 in your public papers. I see Shirley Laing nodding, so that is good.

The 2026-27 budget sees an uplift of £69.6 million in resources, which is a 10 per cent uplift to the total core college funding settlement. That includes £61.4 million, which is a 9.3 per cent increase, for resource, and £8.2 million, which is

24 per cent increase, for capital. The capital spend on the new Dunfermline learning campus is excluded from that, and it is fair to say that there has been some debate about that.

I have sought clarity from officials on that point and have been assured that that is the way in which the figure has been calculated. We need to be mindful that the DLC is now complete, so there is a fluctuation as that project essentially comes to an end. However, that £70 million is quite separate from the funding for the Dunfermline learning campus. That is set out in table 3, on page 7, of the committee’s public papers, so I am sure that members can all look at and address that.

John Mason: The question therefore is: why was that not in the figures that the Government published? When you look at the Government budget on page 61, it is clear that the capital budget was higher last year and has fallen. Obviously, that included the Dunfermline campus.

Jenny Gilruth: Yes. I have discussed that issue, because I recognise the challenge and I share some of the member’s views on it. I will bring in Shirley Laing in a moment in relation to that. My understanding is that some of the reduction is because the DLC was coming to completion, so you would naturally expect that spend to reduce as a result. I will bring in Shirley Laing on the specifics of the reporting and the way in which that was made clear—or not, as the case may be. We can perhaps reflect on that and on how we can communicate the budget, because it is important for the sector to have certainty on the funding, and I do not want to create any dubiety on that.

Shirley Laing (Scottish Government): Mr Mason, you are right that, when you look at the headline figure, there is a reduction. That is the netting off, effectively, of the Dunfermline learning campus and moneys coming down. I know that my team spoke with colleagues in the Scottish Parliament information centre about the issue when they were preparing the report to try to gain clarity for committee members. We wanted to pull out the Dunfermline learning campus element so that you can see the core college capital piece.

Infrastructure projects fluctuate and are short lived—they go over a period of years as things are built. It was to give the core baseline comparator across the piece, if you like. That is why, if you look at table 3, you see that, in the college funding core line, for 2025-26, there was £34.5 million in capital, and for 2026-27, that has gone up to £42.7 million.

The Dunfermline learning campus line is shown below that, and you will see a significant and planned reduction from £30.3 million in 2025-26 to £1.1 million in 2026-27. The campus is now open—indeed, the First Minister opened it, and the cabinet secretary was there, too. There is residual

funding for some of the on-going contractual elements.

We wanted to give as much transparency as we absolutely could to the numbers, but I appreciate that it is quite confusing and I can understand why clarity was sought.

In terms of the arithmetic, I will explain how we got to the £70 million figure, if that would be helpful. There is a £61.4 million increase in resource and an £8.2 million uplift in core capital, which is the difference between the £34.5 million and the £42.7 million figures in the top line of your table. That takes the figure to £69.6 million. The overall budget for 2025-26 was £694.2 million, so we calculated that as a 10 per cent uplift. I add that the £69.6 million figure was rounded to £70 million. That is how we have set out the figures. I am really sorry if that was not sufficiently clear in the earlier material, but I hope that that helps.

John Mason: It was not at all clear. Actually, it was impossible to work out—SPICe and I looked at the original figures and they just were not there.

Shirley Laing: I am really sorry about that.

John Mason: There was no way that anyone could work out that £70 million figure until SPICe asked the Government to give an explanation.

I am not querying your figures. However, we used to think that there were two categories: resource spending and capital spending. Now, we have three categories: core capital, special capital and resource.

I accept that the Dunfermline learning campus was unusual—at £30-odd million, that is a big spend in the education budget. However, in terms of overall Government spend—it is spending £200 million on A9 for example—£30 million is not that big. On the £70 million figure, we are comparing the core capital and the resource against the core capital and the resource, and we are ignoring the Dunfermline campus.

Shirley Laing: Yes. It excludes it.

John Mason: To be gentle about it, I will say that that is spin. To be a little harsher, it is bending the truth, because the reality is that the total funding going into colleges is only increasing by £40 million this year, not by £70 million. Is that not correct?

Jenny Gilruth: I am sorry, Mr Mason, but that is not my understanding. We need to be really clear on this point, because it is the point on which SPICe was to-ing and fro-ing with my officials. Again, I direct members to table 3 on page 7 of your public papers, which makes it very clear. It shows a £69.6 million increase—a 10 per cent uplift. That comes from the £61.4 million, which is a 9.3 per cent uplift for resource, and £8.2 million

for capital. That is separate from the DLC fund. Those are two separate budget lines. We must not try to put them together, which I think is where the confusion has arisen.

I accept from the exchange here today, convener, but also from the press reports today, which I do not think are helpful, that we need to reflect on ways in which we communicate the budget. Bluntly, there is no point in my going in to bat with the Cabinet Secretary for Finance and Local Government for extra college funding if you then look at tables like this one and conclude that that is not what is happening, or that there is ambiguity around the sector. It is not helpful to me, as cabinet secretary, either, so I think that we, as a Government, need to learn how to better present those figures.

I see Shirley Laing nodding. Mr Mason has an assurance from me that my understanding is not what he set out today. The DLC fund is quite separate, and core college funding is, in its totality, at £70 million, a 10 per cent uplift. That is what the Cabinet Secretary for Finance and Local Government announced in the budget last week. The DLC fund is not part of that.

John Mason: I will make one more attempt. If we take the total figure—the DLC fund and all the other college budgets—and compare the two years, the budget is going up by £40 million. Is that correct?

Shirley Laing: Sorry for the delay—my colleague will confirm that, as I do not have the paper in front of me.

Clare Hicks (Scottish Government): That is what is in table 2 in your papers, and that is correct.

This is not my area, but the differentiation is that Dunfermline learning campus is not solely a college in the education space.

Shirley Laing: Apologies, convener. I can come in now—I just did not have the right table to hand, Mr Mason. I am very sorry. You are absolutely right. That is the point that I was trying to make earlier about the netting off. If you take the DLC piece, which was an increase last year, and remove that, there is a reduction because that is coming out. When you take the £61 million college resource and the capital, which is going down by £21 million, you get to £40 million, but we are comparing the core funding.

I am genuinely simply trying to set out the facts, as we have operated within them and as we look at future budgets. The reduction in funding for the Dunfermline learning campus was a planned reduction because that is an infrastructure project that extends over a period of time. However, as I said earlier, I appreciate that it is difficult to follow that through.

10:00

John Mason: Okay. I think that I have given that enough of a shot. However, I make the comment that I still find it odd that, everywhere else, there is just one figure for capital, whereas here a split seems to have been made between core capital and other capital. I find that very strange.

Jenny Gilruth: We need to reflect on that and on how we communicate extra funding that the Government puts in. I accept Mr Mason's points in that regard.

The Convener: Were you presented with options as to how the information would be laid out in the budget? Did officials or special advisers say, "If it's presented in this way, it will look like this," and that, if it was presented in another way—

Jenny Gilruth: No.

The Convener: Definitely not?

Jenny Gilruth: No, and I cannot recall ever being asked, as cabinet secretary, for views on how the budget lines would be presented. In general, that is not how things are communicated with cabinet secretaries.

The Convener: Maybe you can answer this or maybe the most senior official can. Mr Mason has suggested that the process that was followed here is not similar to the process that is followed by other Scottish Government departments.

Jenny Gilruth: Yes, I hear that.

The Convener: Should the permanent secretary look at that? Why is education taking a different approach from other areas of Government? Do you accept that it looks as though a spin has been put on the figures? That is being generous.

Jenny Gilruth: I cannot comment on other portfolios. I am not sure that that is accurate, but, having listened to the exchange, I think that it would be worth while us writing to the committee following today's evidence session. I very much want to assure the sector. We are talking about welcome additional investment. I hear the points that Mr Mason has made, and I think that we need to reflect on the ways in which we communicate the data as a Government.

I will come back to you on that, if that is okay, convener, because I will be writing to you anyway with further information. That will allow me to set out the position in much clearer detail than has been documented thus far.

Miles Briggs (Lothian) (Con): Good morning. It is important that the criticism that SPICe has made is taken on board, as it has been difficult to

look at what the Government is proposing here. You will have lobbied the finance secretary in relation to the various scenarios that the college sector outlined. How has the figure, which seems to be in the middle of the range of funding that it requested, been arrived at?

Jenny Gilruth: I think that that is a fair observation. I am not going to give you full details of how I may or may not lobby the finance secretary, but you can be assured that, every year, I put my case to her and she listens. This year, we have seen an uplift for colleges, which I think is welcome.

Mr Macpherson and I have been live to the challenges of the sector. I accept the points that the convener made at the beginning of the session. The challenges that the sector has been experiencing will not be resolved in a one-year settlement, and I accept that they will not be fully resolved in a one-year settlement this year. That is why the conditionality that is attached to the funding in relation to reform and sustainable growth is so important. We should not divorce those two aspects, as they are inherently linked.

Miles Briggs: Given the conversations about capital that we have had, the situation with regard to infrastructure investment planning is concerning. I am not quite sure what the Government's vision is for where moneys will be allocated. Dundee and Angus College, which I visited recently, is significantly concerned about its position with regard to reinforced autoclaved aerated concrete, and it is not alone in that.

What is the Government's vision for how colleges can replace buildings? That is becoming a critically important issue, and it is one that we as a committee have raised consistently in our reports. Ministers do not seem to have a vision in that regard. Where will the Government outline its support and the different models that are available, which do not seem to have been progressed at any pace?

Jenny Gilruth: Mr Macpherson will come in on that. I broadly accept your point about RAAC, which is an issue not only for the college estate but for the whole education estate. There are issues with RAAC in some of our schools, for example. We need to have a coherent cross-Government approach. Ms Somerville led the work on understanding where RAAC existed, and as I think that the committee will recall, I appeared before the committee back in 2023 to talk about some of those issues in a bit more detail.

The college estate does not belong to ministers, but it is fair to say that we have an interest in it, so we have been working with the sector on how we can provide additionality and enhanced funding. There are specific challenges. Mr Briggs gave the

example of Dundee and Angus College, but there are other institutions in a similar position. Mr Macpherson wants to say more about the infrastructure investment plan for colleges and how that will help to support that work.

Ben Macpherson: The first point to emphasise is that the SFC is working with the sector on a 10-year college infrastructure investment plan, which is due in autumn of this year. It is important to emphasise that it is a collegiate and collaborative process with the sector and the different colleges. That is being supported by the Scottish Futures Trust, as you would expect.

That strategic work has already started and will continue in the weeks and months ahead. Through that, the SFC continues to work closely with colleges, including Dundee and Angus College. I know that the committee is aware of the challenges that it is experiencing with regard to its estate. I had a good meeting with the principal and the chair on their issues, and they shared their plans and concerns with the Government and, crucially, the SFC.

In the progress that the SFC is undertaking on its infrastructure investment plan, it will consider all those matters and the options to help colleges meet their local priorities. You may want to engage further with the SFC as those considerations develop, but it is important that that work is undertaken so that the SFC can look at the allocation of resource across all the different colleges, because it is the SFC that allocates the resource, not Scottish ministers.

Miles Briggs: The minister mentioned August—

Ben Macpherson: Autumn.

Miles Briggs: Ministers expect the plan to be published in autumn, which is quite a long time away for institutions that have been engaging with other financial opportunities. If I remember rightly, Dundee and Angus College engaged with levelling up funding and received around £4.5 million, which is basically half of what the Government is putting forward for the whole capital budget. Those projects are at risk unless Government works with different institutions to progress at more pace opportunities to move those projects forward.

I have raised previously with the minister the mutual investment model, which would help bring more money into the sector than the Government is providing. Has the Government looked with the SFC at other potential opportunities? The college sector waiting for significant capital from the Government will not resolve the reinforced autoclaved aerated concrete issue. It needs to be a much wider piece of work, which I do not think the Government has done any work on. I am

concerned that any plan is being kicked into autumn, and that it will take years for financial support for institutions to be put in place.

Ben Macpherson: I appreciate the point that, particularly with capital projects, there are timeline considerations and there is a need to work carefully to make sure that different funding streams align in order for projects to progress.

As you would expect, ministers and the SFC are engaged with the colleges that have specific pressing issues and concerns, such as Dundee and Angus College—I know that the committee has rightly shown a keen interest in Forth Valley College and the Alloa campus, as well—and seek to support them in finding solutions. For example, at the end of this month, I am chairing—along with the principal of Forth Valley College—a meeting at the Alloa campus with all relevant stakeholders in the area and the community to make sure that we are turning over every stone to seek solutions that will make a positive impact and retain the Alloa campus.

We are working proactively with those organisations, whether it is Dundee and Angus College or Forth Valley College, and we are looking to support them in their endeavours to make partnerships with other organisations and businesses in the area. As I said, this infrastructure investment plan for the SFC is an important piece of work. Of course, the SFC needs time to present that plan and to do it thoroughly, and the autumn timeline is where matters are right now.

Miles Briggs: Okay. I appreciate that there is an election period to factor in, but the Government needs more of a watching eye on the situation. Many institutions are really concerned about their RAAC situation, and we have not progressed things there at any real pace. I do not know whether ministers can agree to make a statement to Parliament on the matter before the election, but waiting until the autumn would be too long a time, I think. Institutions will have to start taking decisions about their estates, which could potentially cost courses and opportunities across the country.

Ben Macpherson: I am sorry to interrupt but, as a point of clarification, it is important to emphasise that those organisations are in touch with the SFC on a regular basis, and ministers also receive correspondence. There is engagement with the SFC and solutions are being sought. We now have clarity, should the Parliament agree to the budget—I think that it should, obviously—that there will be more resource available. That is all part of how we make progress to deal with the matter.

These are real issues, which Mr Briggs and others are right to raise, but the SFC is having

constructive engagement with principals and boards, and Scottish ministers are supporting that where we can. The budget is crucial to ensuring that additional resource is available to help with such matters.

Jenny Gilruth: Shirley Laing or Mr Macpherson will correct me if I am wrong on this, but I do not think that the autumn deadline precludes us from acting more urgently in this space up to that time, should an institution require additional support. Ministers are updated regularly in relation to individual challenges. We are across that detail, because the Scottish Funding Council provides us with advice on it. It is not that we are not able to act in the interim period—I want to give some reassurance on that point. We can respond as and when there are challenges in year, and the SFC does respond appropriately with additionality and assistance.

Miles Briggs: I welcome what the minister said on Forth Valley College. Other institutions would appreciate similar work, so that they can progress their plans.

On the point about the Cabinet Secretary for Finance and Local Government confirming plans to reduce the public sector workforce by around 11,000 roles, how many do the ministers expect to lose from education?

Jenny Gilruth: I may have to defer to officials on that. Education has to play its role in our providing a clear route in terms of the savings that are required, and that is challenging.

Referring to the convener's point on this, I would reflect that the colleges sector has more than played its role in that regard in recent years. I have of course been making these points in discussion with colleagues. We need to be mindful about not starting on a level playing field, particularly in the college sector, where there have been staff reductions in recent years. I am very aware that we need a more targeted approach to how the measures might be delivered.

Clare Hicks may wish to come in with a specific number.

Clare Hicks: On the approach to public sector workforce reduction, it is important to note the difference between front-line and back-office roles within that. The area where the education and skills portfolio will provide is in the back-office functions, whereas workforces such as teaching and college lecturers will be protected. Indeed, as part of the portfolio efficiency and reform plan, our public bodies will be looking at right-sizing the corporate back-office functions in particular. We have an overall role to play within that target, and we are working through the precise details. We

can happily update Parliament on those as the measures go through.

There is no high-level figure, but the portfolio efficiency plan sets out the trajectory that the portfolio will be following.

Miles Briggs: To meet what the Cabinet Secretary for Finance and Local Government is suggesting would require around 10 per cent of that workforce, if you are protecting teacher numbers. You would expect a 10 per cent reduction in Government quangos.

Jenny Gilruth: It is across the board. We need to be careful about that. Some public bodies have grown exponentially—and your party regularly chastises ministers such as me on the growth of the public sector. We need to look at that.

That does not apply just to public bodies. The Scottish Government civil service has grown over time, since the pandemic. We all have a role to play in that regard, and our public bodies will be key to delivering on some of the efficiency savings.

It will not be across the piece, however. It will be easier to create savings in some public bodies than in others, thinking about the critical work done by public bodies—not least the children's hearings system, for example. They are so essential that we would need to be very careful in looking at reductions in certain areas.

We will have to play our part in education, no doubt, but, to refer to the point that Clare Hicks was making, we will protect front-line services. That applies particularly to teaching roles.

Miles Briggs: I am sure that the committee would appreciate updates on that.

Jenny Gilruth: I have already given a commitment to write to the committee, so we will assemble a list and make sure that we provide you with a fuller update. It is worth rehearsing again Clare Hicks's point that those discussions remain on-going in relation to the substantive number that Mr Briggs is seeking.

10:15

The Convener: Just before we move on from Mr Briggs's point about the college infrastructure investment plan, that plan comes off the back of the college infrastructure strategy. How long ago was that strategy published?

Jenny Gilruth: I cannot recall, convener. Do you know, Shirley?

Shirley Laing: I am looking to see whether I can find the date. Apologies—I am struggling to get it

to hand right this second. We can come back to you on that, if that is okay. Forgive me.

The Convener: Was it months ago or years ago?

Shirley Laing: As I say, I am struggling to find the date right now. I am not trying to be difficult.

The Convener: I will answer the question. The strategy was published almost four years ago. By the time that the infrastructure investment plan is launched, it will be almost four years since the college infrastructure strategy was published. Why is there such a big gap? In its “Scotland’s colleges 2025” report, Audit Scotland advised:

“A clear plan for the future of college estates is vital as capital budgets become stretched”.

We knew about the issue almost four years ago but we are still waiting. Four years is almost the entirety of this parliamentary session. Does that seem reasonable or acceptable?

Jenny Gilruth: We need to track back to the points that I made earlier. We are talking about the start of 2022. The Liz Truss mini-budget was in September 2022. We need to be mindful that we set out a trajectory, and then a number of incidents happened, not least involving a former leader of your party, convener, which affected inflationary rates across the United Kingdom. All our mortgages are going up, things are much more expensive now than they used to be, and there is less money to spend on capital projects because of those inflationary pressures. I am sure that those things have had an impact on our plans.

I see that Shirley Laing would like to come in on the substantive point.

Shirley Laing: I am sorry, convener—I could not get my hands on the paper until now. You are absolutely right. The college infrastructure strategy was published in November 2022, and work has been on-going since then. The baseline exercise has been a comprehensive survey of the Scottish college estate. It is the biggest one that has ever been undertaken and it goes beyond the state of the buildings to look at things such as digital infrastructure. The SFC will use all that information to inform how it will take things forward, and all of that work is playing into what it is planning to publish in the autumn. You may wish to take this up further with the SFC but, in general, it is the complexity of the work that is taking the time.

The Convener: It should not take that long. What I am trying to get at is that the situation with the college infrastructure has got worse in this period. It has got a lot worse. I see it in Moray College. We just seem to be hanging around, waiting for things.

It is amazing how much Liz Truss has been blamed for. Based on that answer from Ms Laing, this plan was produced after the mini-budget, not before, as you said, cabinet secretary.

Jenny Gilruth: I thought you were saying four years from today, so I traced that time back. However, it is important to note that the impacts of that mini-budget continue.

The Convener: Do you not accept the point that it seems an unreasonable amount of time to be waiting just to get the capital infrastructure investment plan?

Jenny Gilruth: I accept that there have been challenges, but, more broadly, we need to be mindful that the college estate is not in the gift of ministers. We do not own the college estate. I would compare that, for example, with the school estate, where we have managed to put in significant investment through the learning estate investment programme and have transformed the quality of the school estate through dual investment with local authority partners. That has worked extremely well.

In colleges, it is quite different. Mr Macpherson talked about some of the challenges that the SFC has to take forward with individual institutions, while analysing the needs of those institutions. It is not quite the same as the uplift approach that we use in schools, so there is no doubt that there have been challenges. However, the inflationary pressures have played a role in that regard, as things have become much more challenging.

From memory, in late 2022, the RAAC issues would not have been as present as they became because of the issues that were unearthed probably in September 2023, when the extent of RAAC across the country—across the United Kingdom—became known.

I do not diminish what you are saying, convener, but those external effects have had an impact in relation to the pace of change. It is worth recording that we now have the additionality that is needed to move forward. I am pleased that we will be working with the SFC on providing the support that Mr Briggs rightly speaks to, particularly in relation to those individual institutions that are currently in need.

The Convener: Is it the view of the cabinet secretary and ministers that, given that the plan is to be published in the autumn of this year—so in the financial year 2026-27—there is money in that budget that has been provided to deliver the investment?

Jenny Gilruth: As I understand it, yes.

The Convener: How much?

Ben Macpherson: So there is—

The Convener: The cabinet secretary has confirmed that there is money, so she has not just plucked that answer out of thin air.

Jenny Gilruth: As I understand it, the plan will be supported by the investment that we have put in in relation to the budget—it is the capital uplift.

Shirley, do you want to come in?

The Convener: Is it the entirety of the capital uplift?

Shirley Laing: A range of aspects will come together here. The infrastructure investment plan is due in the autumn. I am looking back through my notes here. I appreciate the timeframe and the time lapse that there has been but, if I may, convener, I note that the SFC provided various updates, in 2023, 2024 and 2025. I appreciate that we are still not there yet, but progress reports have been provided.

The infrastructure investment plan will inform where things are taken next, but it ties in with the work that the minister talked about that is under way on transforming the sector. The cross-party work that is under way at universities and the work that the minister spoke about with regard to colleges is all about how we ensure that our further and higher education sector faces the challenges of demographic issues, net zero and so on and is fully fit for the future. That transformation work, together with the infrastructure investment plan, will play into decisions that are taken on future investment.

As the cabinet secretary said, there is an uplift of £8.2 million in core capital this year for the sector. The SFC will, as it does with all allocations that it receives from the Scottish Government, decide how best to utilise those funds across the sector, weighing up the urgent priorities and the longer term.

The Convener: Is it the view of ministers that the £8.2 million is being provided to the SFC to deliver the capital infrastructure investment plan?

Ben Macpherson: Yes, in that—

The Convener: Okay.

Ben Macpherson: Let me elaborate, convener.

The Convener: Okay—sorry.

Ben Macpherson: Yes, and of course that is the provision in this financial year to go towards the investment plan. However, I predict that the investment plan will include projects that will span across financial years. I point that out for clarity and completeness.

It is also important to emphasise that, in the financial year that we are still in, and in financial years past, there has of course been capital

investment in the college sector. There was discussion earlier about the new campus in Dunfermline that Fife College has opened. Although there are absolutely challenges with RAAC and maintenance and repair—I am in no way not cognisant of those—there are a lot of good buildings and a lot of good college campuses across the country that are great places to learn and be in. It is important to be balanced.

The Convener: Yes, and it is good to have that on the record. I am just trying to get this confirmed. When the capital infrastructure investment plan is published in autumn this year, can colleges expect £8.2 million to be spent in the 2026-27 financial year to deliver improvements?

Ben Macpherson: Well, of course, it is for the SFC to allocate resources.

The Convener: Yes, but is that the Government's expectation of the SFC, without directing?

Ben Macpherson: I do not want to speak on the SFC's behalf—it is for it to articulate this—but it might choose to utilise some of that £8.2 million capital spend to support individual institutions in the shorter term with the challenges that they have. However, certainly, that capital resource that has been allocated to the SFC for college capital spending will be considered for spending as part of the infrastructure investment plan.

The Convener: I think that it is a drop in the ocean of what is required, but it will be interesting to see what the college sector's response is.

Bill Kidd wants to come in.

Bill Kidd (Glasgow Anniesland) (SNP): I thank everybody for the depth of information and background on the finances and how colleges are being supported. The rationale behind having colleges in the first place is to deliver education. On the back of what has been talked about, how will the budget ensure that apprenticeships, which colleges help so much in the delivery of, remain an accessible path for young people? How will apprenticeships be delivered, expanded on and given a better role in society?

Ben Macpherson: I am glad that you have emphasised the importance of apprenticeships, especially following the Parliament's passing of a significant bill in that policy area yesterday. The budget will allow Skills Development Scotland and the SFC to support existing apprenticeships. It is anticipated that the level of contracts for new apprenticeships in the year ahead will be similar to that in the previous financial year. A diverse range of partners are involved in the delivery of apprenticeships, including employers, colleges and training providers.

We know that there is strong demand for apprenticeships. More and more individuals are considering an apprenticeship as the pathway for them. There is a strong need for us, as a society, to pivot towards providing parity of esteem among the different pathways, whether they involve going to college, going to university, taking up an apprenticeship or going straight into employment.

The budget will support the delivery of a similar number of apprenticeships to the number that were delivered in the previous financial year. As I said, there is strong demand, so the Government continues to consider how we can support the growth of apprenticeships in order for supply to meet that demand.

Bill Kidd: I was mainly asking about young people taking up apprenticeships, but the age range for apprenticeships has widened, with more people learning and developing in order to gain new employment. Is there likely to be any support for that aspect of apprenticeship training?

Ben Macpherson: We anticipate that about 30,000 new apprenticeship opportunities will be provided in the 2026-27 financial year, which is similar to the number in the previous financial year. As has been the case in previous financial years, we anticipate that most of those opportunities will be modern apprenticeships. For example, in the previous financial year, about 25,500 new modern apprenticeships were provided.

Foundation apprenticeships and graduate apprenticeships are also being delivered. About 5,000 foundation apprenticeships and about 1,200 graduate apprenticeships were provided in the previous financial year. As we discussed in the chamber yesterday, there is a strong ambition to deliver more graduate apprenticeships. We are working with the sector on that and on how to improve graduate apprenticeships through our considerations on frameworks. Earlier this month, I held a very productive round-table meeting with key stakeholders, with lots of actions being taken forward as a result.

As we discussed in the chamber yesterday, foundation apprenticeships have been a success story. The Tertiary Education and Training (Funding and Governance) (Scotland) Bill will rename them as work-based learning. A lot of good work is being done to build on the delivery of foundation apprenticeships, and we look forward to working with partners on that.

Bill Kidd: Thank you.

Willie Rennie (North East Fife) (LD): We have been discussing colleges for almost an hour, but there has been no reference at all to tackling poverty. Why is that?

Jenny Gilruth: I think that I referenced the role of the education system in tackling poverty in my opening statement. I am fairly sure that I did.

Willie Rennie: You are fairly sure.

Jenny Gilruth: Yes.

Ben Macpherson: For absolute clarity, colleges are crucial in tackling poverty. About a third of university entrants come from colleges, some people go straight on to college courses, and some attend college as part of an apprenticeship programme, so the impact of colleges is clear.

Willie Rennie: The only reason that I mention poverty is that I was interested in the finance secretary setting out what I thought was a significant change in policy in the draft budget statement. The resources that would have been used to alleviate the effects of the two-child cap are now partly being diverted to colleges. That seems to be a major change in Government policy but it has hardly been mentioned this morning. Was that just a wheeze to get money into colleges because you know that that is essential, or is it a deep-rooted change because you see colleges as a route out of poverty? What is it? I am slightly concerned about the lack of emphasis this morning on such a significant change in mission.

10:30

Jenny Gilruth: I see that Shirley Laing wants to come in, but my understanding is that it is a significant change to our view of how we provide funding to the college sector. I am not shying away from Mr Rennie's point, but we do not have a lot of detail to share other than what was shared in the chamber last week. We are working up plans and working with the SFC on how the money will be distributed.

We are looking at radical steps. This is cross-Government work: Ms Somerville leads the work on tackling child poverty, but every portfolio has been asked to make a contribution. We in education have therefore been thinking about what we could do. Mr Rennie is quite right to talk about the role of colleges in tackling poverty in communities; they are rooted in some of our poorest communities, which offers us an opportunity to provide shared services. For example, many local colleges have childcare provision, but there are ways in which we could strengthen that, and that is what this budget allocation is about.

The reason why we have not focused on that today is that we do not have concrete plans to share with the committee other than those that were shared last week. It is a radical shift—I see that Shirley Laing would like to say more on that point. I recognise Mr Rennie's point, because we

are shifting away from ways that we might have funded the sector in the past.

Shirley Laing: Thank you for indulging me, cabinet secretary. I should declare that I was formerly the director in the Scottish Government for tackling child poverty, so the topic is very close to my heart and has been for a long time.

The cabinet secretary is absolutely correct in what she is saying, but as colleagues on the committee will know, there are three drivers to tackling child poverty: income from employment, income from social security and assisting with the cost of living. I believe that Mr Rennie is referring to the raising income through skills and education—RISE—project, which is part of the whole family support package and is very much in the income from employment space. It is about reskilling and upskilling learners of all ages so that they can earn money, have money in their pockets and make their own decisions, and that helps to mitigate child poverty. As the cabinet secretary has said, there is more detail to be worked up—that detail will come forward in due course.

Colleges are part of their communities and, as the minister said, they contribute hugely in this space, as do our universities through their widening access agenda. Mr Rennie is quite right to say that we should perhaps say more about it, but on income from employment and the role that our entire education system has to play in this space, a huge amount of investment is being made and we can see around the country that local colleges are delivering on that, day in and day out.

Willie Rennie: Thank you for that explanation. It sounds as though that money is not unrestricted. Will it help colleges to deal with their funding challenges or are they going to be asked to do more?

Jenny Gilruth: I think that it is complementary to the challenges that colleges face. I do not see the issues as being in competition. However, on your substantive point, Mr Rennie, this is about us changing fundamentally and thinking about how we fund the college sector. It is also about recognising that it is not just about buildings, which is the point that Mr Briggs pursued—I am sure that other members will be looking at other areas. It is fundamentally about the communities that the colleges support and whether we can leverage into our colleges sector additionality to reduce poverty. We know that colleges play an integral role and help to support our communities. I do not therefore see the issues as being in competition.

Willie Rennie: I was at the Educational Institute of Scotland Further Education Lecturers Association event last week. The members were pleased with the additional money, but there was no jubilation because they do not know whether it

is a long-term change in policy that will result in a significant uplift over a number of years, or is just the one hit before the election. There is therefore a hesitancy in the sector.

I know that the cabinet secretary and the minister cannot give us a commitment about future years' budgets when they might not even be in power, but is that an indication that more is to come, or will it just be the one hit? What assurance can you give that you believe that there should be a longer-term change?

Ben Macpherson: I was at the event that evening, too, and there was some jubilation in the room, I thought.

Willie Rennie: I am a Fifer—I would not know about that.

Ben Macpherson: Maybe that was more to do with the announcements that Ross Greer and I made on fair work. There was definitely a sense that the uplift in funding was important and welcome, although I appreciate that there are thoughts and concerns about what it means going forward.

I refer back to what I said earlier about the work on sustainability, which builds on the very good tripartite engagement that there has been for some time between the Government, the SFC and Colleges Scotland, and on how we progress that tripartite work to a formal process of consideration on sustainability and the future, as we are doing with universities. My strong ambition is, before Parliament rises for the election, to have that up and running with the college sector in a way that is similar to how it is running with the university sector. That will help the next Government and Parliament in the next session with the priorities for the college sector, in terms of funding and change.

Willie Rennie: I turn to SRUC, Scotland's Rural College. I hope that the minister followed the evidence session that we had on that last week. How much is he following the ups and downs of SRUC? Is he watching the institution closely?

Ben Macpherson: I caught some of the follow-up from last week's session. I did not manage to watch it all, as I am sure colleagues will appreciate—

Willie Rennie: You surely cannot have had something better to do than watch that.

Ben Macpherson: I was busy with ministerial engagements and meetings. However, I had a very good meeting with SRUC here in Edinburgh at the King's buildings—it was on 19 November, as I recall. SRUC then wrote to me on 20 November, raising matters in that correspondence that I am still considering. The biggest point that we discussed was SRUC's ambition to undertake a

name change to become a university college, and that is still under consideration.

Willie Rennie: I am sure that SRUC raised with you the issue of its capital allocation for maintenance and how that compares with the allocation for other colleges. I know that SRUC is a hybrid organisation, but it has 7,000 or so students, on part-time, full-time and short courses, and got £173,000 this year. West College Scotland got £4 million, and other colleges of a similar size get significantly higher levels of support. Are you looking at that? SRUC has a large estate. In Cupar, it has the Elmwood campus, which is now boarded up, in part because SRUC cannot afford to maintain it. Will there be a change in the capital allocation for SRUC?

Ben Macpherson: To be completely clear, I cannot recall directly whether those capital issues were raised with me in the meeting that I had in November. Alex Rowley recently asked me about the Elmwood campus—I think that it was two weeks ago at general question time—although that was more with regard to staff. He asked me to meet representatives, and I gave an undertaking to do that—we are looking to organise that. I am not aware of correspondence that has been sent to me directly from SRUC on the matters that Mr Rennie raises, but I anticipate that it will be in engagement with the Scottish Funding Council on its capital budget. I will meet the Scottish Funding Council soon for our regular discussions, and I can raise that matter with it and seek an update.

Willie Rennie: I hope that we can see an uplift, because SRUC has a large estate and it receives a small amount of money, which is resulting in campuses being shrunk. There is a feeling of demise on many of the campuses across Scotland, particularly in Cupar. I hope that the minister will look at that and come back to me with some kind of answer.

Ben Macpherson: Sure.

Ross Greer (West Scotland) (Green): I know that it was before you were in post, minister, but a couple of years ago—it might have been as part of the 2022-23 budget—£25 million was initially allocated for colleges and £20 million for universities as a one-off transformation fund. That money was then very quickly—and understandably—reallocated to cover the pay settlement for teachers to resolve the strike action at the time.

The additional money that has been allocated this year is obviously very welcome, but it is not the same as that; it is not badged as a one-off transformation fund. Given that the rationale for that money was a recognition that colleges in particular needed to change their method of delivery, what is your expectation of how colleges

will spend that money, particularly on the resource side? Capital has been well covered this morning, but on the resource side, is the expectation that colleges will use the money to plug the leaks or holes that they have, or that they will use the money this year—I hope that it is recurring—in a manner that is similar to the use that was envisaged for the transformation fund?

Jenny Gilruth: My view—I will check that my minister is content with this—is that the funding very much has to support transformation; it cannot be about plugging holes. We have been really clear throughout our engagement with the Cabinet Secretary for Finance and Local Government on that point. She has also been clear with us that if this additionality is going to be protected from the centre of Government, the college sector has to play a role in public service reform. We see transformation as being very much tied to the funding, as opposed to the funding being used to plug holes, as it were, for one financial year, which is not my understanding of the way that we will administer the funding and how we will support that kind of change in the sector.

Mr Macpherson, I do not want to speak on your behalf.

Ben Macpherson: Thank you. I appreciate that I cannot speak directly to years past on the previous fund, but, as the cabinet secretary has emphasised, there is an expectation that this uplifting resource will create not just an alleviation of some of the pressure, but an opportunity for progress. The anticipation, determination and ambition come not only from ministers, as that view is also regularly relayed to me by principals. There is strong determination among many of the principals that we engage with, and they are excited to drive the process of making necessary changes and taking the sector forward.

That is why we really want to get moving on the piece of work that I talked about in response to Willie Rennie a moment ago on how we progress the tripartite engagement into a formal process of considering sustainability and the future. That will empower our sector to take forward what it wants to do.

This is an exciting time. There are a lot of ideas, a lot of innovation, a lot of creativity and, obviously, a lot of passion in the sector, and we want to support it as it continues to develop its institutions to meet the needs of learners and the economy in the 21st century.

Ross Greer: I still feel that I have a patchy understanding of where colleges want to go in terms of that transformation. I agree with you that it is clearly not just Government telling colleges about transformation; every time that I visit a college, the principal, senior management,

students and lecturers are all bursting to talk about the new and different ways that they want to do things. I am conscious that when the transformation fund was allocated—there was a gap between the fund being part of the budget and its transfer across to teacher pay—quite a lot of institutions had started developing and, in some cases had completed, plans on how they were going to spend it. I think that it was a pot of money they could bid into, so they were putting together proposals for that.

Have you had any discussions with colleges that you can perhaps share with us now? Obviously, you do not need to get into specifics if those discussions were private, but just to put a bit of colour on this, what do those transformation projects actually look like? What are you looking to see colleges do? Have you had any conversations with them about whether the proposals that were made only a couple of years ago are still relevant and can be taken off the shelf and deployed?

Ben Macpherson: The tripartite group has spoken about a number of matters, and I think that it would perhaps be more helpful for the committee if I took away an action to assess the tripartite group minutes and identify what might be of interest to the committee in order to share that at this juncture.

However, it is also important that we move forward in a spirit of genuine partnership, and I would want Colleges Scotland to be at the table to articulate that kind of detail to the committee and to speak on behalf of the sector. Therefore, if Ross Greer is content, I would rather take the issue away and ensure that I communicate not just accurately and thoroughly on things that have been considered already as part of the tripartite group, but in a way that is respectful of our college partners and the SFC.

10:45

Ross Greer: I absolutely appreciate that. That would be useful.

Finally, the fair work announcement that you mentioned a moment ago to Willie Rennie, was, as you said, warmly welcomed by all the unions in the room. It was an EIS-FELA reception, but representatives from Unite, Unison and the GMB were present, too, and they were very happy about it.

An area that I am interested in—this is not a concern, because I think that this is hugely welcome progress—is how we ensure that this is delivered on the ground. I am conscious that, when the committee previously spoke to the SFC about a lot of these issues, it became clear very quickly that it had never taken enforcement action on fair work before. Only two of the seven criteria were

mandatory, and if those two were met by everybody, there was not necessarily any need for enforcement action to be taken.

A lot of the discussion on the bill that was passed yesterday was about the SFC's ability to enforce the options that it has, particularly in relation to fair work issues. Given that calling money back from an institution will very rarely resolve those issues—if anything, it will make things worse—what are your expectations with regard to the SFC ensuring that all seven of the criteria are met effectively? What do you expect the SFC to do if it becomes aware of an institution that is not doing those things?

Ben Macpherson: I refer you to the letter that I sent to the committee, which details the agreements that we came to in our discussions in the chamber. As far as the legislation is concerned, as I think I said yesterday, the ink is still drying.

We are now entering the very important implementation stage and, in the days ahead, I will be engaging with the SFC, as I do regularly. I will be discussing a number of things with it, including the fair work agreements that we have come to, and we would expect what has been decided to be taken forward.

I know that many members—Ross Greer, in particular—have an interest in this, and I am happy to keep them updated. I know, too, that officials have engaged with the SFC in recent days. I am not sure whether Shirley Laing has anything to add on that.

Shirley Laing: No, not on any specific details. It will be a condition of the grants that the SFC will put out from April, and we will continue to work closely with it to understand the points that have been raised.

Ross Greer: In every conversation that I have had with the SFC, there has certainly been a willingness and I am not concerned about its being reluctant to take action in this area on the basis of ministerial direction. It is just that it has never taken action on it before, so there is a question about what that will look like. I take your point that the ink is not yet dry on the legislation that this is all tied to but, as things develop between now and the start of the financial year, it would be useful if you could share with the committee any further detail on how the SFC will play its role in ensuring that the policy is implemented, given that it is new ground for everyone.

Ben Macpherson: I will absolutely endeavour to do that.

Ross Greer: Thank you.

The Convener: There has rightly been a lot of focus on colleges and their reaction to the budget, but let us look briefly at universities. Was James Miller, the convener of Universities Scotland, correct to say of the budget that

“it does not adequately address the sustained financial challenges the sector has faced over recent years. Universities will continue to experience financial pressures, and this budget will have little impact, particularly when it comes to funding for teaching which underpins the student experience and supports jobs in the sector”?

Ben Macpherson: I have had good engagement with Universities Scotland in recent weeks on the budget and on the legislation that the Parliament passed yesterday. It is fair to say that Universities Scotland would have liked more resource in the budget, but I think that it is a fair settlement, given the situation that we are in right now.

I will say a little bit more about that.

The sustainability work needs to be progressed. It formally commenced in December, and the first meeting will take place at the end of this month. The conclusions and recommendations that are arrived at will be presented to the next Scottish Government ahead of the budget for the next financial year. Significant decisions will then need to be made, based on the recommendations about what the university sector requires.

The budget provides an increase in funding for universities, and it allows for continued support to be provided during this period. The important period for considering what will be required in the future will be after the sustainability group has made its recommendations, which will be in the next financial year.

The Convener: Do you accept that this could have been a better budget for Scotland's universities? The convener of Universities Scotland has not given it a ringing endorsement, has he?

Ben Macpherson: Most stakeholders will say that they would have liked more. I do not think that I have ever come across a stakeholder in any sphere of public service delivery who has not said that they would have wanted more. I think that the budget is fair.

The Convener: This particular stakeholder said that the current budget

“does not adequately address the sustained financial challenges”.

Given that your party has been in government for almost two decades, we are talking about the long-term approach that you have taken in successive budgets. I have no skin in this game any more—I will be out of this building in a matter of weeks—but we need to listen to stakeholders, not just

dismiss them by saying, “Well, they would say that.”

Ben Macpherson: I was not dismissing them. I respect them deeply. I was just saying that, although there has been an uplift, we appreciate that the university sector would have liked more. There are real challenges, which is why we are working with the sector through a process in which we will arrive at recommendations that will support its sustainability.

The Convener: Did the resource allocation for higher education fall in the budget? If it did not, what was the figure last year and what is it this year?

Jenny Gilruth: I think that both resource funding and capital funding for universities have increased.

The Convener: What are the figures?

Jenny Gilruth: The increase in sector-wide resource funding is £25 million, which is equivalent to 3.2 per cent, and the increase in capital funding is £30.3 million, which is equivalent to 8.2 per cent. Therefore, the sector is receiving an overall increase of £55 million, which is 5 per cent more than it received last year.

I accept your point about there being challenges in the sector, but I go back to the point that I made earlier: we should accept that a one-year budget was never going to ameliorate all the challenges that the university sector is experiencing.

We should also accept that institutions in Scotland do not exist in a silo. Across the United Kingdom, there are challenges in our university sector, not least in relation to immigration changes and a reliance on overseas students. The changes that have been introduced by successive Westminster Governments have not helped. Universities Scotland estimated that the increase in employer national insurance contributions, which I mentioned earlier, cost the sector in the region of £45 million last year. There is also the issue of staff costs. Therefore, external factors have had an impact on some of the challenges that our institutions are facing.

I very much support the points that Mr Macpherson has made. The wider work with Universities Scotland to create a clear path forward will be fundamental in providing the support that the sector will need to thrive in the future.

The Convener: You have said multiple times that the problems will not be solved by a one-year budget, as though this is the Government's first budget, but it is not—some of us hope that it will be the Scottish National Party's last budget. These issues have existed for many years. It is not as

though you have just come in the door and are trying to sort out problems that have been caused by previous Governments. Your party has been in government for almost two decades. You say that you will not be able to sort things out in one budget, but why did you not sort them out in last year's budget or the one before that or the one before that? That is the point that I am making.

I want to ask about a specific issue. Do you think that veterinary medicine is adequately funded?

Ben Macpherson: What is the context of that question, convener?

The Convener: Witnesses at this committee have raised concerns about the number of veterinary medicine students in Scotland. It is the highest-cost degree of any subject, and we now see more and more institutions—such as those in Glasgow and Edinburgh—having to take in overseas students to offset funding challenges. Do we have enough domestic students studying veterinary medicine to secure a long-term pipeline for the sector?

I have raised the issue with the chief veterinary officer, who told me that there are active discussions in the Government about it, but it sounds as if ministers are not involved.

Ben Macpherson: Ministers will be involved. I expect that Mairi Gougeon is strongly engaged in those discussions.

The Convener: No. I was told that the issue comes under rural affairs, but it is a higher education issue.

Ben Macpherson: It is both. I have been a rural affairs and natural environment minister before, so I have engaged with such points. For context, one of the key reasons why we have skills shortages in many areas is that Brexit has affected the number of veterinary graduates and vets more generally in Scotland. That was a big concern during the Brexit process.

I would want to speak on those points with full information, so I will take the issue away. We need to ensure that we have enough adequately and appropriately trained people, and I would like to engage with the chief veterinary officer on those points.

The Convener: There is a specific ask from the British Veterinary Association for a dedicated funding uplift for veterinary medicine to reflect its regulated nature, high delivery costs and strategic importance to public health and rural economies. You said to Willie Rennie that you did not watch last week's evidence session, but the issue came up—Johnny Hall from NFU Scotland mentioned it.

I was encouraged when I spoke to Sheila Voas about it. I think that I asked her whether it was a

high priority for the Government, and she confirmed that it was. I am therefore concerned if it is not on the Minister for Higher and Further Education's radar, so I would welcome an update on it.

Ben Macpherson: Every area of skills is on my radar, but other ministers are also engaged with skills considerations for their particular portfolios. The provision of skills and higher and further education overlap across all policy areas; medicine, engineering and other aspects of skills provision are all of interest and concern. I will consider the point further, so thank you for raising it, convener.

The Convener: Do officials want to say anything? There is a working group in the Scottish Government on the issue. Can I confirm that officials attending our committee today are involved in those discussions?

Jenny Gilruth: There is only one official here from the relevant directorate, convener, but we will come back to you on those points.

Shirley Laing: The only thing to add is that it is for the SFC to ensure that coherent provision is in place, but, as the minister said, we will take the issue away and come back to you.

The Convener: Okay. This is probably a suitable time to take a comfort break. I will suspend the meeting for 15 minutes.

10:58

Meeting suspended.

11:11

On resuming—

The Convener: Welcome back. We continue our budget scrutiny with the cabinet secretary, ministers and officials.

Willie Rennie: Nothing seems to be happening to reduce teacher contact time in line with the manifesto promise. What is going on?

Jenny Gilruth: We had the result of the EIS ballot on Friday, and we have had the NASUWT ballot—neither met the 50 per cent threshold. I understand that the EIS is to rebalot, although I am unclear whether the NASUWT has made public comment about doing so.

Willie Rennie: It has.

Jenny Gilruth: Okay. The trade unions are currently taking that action. I am very clear that we need to see progress on reducing class contact time, because that will make the difference. Since 2021, the teaching unions have come to the Government and negotiated pay settlements,

which is not new, and they do not attach conditionality to their pay settlements. Other unions would put those things together when negotiating with other parts of the Government—for example, that was the case when I was in transport—but the teaching trade unions do not. For the past four years, there has been a real focus on pay, perhaps to the detriment of moving things on in relation to reducing class contact.

This year, we have put an extra £1 million into the budget to help support pilots of reductions in class contact time to see how that would work. Mr Rennie will know that, in November, I announced plans to pilot a four-day teaching week, enhance maternity pay and look at creative ways to essentially timetable a reduction in class contact, which will make a huge difference to teachers' working lives. Work is under way, but we need to get tripartite agreement, which means that the Convention of Scottish Local Authorities, the Scottish Government and the trade unions must all agree. I am very focused on how we can do that.

I recognise that the EIS will rebalot and I will attend its political hustings tomorrow, which I think that Mr Rennie is also attending. I will listen to and engage with the EIS because I want to avert industrial action, not least because of the risk that it might run into the exam diet. I would like to avert that for our children and young people, but also for our teachers. It is important that we have a focused resolve on reducing class contact, and we will take forward the plans that I set out towards the end of last year with the Scottish negotiating committee for teachers.

Willie Rennie: What I heard in that answer were excuses for why you will not deliver the promise that you made in your 2021 manifesto. You alluded to pay increases and talked about pilots. Have you given up on reducing teacher contact time by 90 minutes a week, which was the promise?

Jenny Gilruth: No. I am not sure that I share Mr Rennie's description of "excuses". Had it been the case that I was not keen to advance that work, I would not have come forward with the proposals that I set out. I did that quite deliberately and publicly, so that teachers could hear my views about how they could be delivered.

We have noted that issues have arisen that perhaps we would not have accounted for in 2021, not least the exponential increase in teacher wages, which means that Scotland's teachers are now the best paid on these islands and continue to be well paid. Increasing their wages was the right thing to do, but it has meant that there is less money for other things.

11:15

We also protected funding in the budget for reducing class contact time. As Mr Rennie will be aware, we created a pot of funding to protect teacher numbers, which, I think, goes back to Ms Somerville's time as cabinet secretary. That was enhanced last year, in line with inflation. We have maintained that approach this year.

Our independent modelling, which was carried out in 2023, said that, if we went back to 2023 teacher numbers, we would have enough teacher numbers to reduce class contact time in primary schools, and we could progress to secondary provision thereafter. That is why that funding was attached to that.

We are of the view that we have capacity in the system to do that at the current time. The issue in relation to how we resolve the dispute concerns the use of the time. As Mr Rennie knows, the EIS has a clear view on how that time should be split. We are trying to find a route forward via the SNCT to avert industrial action because we do not believe—I certainly do not believe—that that is in anyone's interest.

Willie Rennie: You are kidding us. You have had five years to get this done, and you are not going to get it done in the next five weeks, are you? Why are you kidding us? Why are you continuing to pretend that this will happen?

Jenny Gilruth: If I wanted to kid you on, I probably would not have asked for extra funding in the budget for pilots. I did not need to include that.

Willie Rennie: The pilots? Those are tiny amounts. What we are looking at here is a promise that every teacher would have a 90-minute reduction in their contact time.

Jenny Gilruth: Absolutely.

Willie Rennie: Why is that not happening?

Jenny Gilruth: Because you need to plan these things, and—

Willie Rennie: You have had five years to plan it.

Jenny Gilruth: It will look different in different schools. In the primary school sector, it will look different.

I was listening—

Willie Rennie: Sorry, but you knew that five years ago.

Jenny Gilruth: We need to pilot in order to learn what works best.

Willie Rennie: Sorry to interrupt you, but why did you not undertake pilots five years ago? Why,

only a few weeks before the election, are we looking at pilots?

Jenny Gilruth: I was not in post five years ago, as Mr Rennie will accept, but—

Willie Rennie: Your colleagues were.

Jenny Gilruth: Yes. At that time, there were demands from the teaching trade unions to increase teacher pay—by huge amounts. Since 2018, the pay of classroom teachers has increased by 40 per cent. Those significant increases have cost the Government more than £800 million since 2021. We could not have forecast that situation when we came into power again in 2021. It is fair to say that that has slowed down the pace of progress.

The other factor, which is inherently linked, is that the teaching unions separate pay and conditions from their negotiations. In my view, if they want to force my hand—I want them to force my hand, because I think that this would make a huge difference—they should tell me that they want to include reducing class contact time in their pay claim. That will force my hand and that of local government, but that is not the approach that has been taken. We have seen teacher pay going up steeply. However, if you speak to teachers—I do that regularly, and I know that Mr Rennie does, too—you will hear that the thing that will make the difference is teaching conditions.

Some of the positioning in that regard has not helped—it has slowed down the pace of change. However, as I mentioned, we created the pot of funding last year to deliver on our commitment to have the right number of teachers in our schools, and, this year, we are funding pilots so that we can learn what works best. We are absolutely committed to moving forward on that, but the issue here is the resolution of the definition of teacher contact time and, of course, the teaching unions have a firm view on that.

Willie Rennie: What I am hearing from that, and what teachers will hear, is that you are blaming them for your failure to deliver on the promise in your manifesto five years ago. Why are you blaming them when the failure is yours?

Jenny Gilruth: I do not think that that is a fair characterisation. It is the case that—

Willie Rennie: It is what you have said.

Jenny Gilruth: —Scotland's teachers are very well paid because of the way in which negotiations have been taken forward in Scotland. I respect that, and I respect the trade unions' approach. That has meant that, every year since 2021, we have had an overt focus on pay claims, which we have had to respond to. I have had to find money for that from the budget. You heard from Mr Greer

about where some of that has come from. That has meant that some pretty tough choices have had to be made, and that the pace of change in relation to reducing class contact time is not what it should have been.

It is not a position that I am happy to be in, Mr Rennie, to give you my own view on that. I had hoped that we would have been able to move forward on this before now. However, this is not just about the Government. If it were, perhaps we might have moved more quickly. Mr Rennie might not believe me on that, but if it were just about the Government, I would accept the full-square blame that he lays at my door. However, he knows that I need the unions and local government to agree to this, and that is not where we are with the SNCT.

Willie Rennie: Will there be a statement before this Parliament rises for the election in which you are able to say that the Government has delivered the 90-minute reduction in teacher contact time as set out in your manifesto?

Jenny Gilruth: I am unable to give a statement today because I need the SNCT to agree to the approach. I could get up and give you a statement, if you want, and tell Parliament my view.

Willie Rennie: The statement that I would like to hear would be that you have delivered your promised commitment. Will that happen before the election?

Jenny Gilruth: I need the SNCT to agree.

Willie Rennie: That is your manifesto promise.

Jenny Gilruth: I am aware of that, Mr Rennie, but the convener alluded earlier to a number of things that the Government has not been able to deliver on. There are challenges across the board as a result of inflationary pressures, but I am very focused on how we can move forward on that.

Last year's budget was a real opportunity to deliver the right number of teachers in our schools, because we had had a couple of years of falling teacher numbers. In the past year, we have increased the number of teachers by 63. I accept that that is not enough, incidentally, but it is a start in terms of having the numbers required for reducing class contact. We also need to look at creative ways in which that might be delivered.

I had a really helpful round-table discussion with the General Teaching Council for Scotland, the teaching trade unions and COSLA two weeks ago in St Andrew's house looking at what short-term, urgent action we can take to help alleviate the challenges, because, as Mr Rennie knows, we currently have lots of primary school teachers who cannot get jobs. Pauline Stephen from the GTCS—whom I know Mr Rennie has engaged with substantively—is of the view that we can look

to support primary teachers to go into secondary teaching, through dual qualification or retraining opportunities with the GTCS, for example.

My view—I think that the trade unions would agree—is that we can have primary teachers in secondary schools as long as they are qualified to deliver those subjects. We are very much focused on those short-term actions to plug the gaps where they exist and create opportunities for teachers, because we currently have an excessive number of primary teachers. That could help to lighten the load in terms of reducing class contact.

The pilots are there; we need SNCT agreement. I am happy to give you a statement every week until dissolution, should you so wish, Mr Rennie—that is in your gift at the Parliamentary Bureau—but I still need COSLA and the teaching trade unions to agree.

We have a COSLA group leaders meeting on, I think, the 30th of this month. In addition to that, the EIS has suggested that it will re-ballot members. I am engaged in considering further advice from officials, which I received last night while we were in the chamber voting on Mr Macpherson's Tertiary Education and Training (Funding and Governance) (Scotland) Bill. This afternoon, I will consider the urgent next steps that we can take to try to unlock the situation, because it is really important. We need the profession to have the headspace to engage in reform. I accept that that is not where we are, and I also accept that we should have delivered our manifesto promise by now, so getting that through the SNCT is very much my focus at the current time.

Willie Rennie: Okay. I think that Ms Don-Innes is feeling left out, so I will ask her a question.

The Convener: First, there is a supplementary from Miles Briggs.

Miles Briggs: At least poor old Liz Truss is not getting the blame for this one at the minute.

The cabinet secretary has said that unions have not prioritised the issue. The EIS claims that there has been no progress in recent years and the union says that

"Over the past four years, EIS negotiators have worked tirelessly in their attempts to push both ... COSLA and the Scottish Government to make progress on the reduction in class contact time."

I have listened to what you have said to Willie Rennie, but it does not sound as though it has been a priority for ministers as part of these negotiations and therefore it has not happened. Would that not be a true characterisation of why, having put that pledge to teachers, parents and pupils very high up in your manifesto, we are now at the end of this session of Parliament and it is very unlikely that the pledge is going to be

delivered and, depending on manifestos, we do not know where this will go in the next session of Parliament?

Jenny Gilruth: I am not sure that I would agree with Mr Briggs's characterisation of what I said—

Miles Briggs: Those were not my words; they were the words of the EIS.

Jenny Gilruth: No, I am talking about your suggestion that I had said that the EIS had not prioritised the issue. That is not the point that I was making—

Miles Briggs: The EIS suggested it.

Jenny Gilruth: The point that I was making is that the EIS separates conditions from pay so it negotiates those two things separately. If you want to force my hand, my view is that you probably should look at these things in the round. That has not been the position of the teaching trade unions.

I invite committee members to consider the real, substantive changes to teaching conditions that have taken place. Let us wind back to the McCrone agreement in 2001. I am not necessarily sure that there have been substantive changes to the improvements in teaching conditions since 2001. That is a problem, because wages are going up and up and up in teaching, yet, as the committee knows—I am sure that we will come to this—teachers are tired; they are burned out; and they need time to engage in reform. It is really difficult for me to unilaterally foist that on the profession when the way in which we arrive at a decision has to be through the SNCT, so I need local government, I need COSLA and I need the teaching unions. It is not a one-way street.

I have been very focused on trying to get progress in relation to reducing class contact. That is one of the reasons why I spoke publicly in November about all the plans that we have been working on, so that teachers could hear the opportunities that we are considering, including pretty radical opportunities, such as a four-day teaching week, but also issues around learning hours. I do not know whether this is something that the committee is interested in, but we see variance across the country just now in relation to learning hours. I do not think that that is good in terms of entitlement and equality. If you are a P1 pupil and you live in a certain postcode, you might get a different number of hours per week from someone who lives in another postcode. That affects your education, and I do not think that that is right. Having set out our stall in that regard, it is important that we have engagement with the SNCT.

Since my appointment, and long before that, the unions have been adamant in their view that the solution will come down to the use of teachers'

time. Currently, their non-teaching time is split between collegiate time, which involves departmental meetings and whole-school activities, and planning, marking and correction. Through my engagement with the SNCT, we have suggested that we look at updating some of the definitions in the SNCT handbook, which are rather old, because they date back to the days of McCrone. That might create a route forward for negotiation.

However, we have to negotiate. It cannot be me dictating as cabinet secretary, nor can it be the unions or COSLA dictating. We all have to come to the table with an open mindset in order to provide a resolution. That is the approach that I will be taking in the coming weeks to try to bring about that resolution.

Also, on Mr Rennie's point, I want to get on with this, which is why there is money in the budget for pilots. We want to work with local government on how we roll that out.

Jackie Dunbar (Aberdeen Donside) (SNP): Good morning, cabinet secretary. I want to go back to an answer that you gave to Willie Rennie. I think that you said that primary school teachers could move to teach in secondary schools if they had the qualifications.

Jenny Gilruth: Yes.

Jackie Dunbar: Will you expand on that? What qualifications would they need to do that?

Jenny Gilruth: Primary teachers currently cannot teach national qualifications subjects in secondary schools, because they are not qualified to do so. The GTCS would take a pretty dim view of that. I know that a number of primary school teachers—probably in Ms Dunbar's constituency, although I have seen it in other parts of the north-east—are filling vacancies in secondary 1 to S3, which is the broad general education.

The GTCS's view is that that needs to be supported with an appropriate qualification, and it absolutely, on a point of law, needs to be supported in that way in relation to the delivery of national qualifications. For example, a primary teacher could not teach national 5 English unless they had the appropriate qualifications to do so. The GTCS plays a key role in that regard. That was one of the points that came out of the meeting that we had two weeks ago, and we will be revisiting it in March, because officials are now urgently looking at what we can do in that space.

Another point on the retraining of primary school teachers is that they can become ASN teachers. All teachers are teachers of additional support needs, but we put extra funding into the budget last year, which has been protected for this year, specifically to enable local authorities to employ

additional support needs staff. That is another opportunity for primary teachers to pursue. Also, pupil equity funding currently supports around 3,000 extra staff across the country, of which 700 are teachers.

There are a variety of routes for primary teachers who cannot find employment in that role. There are opportunities for them to pursue and, to go back to the points that Mr Rennie raised, we have created additionality to try to deliver on the expectations on reducing class contact time.

Jackie Dunbar: Is it difficult to get those qualifications? Could primary teachers use qualifications that they already have, such as in maths or English?

Jenny Gilruth: That is a good question. If I get this wrong, the GTCS will tell me, but you need a certain number of credits from your undergraduate degree to teach national qualifications subjects. I will use myself as an example. When I was at university, I studied a little bit of history, but I did not quite have enough credits to teach history. I went to my then employer, the City of Edinburgh Council, which part-funded me—I funded the rest—to obtain credits via the Open University so that I could go on to get accreditation from the GTCS to teach history. There are ways in which teachers can work with their local authority to do that.

Many teachers might already have the right number of credits from their undergraduate or BED qualification to teach in secondary, but those need to sit alongside the accreditation that the GTCS offers—essentially, it comes in and provides that. It is important that the GTCS is there as the regulator. Many countries do not have a GTCS equivalent, so we are very lucky to have that in Scotland.

The GTCS has a key role to play. Officials are looking at options for us to consider whether, through future funding, there are ways in which we can support accreditation to get more teachers into secondary. As the committee knows, we have an oversupply of primary teachers and subject gaps in secondary. We should be able to find a route through that, but we should also recognise the need for people to have the appropriate qualifications.

Jackie Dunbar: Thank you.

The Convener: We will go back to Mr Rennie.

Willie Rennie: I have a question for the Minister for Children, Young People and The Promise on early learning and childcare—I know that she has been waiting. She knows that I am interested in the different pay rates between private, voluntary and independent nurseries and council nurseries. Those working in the PVI sector get a much lower

wage for doing exactly the same job as those in council nurseries. I know that there has been a lot of work on that, so I hope that she will tell us that she is going to close the gap. Can she update us?

11:30

The Minister for Children, Young People and The Promise (Natalie Don-Innes): I am pleased to be able to discuss this issue with Mr Rennie in the committee, because normally we talk about this in the chamber, which means that I do not have very long and I have to rush my answer. Perhaps we can have a little bit more discussion about it.

As Mr Rennie will be aware, I have tried to be very proactive with regard to sustainable rates. The budget protects our £1 billion funding for early learning; I think that, on top of that, it is really important to highlight the progress that we have made with the funding rates. The Government has invested another £11 million in the real living wage for staff in the private and voluntary sector for ELC, and that comes on top of the £25 million that was invested in previous years. It is really important to point out that we are the only country in the UK to have done this, and it has led directly to an increase in sustainable rates.

As I have said, and as Mr Rennie knows, it has been an on-going issue, and is an on-going priority for me. There has been the sustainable rates review, and the Scottish Government and COSLA are continuing to work through the continuous annual rate-setting process. The Diffley Partnership has also undertaken a cost collection exercise, the findings of which will be published in the spring. I am confident from the feedback that I have already had from the sector, and from the uptake of responses, that it will produce some very informative data on the costs of delivering early learning.

I should say that, as a result of our investment, average rates paid to providers for three to five-year-olds receiving funded ELC have increased by around 78 per cent. However, over the past two years, we have still seen a consistent difference of £2.23 between the lowest and highest payments to a funded provider for the free meal commitment. Although, as I have said before, some variation is to be expected, I am still highly concerned about the high level of disparity that we are seeing. Therefore, when the data that I have referred to is released in the spring, I encourage local authorities to have real regard to it when they set their rates for the coming year.

I am yet to receive advice on the findings of that cost collection exercise, and I will be considering next steps as we go along. I just want to ensure

that Mr Rennie knows that the door is not closed. That work is still very much in train.

Willie Rennie: It feels as if we have been gathering evidence for decades—indeed, for ever. When are we actually going to get a conclusion? I know that the minister has said that there will be a publication in the spring, but that is not necessarily a conclusion.

At the root of this is the fact that when we originally moved to the 1,140 hours, which I welcomed, we said that council nurseries could have national terms and conditions, and we said that we would move private nurseries up, too, which was good—but it was only up to the real living wage. That baked in a difference between the two sectors, and it created enormous pressure. We are seeing nurseries' capacity being reduced and nurseries closing, including in my part of the world, partly because of this and partly because there is no support to allow them to hold on to experienced personnel. They can get new people through the door, but they cannot hold on to them, because they will obviously get paid much more in a council nursery.

The situation is inherently unstable. Unless you address the difference between national terms and conditions and the real living wage, the problem will continue, no matter how many reviews you do. Are you looking at creating some kind of parity? I do not expect the gap to be closed overnight—after all, it has taken decades even to do the survey—but surely you have to recognise that that is where the fundamental problem is, and it was the Government that agreed to it on day 1.

Natalie Don-Innes: I have been very clear in laying out my concerns. I thought that the cost collection exercise was an appropriate next step to ensure that local authorities were fully aware of the costs of running ELC for private providers and to try to enable a further level of equity to be put in place. However, I have been very clear with my own officials that we will need to consider the next steps if we do not see results from the cost collection exercise that bring a little bit more parity to the situation.

Willie Rennie: I have a question for the cabinet secretary. When you discussed the education budget with the Cabinet Secretary for Finance and Local Government, did you ask for more money to address that particular problem?

Jenny Gilruth: There were discussions about a number of different things—Ms Don-Innes was involved in that work, too. Certainly, the issue was raised in the context of our consideration of affordability and what would come next.

Willie Rennie: I do not wish you to reveal everything that was said, but did the Cabinet

Secretary for Finance and Local Government accept that resolving the issue was a priority?

Jenny Gilruth: There was acceptance across the piece that there is an issue and that we need a long-term solution to it. Ms Don-Innes has set out the work that we will publish in the spring. That will give us—or the next Government, I should say—an opportunity to look at how we might resolve the inequity that has grown in relation to the issues that Mr Rennie has raised.

Willie Rennie: I do not wish you to make statements to the Parliament all the time, but are we going to get a statement before the election to say that we are going to close the gap between the PVI nurseries and the council nurseries? Is that going to happen?

Jenny Gilruth: The Parliamentary Bureau considers statement requests. In due course—

Willie Rennie: Let us say that you will get my vote on the bureau to make that happen. Will you make a request for it?

Jenny Gilruth: We will consider all statement requests that Mr Rennie puts forward at the appropriate time.

Willie Rennie: Neatly done.

Bill Kidd: This question is probably for the Minister for Children, Young People and The Promise. Strengthening wraparound care is an essential component of supporting Scotland's families. Can the minister outline how the measures and investment that we have heard about in the budget will strengthen wraparound care?

Natalie Don-Innes: The two aspects to that are breakfast clubs and activities, and it is clear from the engagement that I have had with parents and families, that those will go a long way to helping them. For example, the breakfast clubs will ensure not only that children are provided with a nutritious meal, but that parents have the ability to take up employment opportunities over and above the normal school hours.

I have spoken to the committee before about the activity clubs. I have been out to visit some of the projects in the extra time programme—they are doing fantastic work and we are investing further to grow those and to work with other activity providers to build them up so that parents have more choice. That will go a long way to ensuring that children stay active and have the opportunity for healthy activity after the school day. It also takes us back to the aspect of tackling poverty and ensuring that parents are able to take up employment.

Bill Kidd: Is there a specific aspect to that for children with additional support needs? What kind

of boost will there be in that area? We are supporting children overall, but will there be a specific element for those children in the measures?

Natalie Don-Innes: Yes, there will be; that has already been considered. For example, it is already a focus in the extra time projects. We want to ensure equity for children and that no one is left out. We also understand that parents who have children with additional support needs could have needs in respect of employment opportunities and also for respite. That is a focus for the investment.

Paul O'Kane (West Scotland) (Lab): Good morning. We have a one-year budget, but there are projections beyond that, which will be a challenge for whoever forms the Government. There has been commentary about the potential need for in-year revisions to the budget after the election. The Scottish Fiscal Commission's estimates show that resource spending on education and skills is projected to decrease each year over a three-year period, falling by £69 million in real terms by 2028-29. What does the cabinet secretary think will be the impact of that future cut and what sits behind that modelling?

Jenny Gilruth: Those are forecasts. As we all know, there will be an election in fairly short order. Mr O'Kane talked about in-year revisions—as a Government, we are keen to avoid that. I do not know whether he has aspirations about joining the Government himself and revisiting the budget, and whether that is why he talks in those terms—

Paul O'Kane: I am referring to commentary from other people, particularly those who—

Jenny Gilruth: I have heard it from his party leader, so I wondered whether that was the point that he was making.

We have been able to protect education spend and we have enhanced it. However, there are challenges for the public finances, which are not unique to the education portfolio. Across the Government's budget, we have had to make difficult choices.

We have protected health spend, for example, and we have protected and enhanced social security spend, but we have to look at the public service reform agenda that Mr Briggs spoke to earlier, and we all have a role to play in that regard. To my mind, though, the uplift that we have had for education this year has been really helpful, given the points that Ms Don-Innes made about childcare, the wraparound provision, the free breakfasts support and the support for the real living wage in ELC.

It is worth pointing out that there are always reconsiderations of budgets in-year and, of course, after an election. The next Government will look at those things in due course, and there may be reconsideration of some of the wider issues and the points that the SFC has made, particularly in relation to education. Protecting the budget has been a focus for this Government, though.

Paul O’Kane: I absolutely understand that point. We will have an election and a new Government will be formed. However, do you recognise that the Fraser of Allander Institute and others have given evidence to the Finance and Public Administration Committee on the problems that have built up over time, and that the stark position in the Scottish Fiscal Commission’s projection will have to be dealt with? Do you recognise that it is a serious challenge that will have to be addressed? What planning have officials in your department done in relation to those projections?

Jenny Gilruth: I accept that it is a challenge. We could have a political debate about the origins of said challenge, but I am not going to do that today. It is important that we are transparent. The approach to setting out our funding cycles has provided for that, but I put on the record that that will not preclude the next Government from looking again at allocations and considering where additionality might come from.

We have had an increase in this year’s portfolio resource funding—it is important to welcome that—for all the good work that Ms Don-Innes has set out, but we have also been able to protect funding for things such as teacher numbers. To my mind, protecting the education budget is vital. Of course, a former teacher would say that. As a Government, we have put in significant additionality through the Scottish attainment challenge and through protecting things such as free tuition, which speaks to our values as a Government.

I recognise the challenge here, but I do not believe that the challenge is unique to Scotland. The UK Government faces very similar challenges with regard to the public finances. We might have agreement in our politics on the origins of that and where it may have arisen, but it is important that we work in a transparent manner, and the way in which our spending is set out allows that to be open and us to be accountable to the public.

Officials might want to say more on the planning that we have done, but I say again that nothing precludes a future Government from looking again at the allocations. That is important.

Andrew Watson, do you want to say more on that?

Andrew Watson (Scottish Government): I will make two observations on the medium-term picture. First, we need to focus on more preventative spend to make our services more sustainable. Audit Scotland has been consistent on that for some time. Addressing the basic demand for services as the origin of that is a key part of what we need to do.

Secondly, the workforce targets, the public service reform strategy and the portfolio efficiency plans that have been produced, which were mentioned earlier, speak to the point about the departmental planning for the longer-term challenge. We said earlier that we would send the committee a bit more information about the efficiency plans as one of the actions from this meeting.

Paul O’Kane: I recognise what the cabinet secretary said about the origin and trying to avoid a political debate. We heard some of that rehearsed earlier when the convener asked his questions. However, does the cabinet secretary recognise that her party has been the governing party for 19 years and that there has been a substantial increase to the Scottish budget, particularly in the last two budget cycles at the UK level? Does she recognise that the forecast of the resource that will be allocated to education is deeply concerning? Does that forthcoming spend not suggest that this Government, in the last months of the current session of Parliament, is deprioritising education?

Jenny Gilruth: If that were the case, we would not have seen the increases that I spoke to in relation to the uplift. We have talked today about the increase in relation to colleges, the increase in relation to childcare and the increase for free breakfasts, but—

Paul O’Kane: If you are returned to government, are you going to preside over what the SFC has outlined? I accept what you say in relation to the one-year budget that we are discussing, but it is the future planning that I am interested in.

Jenny Gilruth: I am going to be political here. Mr O’Kane invites me to welcome additionality from his party, but we have to be pragmatic about the challenges that his party’s settlement has created for this Government, not least of which is the increase in employer national insurance contributions, which are costing the public sector in the region of £400 million per annum. Those challenges could be alleviated by different decisions being taken elsewhere. I encourage Mr O’Kane to encourage his colleagues elsewhere to look again at the ways in which they can support this Government. When considered in the round, the uplift to Scotland is marginal because of the

increased ENICs that are hitting our public services and having a detrimental impact on them.

11:45

Paul O’Kane: I am not sure that I would call the largest uplift to the settlement marginal and I do not think that some of the commentary around that does that. We could get into the debate around what the cabinet secretary would suggest is done in order to ensure—

Jenny Gilruth: I have an answer to that one.

Paul O’Kane: I am quite sure that you do, and I am quite sure that we have heard it before.

I wonder whether I can turn to capital. We discuss that a lot and the cabinet secretary is always keen to point to the Government’s record on capital investment. However, the Scottish Fiscal Commission projects that there would be a decrease in capital spending, including financial transactions, of 3.9 per cent in cash terms, which is down 6 per cent in real terms. What is the cabinet secretary’s view of what that would mean for the education estate? I appreciate that she is going to tell me all that has happened in the estate, but that there is still work to do.

Jenny Gilruth: I am going to talk about what has happened in the school capital estate, because we have made remarkable progress in improving its quality. When Mr O’Kane’s party was last in power, about 61 or 62 per cent of schools were in good or satisfactory condition. Today, it is more than 92 per cent, so we have dramatically transformed the quality of the school estate by prioritising that investment.

Paul O’Kane: On that point, does the cabinet secretary accept that, as was reported on recently in *The Herald*, some of that work was done pre-2007 and that the baseline has moved?

Ben Macpherson: PFI?

Jenny Gilruth: I hear Mr Macpherson raise the point about the public finance initiative in our schools, many of which are still having to pay back exorbitant costs associated with school buildings that date back to his party’s time in office.

We will look at the challenges in the round but, while my party has been in office, we have been able to protect capital spending, particularly through our approach to school estate investment. As we have heard from Mr Macpherson, we are looking at substantive ways in which we can transform capital allocation for our college sector. That will not be done in a one-year budget. It will be for the incoming Government to look at the wider challenges that Mr O’Kane speaks to and decide on the approach that it wants to take.

The allocation that we have received this year is a good deal for education and I welcome the uplifts in a number of different areas. I also welcome the fact that stakeholders across the board have welcomed them.

Paul O’Kane: The cabinet secretary is keen to point to the role that local government plays and the 32 different versions of provision, which she often alludes to. What is her view on the Convention of Scottish Local Authorities’ comments that the budget does not address the scale of pressures that councils face? The commentary around that is that councils are considering council tax increases. Does she recognise that the projected reductions in council budgets will have an impact on resourcing? We have had a debate in the chamber about classroom resources and what is available to teachers. Does the cabinet secretary share COSLA’s concerns?

Jenny Gilruth: I have heard COSLA’s concerns. As I understand it, most of its commentary relates to health and social care. However, in our engagement with local government, I have been clear that education spend needs to be protected. It is at the current time, which is why we enhanced the funding for ASN teacher numbers last year. That is ring fenced and protected for good reason. That is important. There are often debates between local government and the Scottish Government about the protection that is afforded to education, but it is important and it reflects the people’s priorities in Scotland. They want education spend to be protected and enhanced, and that is exactly what we have delivered.

Paul O’Kane: In response to a topical question last week or the week before, the cabinet secretary told me that PEF should not be used to plug existing gaps. We heard from Mr Watson about trying to future proof and mainline some of that preventative spend. Does she recognise that those SFC projections for council budgets will inevitably lead to issues such as PEF being used to plug gaps?

Jenny Gilruth: Mr O’Kane makes an interesting point. What comes next in relation to the PEF Scottish attainment challenge is a matter for the incoming Government. As Mr O’Kane knows, I commissioned John Wilson, who is a former headteacher, to do a piece of work for the Government to look at what comes next for SAC. I think that Mr O’Kane’s party and mine are aligned in relation to our commitment to continuing SAC, because we know that it is so important.

I have spent the past year or so going around the country asking headteachers what they think should come next. We need to think creatively

about what replaces PEF and SAC and how we can get that additionality into our schools. It is not additional any more to the point that Mr O'Kane makes.

However, I am not sure that we can divorce a decade-plus of austerity from what is happening in our classrooms now. The interventions that I see being used now in relation to PEF are a response to poverty. That is a change that we have seen in the past decade. I see PEF being used in creative and imaginative ways, and I am not sure that that is where the spend would have been used 10 years ago. We need to respond to that in how we fund our schools, which is exactly the piece of work that John Wilson is taking forward. We also need to recognise that in our budget provision. It is not about pure education any more; it is about the way in which we support families more broadly. In my view, as a Government, we need to adapt and respond accordingly in our budgetary provision.

Paul O'Kane: I absolutely recognise a lot of that, but the Scottish Fiscal Commission suggests that council funding is going to drop for many of the services to which the cabinet secretary refers. I have heard her say before that schools are required to do a lot of the scaffolding. If you are going to cut health and social care partnership budgets, social work and other support that sits around that, you will not be able to fill the gap in schools. There seems to be a lack of focus on the reductions to local authority budgets, which will inevitably have an impact.

Jenny Gilruth: The role of local government is really important. I am of the view that local government has received a good settlement this year—that is certainly what the Cabinet Secretary for Finance and Local Government set out. Additionally, it received a very good settlement last year. We will, of course, continue our engagement with it.

Paul O'Kane: That is not what we hear from local authorities.

Jenny Gilruth: They are not here today. I am sure that you will hear from them. We will continue our engagement with local government. We need to continue that engagement, of course, for good reason and for some of the reasons that Mr O'Kane sets out.

I am particularly mindful of the money that I am protecting for teacher numbers and for ASN in our engagement with local government. Mr O'Kane will recall that that funding was released last year, with an agreement from local government that there would be meaningful progress on reducing class contact time, but I am afraid that we have not been able to deliver that in the past year. It is important that we work with local government for the reasons that Mr O'Kane sets out, because that

is the way in which Scottish education is currently delivered.

The Convener: In your last response you said that that the settlement is a good one for local government. Why then did SNP councillor Ricky Bell say that it was a “very poor” budget?

Jenny Gilruth: I am not going to put words in Mr Bell's mouth.

The Convener: They are his words. I am asking you why—

Jenny Gilruth: Forgive me—it is a quote.

The Convener: Yes.

Jenny Gilruth: Look, we will continue our engagement with local government colleagues—

The Convener: But that comes from one of your own councillors, representing the body that speaks for all 32 local authorities.

Jenny Gilruth: I hear that.

The Convener: As an SNP minister, it must concern you that an SNP councillor is publicly saying that your Government's budget is “very poor”.

Jenny Gilruth: We will continue to work with local government. I hear the points that are being made today. The delivery of school education, though, is inherently in the hands of local government, so I need to work with it. I have done my best to protect education spend in that regard, although I accept the point that you are making, which was also made by Mr O'Kane, that this is not just about education spend.

The Convener: I am referring to an article in the *Daily Record* today, in which Ricky Bell is quoted as speaking on behalf of COSLA. The article goes on to say that there are concerns, because

“Big council tax rises are now expected from April to ease the pressure on areas like education and leisure facilities.”

We are facing big council tax increases because of your Government's budget, which your own councillors are saying is “very poor”; local authorities are going to have to fill the gap with increased council tax to pay for education and leisure services.

Jenny Gilruth: No one wants to see that. I point to the work that I undertook last year with Ms Robison and Mr Gray, which was a cross-portfolio approach to engaging with local government on the issues. I very much look forward to continued engagement this year, because we need to get a resolution with local government in relation to the funding of services, for all the reasons that you rightly set out.

The Convener: Do you anticipate that those negotiations will be successful, and that therefore, we will not see significant hikes in council tax to pay for education and leisure services, as predicted in today's article in the *Daily Record*?

Jenny Gilruth: I am an optimistic minister, so I will continue to play my positive role in supporting those important discussions and negotiations, which are in the best interests of democracy and the people whom we represent.

John Mason: Mr O'Kane asked about longer-term issues, and I want to build on that by focusing on preventative spend. At one point, there was a commitment that, from 2030, 5 per cent of community-based health and social care spend would be on preventative measures. I think that that was in the 2021-22 programme for government. I do not expect the ministers who are here today to be all over the finance side, but the Finance and Public Administration Committee got a response from the Government that said:

"we are testing a budget tagging method for tracking preventative spend across the Scottish budget."

Will you comment on preventative spend and say how you are looking at that?

Natalie Don-Innes: I will take this one. Obviously, a commitment was made in relation to whole-family wellbeing, but I believe that the priority of prevention has been growing ever further since then, and I think that we are now going further than that.

I am happy to get back to Mr Mason with the specific detail about the 5 per cent of health and social care spend, because, he will understand, that does not sit with me, but I would like to give a more general response on the Government's priorities.

Preventive budgeting is a central element of the public service reform strategy. It is essential to improving outcomes, addressing root causes of demand and ensuring long-term fiscal sustainability. It fits in quite well with the discussions that we were just having about the decisions that local authorities can make on preventative spend and the money that can be saved as a result later down the line. That is a key point to highlight.

The strategy specifically includes a workstream on preventative budgeting, and commits the Scottish Government to redesigning budget processes to track and monitor preventative spend, guide decisions on resource allocation, reform budget rules to allow funding to move across portfolios and services and expand our invest-to-save approach to finance transition costs and kick-start prevention.

For me and my portfolio, that is really important. Members will be aware that delivery of the Promise is not a one-portfolio shop—it has to be a cross-Government priority. As I say, the move towards prevention and that prioritisation of prevention is positive for our tackling poverty agenda, our whole-family support agenda and our delivery of the Promise.

I would argue that much of the spend in my portfolio is preventative, whether it is ELC, which can have huge impacts on early child development, or the various strands of the Promise that not only ensure that children in care are supported the way they should be but that we are supporting families in a preventative way so that children are not entering care.

We are also doing work on secure care and rehabilitation. I believe that the majority of what we are doing in my portfolio prioritises preventative spend with the aims of keeping families together, growing connections and promoting attachment.

It is also key to highlight the joint approaches that we are taking on these matters. There is a cross-Government approach to early child development, and I have worked very closely with health ministers on that. Also, in relation to the investment that we are putting into bairns' hoose, we have worked very closely over the past few years with justice and health to ensure that we are supporting that on a cross-portfolio basis.

John Mason: One example from a few years ago is the family nurse partnership programme. That is perhaps more of a health thing, but if a kid gets a good start in life, it will affect them when they come to primary school, secondary school and so on.

Is it impossible or is it easy to split what is preventative spend from what is reactive spend? At primary school, to some extent, you are reacting to what has already happened to the kid before they got to school, but you are also preparing them for secondary school and beyond.

Natalie Don-Innes: I think that it is easy to split spend into what is preventative and what is reactive. The difficulty comes in trying to understand how much will be saved from the decisions that you are making at the time. For example, for a three-year-old child, the interventions that we are making now in relation to ELC and our play strategy will have positive impacts, but we cannot necessarily measure what would have happened to that child should those impacts not have taken place. For example, there could be issues with behaviour, health issues or justice issues, and it is hard to quantify that.

On the work that I have already put forward in relation to the strategy, we are getting better at

that, and it is improving. That will continue to be a priority for the Government.

12:00

Ben Macpherson: Just to build on that, I would say that all education spending is, arguably, preventative spending, in the way that my ministerial colleagues have set out. Indeed, the significant additional investment that we are putting into colleges will have a preventative impact later in a person's life, and the long-standing commitment to funding people through university and the support through apprenticeships will have impacts, too. Similarly, it is hard to quantify the reduction in pressures on the criminal justice system or the health system as a result of people going to work and flourishing, and thereby not, one might argue, needing the healthcare provision that they might have needed had they not been successful in that way.

It is such an important point. The more the education system thrives and delivers, the more it will certainly reduce pressures elsewhere.

John Mason: Thank you very much.

George Adam (Paisley) (SNP): My question is for the Minister for Children, Young People and The Promise, and I wanted to ask it on the back of Bill Kidd's question.

The Convener: Apologies.

George Adam: No, it is not your fault, convener. I have such a shy, retiring personality that I never managed to get your attention.

Minister, you have talked about investment in wraparound care. I note that, in her opening remarks, the cabinet secretary mentioned working with the SFA on after-school care; I actually had the debate of the week last week, on the importance of football in Scotland, and there was some discussion of the charitable trusts in various clubs that are trying to deliver that care. Is that the type of thing that you are talking about? If so, work is already being done in the community in that respect. Are you talking about getting the SFA to do that sort of care itself? What are you talking about when you say that you are working with the SFA on this?

Natalie Don-Innes: It is all about bolstering what is already there. I know exactly what Mr Adam is referring to; I have been out to visit St Mirren FC Charitable Foundation, and I know the fantastic work that it is doing.

We have invested £5.5 million in our extra time programme, which supports around 5,000 children most at risk of living in poverty to access free after-school meals and ensure healthy activity. We want to expand that provision to new clubs and more

families. As I have said, I have been out to visit a number of the extra time projects, which are football based; they are doing fantastic work, and it is great to see the young people involved in them, but I would like to see that provision expanded. I am absolutely not taking away from the importance of football in our local communities, but I think that we might be missing out on some opportunities for children here. Therefore, I want to continue to work with the SFA, but I want to expand the approach to take in other activities, perhaps, and ensure that there are choices and opportunities for all children and families.

George Adam: On the subject of football—I know that I am going off on a slight tangent, convener, but I hope that you will indulge me—I was approached once by a St Mirren chairman. This was a long time ago—he is long away—but he asked me, flippantly, “When are you going to start seconding social workers and people like that into the football club?” I have to say that, when I went away and thought about it, it made sense to me. If you are wearing a football polo shirt from St Mirren, Raith Rovers or wherever, you are going to get a different answer when someone comes to the door. When it comes to wraparound care, could we, with that sort of ethos, help people who are not necessarily going to engage? After all, if you are dealing with poverty, or with parents and young people who might not engage with such things, you need to use absolutely every part of the artillery.

Natalie Don-Innes: Absolutely, and I think that that fits with our whole-system approach. One of the extra time projects that I visited—I believe that it was in Dundee—had very close links to the early adopter work that was being undertaken in that area, and that allowed the people involved to understand some of the difficulties that families were experiencing, to wrap care around the family and to work together to provide them with the best support. It started off with a focus on the activity itself, but it was then expanded into something more. That sort of thing fits into that ethos and everything that I have been talking about this morning with regard to prevention.

It takes me back to my point about the importance of taking our time to consider this and to understand the work that the early adopters are doing. I am imagining a system in which everyone talks to each other and families need knock on only one door to get the right support that they need, whether it be from a number of different support services and organisations, or whether it be just childcare activities. You have raised an important point, Mr Adam.

George Adam: Cabinet secretary, it is hugely important that the work that the Government is doing to reduce the poverty-related attainment gap

continues. How will the budget support that and take us to the next stage on that journey?

Jenny Gilruth: The budget continues the funding for the Scottish attainment challenge and, in particular, PEF, which has been transformative, as Mr Adam knows, for our headteachers, who are using it in a variety of ways. I was struck by John Mason's question about preventative spend and the role of PEF in that space. The funding is now being used, for example, for the employment of family liaison officers, who support attendance at school. In the past, that might have come from other budget lines, but PEF is now being used for that, and we are seeing much more creative ways to support families. Traditionally, the school gate was, in general, quite closed to families, but it is now much more open, and PEF has helped to create more of a community approach to education.

Our learning from PEF will be fundamental in that regard, which is why the work that I spoke to in response to John Mason's question will be key to informing what comes next. We have given an assurance through the budget that SAC will continue in its current form, in order to reassure local government in relation to its funding. However, we need to evolve comes next, because schools have fundamentally changed. A large part of that shift has come post-pandemic. Schools have turned the way in which they deliver education into something that is often much more community based and involves families. We need to reflect that better in the funding that goes to schools.

George Adam: My questions seem to be linked, but it is accidental. PEF is a perfect example of the people on the ground who deliver education taking something that the Government created and turning it into something completely different. When you are considering ideas for the future about how we deal with these issues, is localising some of that on the cards?

Jenny Gilruth: Yes. PEF is very localised at the current time, because headteachers have the ultimate control over how it is spent. That has been a real positive of the way in which we have provided that funding. It has led to lots of creative interventions that I am pretty sure we would not have come up with in the Scottish Government and which I am not sure local government would have come up with, either.

PEF is employing an extra 3,000 staff in our schools, and they are not just teachers. I think that I mentioned that earlier. About 700 of them are teachers, but a number of other staff are also now employed in our schools, whether they are from the third sector, charities or other organisations. That is creating a completely different approach to

supporting families and getting kids back into school post-pandemic. Where there have been challenges, other organisations—not traditional education organisations—are able to make those interventions and cross-links to bring families into schools.

I gave the example of family liaison officers earlier, but another example that I saw—I think that I have spoken about this in the chamber—involved a morning coffee group for mums in a primary school. They come in and have a cup of tea, and it is all about supporting their mental health. On the face of it, you might look at that and think that it is not an education intervention, but it absolutely is, because those mums are now engaged in coming into school, they know each other, there is a community around them, and it is supporting better attendance in the school.

Headteachers know their schools far better than I do and, often, better than their local authorities do, so they know how to target the spending. They will be learning from the way in which we evaluate and learn from SAC—I should say that that is a matter for the next Government. However, we do not want to lose the good work that has happened under PEF. The agenda of empowering headteachers that has flowed through the approach has been key to the success that we have seen so far.

George Adam: The draft budget contains £3.5 billion for the sector. Can you give me a wee bit more detail on how that will assist in improving the pupil teacher ratio in the classroom? That has been another on-going issue over the years.

Jenny Gilruth: Yes. We have an improving picture in relation to our pupil teacher ratio. It is coming down, which is good, and that is because of the investments. We have had an increase in teacher numbers this year, as I mentioned to Mr Rennie earlier. Teacher numbers have increased in the past year by 63. I would like it to have been more, but that has improved the pupil teacher ratio and it has led to smaller class sizes in our primary schools, which is certainly to be welcomed. That has happened only as a result of us protecting funding through the budget for teacher numbers and ASN to allow local authorities to employ more staff in our schools to bring the PTR down. That has been fundamental to creating learning environments in which our young people feel supported.

When we think about the challenges in our schools, whether on attendance, behaviour or ASN, the PTR is really important. The school that I spoke about earlier, where the mums have their group, employs an extra teacher whose role involves taking out small groups of pupils to support them on additional support needs. She

takes smaller groups of three or four pupils out of class to give them targeted interventions and support.

There are lots of creative ways in which the PEF approach can adapt, and it is also helping with lowering the overall PTR, which Mr Adam asked about.

George Adam: You have mentioned ASN. In the past couple of years, my oldest granddaughter, Daisy, was diagnosed with autism. She is in a classroom that has a smaller class with some other kids. She says that I do not talk about her enough in Parliament, so I have name-checked her there. That support has made a dramatic difference to her in primary school. She is 10 years old—sorry, she just turned 11 at the end of last year.

How is the work that we are doing with ASN working out with the budget? I am talking about one school in Renfrew where the approach is working. How is the extra support that we are putting in for ASN practically working throughout the country?

Jenny Gilruth: In the budget, we have protected ASN spending. I spoke about the funding that we put in place last year, which has been replicated. That funding was targeted at specialist staff. My view was that it should be used for ASN teachers, but I do not want to direct. Some local authorities or headteachers might want to use it to employ extra speech and language therapists or extra pupil support assistants, for example. We have the second-highest level of pupil support assistants in our schools on record, which is to be welcomed. There are lots more staff in our schools now because of the protection of that budget line.

We will also look at how, through the local government allocation, we can protect funding for ASN. The latest figures on that are a little out of date—I think that they are from 2023-24. For the committee's awareness, I point out that there will be updated figures. They are reported later in the year, for reasons that I still do not understand, but that will be before the end of this parliamentary session and will give the committee more up-to-date figures. However, the spend in relation to ASN was sitting at more than £1 billion.

That is making a difference. I am very keen, though—members will have heard this in my statement to Parliament last week, which I should say was largely informed by good cross-party working on the issue—that we make sure that the funding at national level gets into our classrooms where it is needed the most. Part of that is about ring fencing and protecting funding, but it also involves looking at how we deliver ASN in our schools and what that support looks like. There will be a tailored, short and sharp review, which the Opposition asked for and which I announced

details of last week. That will be led by Janie McManus and will report before the end of this parliamentary session, which is really important.

We are also looking at the quality of data. We know that, nationally, more than 40 per cent of pupils now have an identified additional support need. When we delve into that, we find a much more complicated picture than that monolithic figure of 40 per cent might lead us to understand. We need to understand more. The figures show that those with social, behavioural and emotional issues are the largest group in the ASN measurement. We need to look again at definitions and how we target support to help provide teachers with the support that they need in schools. We also need to help provide the Government with better data on those issues, so that we can ensure that the funding that we are protecting at national level is actually meeting the needs of the pupils in our classrooms.

George Adam: Just finally, I have a statement. I get the figures that show that more and more children say that they have additional support needs. In my own wee neurodivergent family, quite a number of my grandkids are like that. According to my daughter and my wife, I have been masking for so long that I do not even know that I am masking any more. I do not know, but maybe I need to talk to someone about that. However, the issue is not new; it has always been there—it is just that we deal with it a lot better now.

Jenny Gilruth: That is absolutely the case. I was in discussions with Mr Arthur on that point yesterday, because we have a shared interest in the issue in relation to his responsibilities. We were reflecting that, when we were at school in the 1990s, there would have been pupils in the classrooms who had additional support needs. Their needs were not identified or met, and they probably left school without the support that they should have had. We are now much more attuned to additional support needs, and we need to get better at providing the support that goes along with that.

The review that Janie McManus is leading will be key to some of that work, as will the data work that I mentioned. We see variance across the country in all the categories. In November, we had a data summit at Murrayfield with local authorities, at which we looked at the variance among local authorities across the country in some of the categories. We need accurate reporting to make sure that the data that is gathered locally helps to inform funding that is targeted to need.

The final thing that I should mention on ASN is that Willie Rennie asked us for a national event. I am always keen to give Mr Rennie what he wants, as Mr Macpherson was yesterday. Therefore, we

are having a national event, to which committee members will all be invited and which will look to share best practice. Great examples of ASN support are happening across the country just now. I know that there are challenges, but it is important that we lift up that good working where it is happening and give support to the profession where it needs it.

12:15

Jackie Dunbar: I want to come in briefly on the back of George Adam's question about additional support needs and the support workers who are put in place to help children. How do we ensure that the support follows the child as they move through their educational life?

I ask that because—at this point, I will put on my hat as a former local councillor—I know that schools got additional support workers to help with children's needs, but, as the child moved up the school system, the support worker did not follow them. Does that make sense? The support worker would stay at the primary school when the child moved on to secondary school. How can we ensure that the additional support follows the child rather than staying in the school? I am keen that we ensure that the additional support that is available is used in the best way.

Jenny Gilruth: Just for clarification, are you asking about transitions between education and other things, or are you asking about ASN in school?

Jackie Dunbar: Just ASN in school. If a child had additional support needs in primary 1, a support worker might be put in to help them, but they would not necessarily follow the child when they moved into primary 2 or even when a child went into first year at the academy, with the result that new support would need to be brought in. Of course, things could have changed, because I have been away from the local authority for a while, but I sometimes felt that a child's support was left behind in primary school when the child transitioned to secondary school.

I do not know whether I am making much sense.

Jenny Gilruth: I think that I follow the point, and I will try to answer as best I can.

That goes back, in part, to the points that Mr O'Kane made earlier. We have a pretty devolved structure when it comes to the delivery of school education, with 32 local authorities doing their own thing, and the experience of young people's support for ASN will differ by local authority. It will differ by school, too, and it will depend on the staffing structure that is used.

My view—I put on record the fact that this is my view—is that we should have much greater consistency for young people and for families. As cabinet secretary, I spend too much time meeting parents and carers when things have gone wrong. I listen, I am sympathetic, and I want to fix things, but that is very difficult, because the statutory powers rest with local authorities. I do not want to prise those powers away from local authorities—that is not the point that I am making—but there needs to be greater consistency. I have made the same point about data collection, but we need greater consistency of support, too.

I have previously mentioned this in the chamber, but one of the things that we have been exploring is a national staged intervention model, which would mean that support would look the same across the country, regardless of where a pupil was educated. People could expect to get that support in a local authority and on a school-by-school basis. That would be quite a radical shift, but I think that it would give some comfort to parents and carers who far too often have to fight against systems and battle for allocations of hours when their child moves school. That is disruptive, and it is not great for the young person.

I am thinking of one of my constituents, Niamdh Braid, whom you might have read about. She took Fife Council to court in the not-too-distant past, because she was not able to obtain the legal support that she should have had for British Sign Language provision. Her mum had to take the matter all the way to the tribunal, and poor Niamdh had to give evidence at the tribunal the day before one of her exams. They came to see me, and I thought, "This is not right." That is just one example—I have had multiple examples on my desk over the past three years.

We need to think creatively, along with local government, about how to make things better. I have talked about targeted funding, but that is not how a young person with ASN should experience support. They need consistency, because that supports better outcomes for them, and it also help to support their families.

Jackie Dunbar: I am pleased to hear that. I fully understand why schools want to keep the resource that they have been given. That is a challenge, too.

Paul O'Kane: Does the cabinet secretary recognise that there is a resourcing challenge here? This brings me back to the exchange that we had on local authority budgets. I recognise a lot of what she has said about trying to get some standardisation or commonality of service, if you like, but she will recognise that local authorities often have to make decisions that are based on children having to have higher tariff needs or to be higher on a staged intervention—or STINT—scale,

for example. That is because—let us be honest—the resource is often just not there to provide more specialised support, such as individual PSAs, to pupils. She will recognise the resourcing problem that exists in that respect.

I declare an interest: I used to work for Enable Scotland, which, back in 2016 or 2017, authored a report on the presumption of mainstreaming and the 22 steps to inclusion that would be required. I recall John Swinney embracing that report at the time and saying that the Government would take action on a number of its recommendations, which cover what we are discussing today.

That has not happened. Do you have any reflections on that, given how long your party has been in government?

Jenny Gilruth: On the point about resourcing, I very much agree with Mr O’Kane. As the committee will recall, last year Audit Scotland published a report that talked about the issue in a lot more detail and about the lack of data that we have on ASN resourcing at a national and local level.

I would like to know that the £1 billion of spend that is going to ASN just now is going to our classrooms and is going into supporting the young people Ms Dunbar just spoke about, but we do not have clarity on that. We are undertaking a piece of work in that regard to follow the money, to ensure that the funding that I protected in the budget last year and again this year—the additional investment for ASN on top of that £1 billion—is making its way into classrooms, where it is needed most.

We also need to have creative conversations about how we resource our schools, because the ASN numbers are growing every year. It is important that we have an inclusive education system in Scotland, and I agree with Mr O’Kane’s points about resourcing, but this cannot be just about education. We must look more broadly at all the issues that Mr Mason raised in relation to cross-portfolio spend. We need to look at the role of health and the role of other parts of Government in that regard. That is why the work that John Wilson is taking forward, which looks at those issues in the round, will be fundamental, to my mind.

Janie McManus’s review is now under way. If Mr O’Kane and other committee members have firm views on the subject, I encourage them to meet Janie McManus to make known their views. As I mentioned in my statement last week, contact has been made with her to arrange a round-table discussion to ensure that she is cognisant of all members’ views on the topic. That ask came from a cross-party meeting that we had last year. I agree with Mr O’Kane in that regard.

Finally, I agree on the issue of extra resource, but from where in the budget should it come? The Government has set out its draft budget, but I have to ask that question. If they want more resource, I would like to hear from other parties where that should come from. We are putting in significant additionality in relation to ASN—we put in £1 billion in 2023-24, there is the extra funding that we have protected in the budget this year, and we have provided funding for pupil support assistants and for our specialist schools—but I do not see a credible path from any of the Opposition parties at the current time in relation to ASN. However, I am more than happy to consider that, because I agree with the points that Mr O’Kane has made.

Paul O’Kane: The cabinet secretary perhaps did not pick up on my point that, 10 years ago, in the previous session of Parliament, organisations were making the same points, particularly around data and around what we do not know.

I appreciate that the cabinet secretary said earlier that she does not want to be bound by the decisions of her predecessors, but what has the Government been doing? We are now, at the end of this session of Parliament, talking about collecting data and reviewing much of the provision, but such calls have been made for 10 years or more.

Jenny Gilruth: We need to be mindful, though, of the fact that, 10 years ago, the percentage of ASN pupils in our schools was far smaller than it is today, so I am not necessarily sure that we can make such comparisons, given that the data at that time—

Paul O’Kane: Would the cabinet secretary accept that, with the presumption to mainstream, people were ringing alarm bells about their concerns about inclusion and making sure that young people were properly included?

Jenny Gilruth: Yes, but if you look at the numbers, you will see that there are certain spikes that change when we look at the definitions. We broadened the definitions, which created some of that shift, but the pandemic also had an impact in that regard. I see that Alison Taylor is nodding at me in relation to the historical work, so I will bring her in.

Alison Taylor (Scottish Government): If we go back to 2010—this might be in the cabinet secretary’s mind—as you are reflecting, before the current legislation was implemented, the proportion of children with additional support needs registered at about 10 per cent, and now, of course, it is over 40 per cent. That speaks to the cabinet secretary’s point about the growth in the number of older children in particular with social, emotional and behavioural needs.

The complex work that we have planned to look at what lies beneath the variation in data and the different categories that apply will give us a good point from which to understand better where the pressure points are and where the variations in service lie.

Miles Briggs: I will carry on the questioning on the same issue, because it is important. I welcome the fact that the Government has accepted the Conservative debate, which secured the review, and I genuinely hope that the Government tries to make progress on the issue.

The Morgan review, the remit of which did not include resourcing, and the Scottish Government's establishment of the multi-agency project board in 2022 have not delivered some of the outcomes that we hoped for. I am increasingly concerned, because when I meet teachers and parents to discuss what is happening in classrooms, I hear that more medical interventions are taking place in schools than ever before. We need to be honest about that.

There is no adult pathway for an assessment for autism or ADHD in Scotland, and there is no longer one for children and young people. A connection does not seem to be being made between what is going on in our schools, where our young people are, and the Government's health offering, which it has now taken away. I have raised the issue several times, but I have not had any acknowledgement or understanding from the First Minister or ministers that that puts parents and teachers in a really difficult position.

We are saying, "You don't need a diagnosis—everyone in the classroom will be treated the same way." Parents then go private for an assessment—I do casework on this every week—but that is not recognised by the school, and it is certainly not recognised by the general practitioner if meds are involved, with the result that continuing care is not provided. I do not know who is responsible for that, because it sits in the mental health portfolio, not education, but there is a complete breakdown in communication between departments, even though we expect schools to do something different for those young people.

I genuinely hope that the review can drag health ministers into this space, because there should be a cross-portfolio opportunity—it does not matter what lanyard people wear—to bring national health service staff into schools to do assessments, one day a week. That is an example of a solution. It seems impossible to get ministers to acknowledge that we have made the system even worse than it was before. I am concerned that child and adolescent mental health services now write people off, rather than embracing a different approach, which is what is needed. There is a lot

of cross-party consensus on that, but we are where we are now that that support has been switched off.

Jenny Gilruth: To echo Mr Briggs's point, there is a lot of cross-party consensus on this, and I agree with a number of his points. I think that Angela Morgan reported in 2020, just before lockdown. Things have changed so much in our schools since then, to the extent that it has been very difficult for some of our pupils with additional support needs to return to school. When they have been able to do so, their experience of education has been turned on its head, which has led to complicated and often time-consuming interventions being put in place by very patient headteachers, who work with families over months, if not years, to ensure that the right educational provision is available for their young people. I recognise that.

In response to Mr Briggs's points on health and education, I note that Roz McCall asked me a question on that issue following my statement last week. I caught up with her afterwards and made it clear that I am keen to pursue the matter further.

To give some reassurance, when Maree Todd was Minister for Social Care, Mental Wellbeing and Sport, I engaged with her extensively on the learning disabilities, autism and neurodivergence bill. For all the reasons that Mr Briggs has enunciated today, I wanted to ensure that there was a coherent read-across on how we support ASN in schools and what the provision looks like in our health system. I accept that there is a silo, but we are committed to the LDAN bill, which Tom Arthur is working on. I alluded to the fact that we had a brief discussion about that yesterday, at the back of the chamber, but we will have a more formal discussion about it with our officials.

My officials were very involved in the work with health officials to reach a shared understanding on how we meet additional support needs. We should stop creating new pathways or new ways for people to find support, because the current arrangements are very confusing for families. The way that people access support through healthcare services will look different from how they access support in school education. A much more coherent approach needs to be taken. I like Mr Briggs's suggestion of bringing health professionals into our schools, and I will certainly take that away from today's meeting and mention it in my conversations with Neil Gray. Some of our schools share locations with health services, which can work well, depending on the school.

I think that I made the point to Mr Mason or Mr O'Kane that that speaks to some of the wider work that John Wilson is looking at. Our schools now meet needs that are not purely educational, so

looking at co-locating services must be part of the solution. On top of that, it will bring additional budget.

Natalie Don-Innes wants to come in.

Natalie Don-Innes: Some of that fits into the transition space as well. I would like to talk about that, because it comes back to the discussion about prevention. If we do not support children in school but support them only when they reach adulthood, that is a reactive rather than a preventative approach. We need to ensure that support is in place in schools.

12:30

The aim of the national transitions plan is that every young disabled person feels ready and supported to enter adulthood. A lot of the discussion around that has been about when we start talking about such transitions. Obviously, moving from school to the point after school—for example, further education—is important. However, it is also legitimate to discuss the transition between primary and high school. It is key in this space that we think about the child's plans and the discussions that will take place to bolster and support children through the transitions.

What is also key—this is an issue that Mr Briggs and I have discussed at length—is that children's services and adult services talk to one another. We know that there are issues and inconsistencies across Scotland in relation to that, which the legislation that I have introduced intends to combat.

Miles Briggs: Finally, the fact that the LDAN bill has not progressed has been problematic as we try to resolve matters. Likewise, our colleague Pam Duncan-Glancy's bill could have made a difference in this space.

On Friday, I visited Scottish Autism's one-stop shop in Kirkcaldy, which is a great resource for Fife members. Many families are now accessing it for advocacy work, which shows where the system is not necessarily working for them and their children.

I hope—maybe the minister can take this away—that, when the short, sharp review is done, health ministers can be involved in the process, because they should be taking on that learning. The review could perhaps look to make some recommendations about national health service staffing and work in schools. In some places, the system is working well, but it depends on the health board and whether it wants to embrace some of the reforms.

Jenny Gilruth: Mr Briggs makes a really interesting point. I am conscious that Ms McManus

has about 10 weeks to get her report to me, so I encourage Mr Briggs and others to engage with her directly on those points. I will take away the suggestion about engagement with health ministers, because I think that it is an important one.

To go back to one of the points that Mr Briggs made about the Morgan review, substantive action came from that review. Mr Briggs might not think that it goes far enough, but a number of different actions were identified through the ASL action plan, and we will provide an update on that—I think—before the end of the session. I see Alison Taylor confirming that. Part of that work was about better communication.

On the point that Mr Briggs made about the organisation in Kirkcaldy, very often, in my experience, parents are not aware of their rights. That is one of the reasons why we fund Enquire, which is a national parents advocacy service that gives advice and guidance to parents and carers in relation to ASN. We will continue that funding through the budget, but it is an important point in relation to the action that has been taken throughout the course of this session of Parliament.

Paul McLennan (East Lothian) (SNP): Before I get on to my questions, I will comment on the point that Miles Briggs made. The Equalities, Human Rights and Civil Justice Committee is doing an inquiry just now into neurodivergence. We had some parents in yesterday, and one of the issues that they were talking about was cross-agency support. The Royal College of Psychiatrists paper, which colleagues have probably seen, is very supportive of such support. Cabinet secretary, you mentioned the important issue of parents' awareness, both of what is actually available and of their human rights. The committee will be reporting back on that. We must recognise the importance of health and where education sits in that regard.

I will talk about some broader issues. We are obviously getting close to an election—we can see that from the questioning today, which is what I would expect from Opposition colleagues. However, there are a couple of key things for me, and one is the context. We talked about difference that free tuition makes, and that is really important. We talked about child poverty, and we have the lowest rate in the UK, which is also really important. Another key thing for me is early learning, which we talked about earlier. I think that the funded hours are equivalent to around £6,000 per child. I remember my kids, who are now 32 and 28, having to go through that challenge with their kids, when nothing was available. It was really tough for a lot of families then, so the funded hours make a real difference.

There are two key points for me. One is what the budget does to expand early learning, which is incredibly important. It is still an issue that I hear about from constituents. The second point, which quite a few people have touched on today, is what the budget is doing in relation to whole family support more broadly. I know that there is a crossover with other budgets, but what are we doing with regard to whole family support?

We are talking about additional support needs for children, which impacts on families and the family dynamic. It is about early learning, but it is also about whole family support. I will come to the Minister for Children, Young People and The Promise first.

Natalie Don-Innes: There are quite a lot of points in there, so remind me if I do not manage to cover everything.

As I have already set out to Mr Rennie, we have protected £1 billion in the budget to ensure that we can continue that 1,140 ELC offer, and Mr McLennan is right that that saves families more than £6,000 a year.

I have already spoken about the additionalities of the breakfast clubs and wraparound school care, but we continue to expand childcare in a number of ways, as well as taking the necessary time to understand what families need. That takes us directly to the work that is under way in the childcare early adopter communities, which support more than 20 communities. Different approaches are being taken in those areas, depending on locality, because we know that those local areas know what their families need most. For example, some areas are taking an approach that focuses on providing childcare for younger children, and some are taking an approach that is trying to increase benefit maximisation. We know that the universal credit childcare element and the tax-free childcare element are extremely underutilised. In some of those areas, there has been a real focus on trying to get more families signed up to the money that they are entitled to receive. It is important to look to that wider childcare offer and, as I said, a number of different approaches are under way in the early adopter communities.

Mr McLennan will be aware that we have ensured another £50 million in the budget for whole family wellbeing funding, in addition to £50 million for whole family support. That relates the First Minister's priority of providing wraparound support for families in their local areas. I am confident that it all comes back to the prevention agenda that we have been discussing all morning; I am confident, too, that we are investing in the right ways. The ELC policy is a preventative move to provide young children with the early learning

that they need and ensure that families can take up employment opportunities.

There are a number of other aspects to whole family wellbeing, such as the investment of more than £100 million, which is a really positive move.

Paul McLennan: There was a commitment to spend £500 million on whole family wellbeing and I know that that has not been fully spent. I also know that East Lothian was one of the recipients of the funding. What lessons about the whole family wellbeing fund can you take into the next session of Parliament? That is a key aspect of understanding why the budget has not been spent. Are there opportunities to say what lessons we will learn in taking the work forward?

Natalie Don-Innes: I do not want to take anything away from anyone. There was real ambition with the whole family wellbeing programme. I have said to the committee previously that transformational change takes time, and perhaps the level of local change that would be required was not understood. Whole family wellbeing funding is being routed directly to enable children's services planning partnerships to break down barriers and work with other organisations in order to take a whole family, multisystem approach.

You asked about lessons, and I know that other members of the committee have expressed concern about the £500 million that was announced and the spend that is being utilised every year. Spending is at the pace of what the CSPPs are able to spend. It is not that we are drawing back from that commitment in any way; it is just that we are going at the pace that CSPPs are able to go on the ground.

Over and above the element 1 funding that goes directly to CSPPs, we have element 3 funding, which is a cross-Scottish Government approach to embed system change in local organisations. I am committed to continuing that. There are various aspects to whole family wellbeing funding, but I would say that it is having real impact. We can see transformation happening, but it does not happen overnight.

Paul McLennan: You talked about the element 3 funding, and I know that East Lothian and Midlothian have received some of that funding. In the discussions that I have had with families and the council, I have heard that it has made a real difference, and I can see the benefits that are coming down.

My final question, which is also for Ms Don-Innes, is on the Promise. Obviously, the Children (Care, Care Experience and Services Planning) (Scotland) Bill—the Promise bill—is progressing, but what is the budget doing to pick up some of the

key issues? What does the budget deliver for our delivery of the Promise?

Natalie Don-Innes: We are doing a number of things in that respect. The budget directly responds to many of our priorities in the Promise. We have discussed whole family wellbeing funding, and we will establish a care leaver payment this year, which will go a long way towards improving transitions into accommodation for care leavers. We are furthering our investment in the secure care estate. That investment funds not only additional beds and remand places, but adaptations and progress in relation to some of the difficulties that we experienced with capacity last year, which, thankfully, we have not seen in recent months. I have spoken about the continuation of funding for the bairns' hoose, which is making transformational changes for young people who are involved in the justice system and young victims. Those are just a few of the things that we are doing, on top of what is already being spent to deliver the Promise, which shows the priority that the Government is giving the issue and its continued commitment to it.

We also have funding in relation to the Promise bill. Should it be passed, that funding will grow in future years, as the provisions are brought in. I have been clear that, although they are not directly related to spending on the Promise spending, many of the interventions that we are taking across education fit with our aims to deliver on the Promise and to tackle poverty. The things that I have outlined are on top of what is already under way.

Ross Greer: We have discussed previously the point that I want to raise, and I have certainly discussed it with the Cabinet Secretary for Finance and Local Government. It is about the in-year path to balance exercises—the savings that need to be made in-year because we have a relatively fixed budget but still need to achieve balance at the end of the year when things have happened, such as pay deals, inflation and so on.

For quite a while now, I have been concerned that education and health take a disproportionate share of the burden for path to balance. Health makes up nearly half of the budget overall, so it cannot get out of playing a role in path to balance. However, it seems to me that, year on year, education sustains substantial in-year cuts because it is an area where spending is not as fixed as it is in justice, for example. Once money is allocated to justice at the start of the year, it is very hard to stop or reallocate that spend.

I accept and recognise collective responsibility and do not expect you to disclose the details of direct conversations, cabinet secretary, but has path to balance and making sure that in-year

savings exercises are shared proportionately across portfolios been a topic of discussion among the Cabinet?

Jenny Gilruth: I need to be careful because, obviously, I cannot disclose the nature of Cabinet discussions. We are all bound by collective responsibility, and it is fair to say that we all take our share of the pain. Mr Greer is right that much of the spend in my portfolio is not legally committed. The issue that we have come up against in recent years when we have had to make in-year savings as a result of, for example, pay deals or other things that have happened in the course of the year—

Ross Greer: You can get in one last mention of the Liz Truss budget before the meeting ends.

Jenny Gilruth: I do not know—it did not seem to go down very well with Miles Briggs or the convener, so I will maybe not mention it again.

It is important to say that we have more options in education. The question for ministers and for me is whether they are politically palatable. The funding for teacher numbers is a good example of spend that is not legally committed. That extra funding of £145 million, which has now been uprated, was not legally committed, but I was pretty adamant that it was not being taken off the table, although it could have been.

As a Government, we need to take political decisions that say something about our priorities. For us, investing in education is important. I take Mr Greer's point about the share of some of the reductions. He mentioned the origin of some of the reductions, so I do not need to go back over that ground. It is fair to say that it has been a challenging time in that regard, but we are now coming out of that, and I think that we have a strong settlement this year.

We have additionality for colleges, which is welcome, and I know that Mr Greer will welcome it. We have funding for breakfast clubs and wraparound childcare. We have funding that we have not touched on today in relation to free school meals. The changes relating to the administrative earnings threshold and pension credits are opening up more pathways for children and young people to access free school meals. That is really important work, and it is happening now.

Ross Greer: On the process around path to balance, is it the case that, in essence, you are told how much you have to save, or is there a Cabinet-wide discussion about the total deficit and how that can be shared between you? I am trying to understand the extent to which—

12:45

Jenny Gilruth: I am close to disclosing Cabinet conversations that I do not think I am able to disclose, but it is fair to say that, in general terms, we all take a collective role in that regard. We collectively agree things at Cabinet and we take our share of the associated challenge in that regard. That is a bit of a politician's answer, for which I apologise, but—

Ross Greer: I appreciate the constraints of collective responsibility. I have raised this with the Cabinet Secretary for Finance and Local Government already, and I will raise it with her again because how the process is administered is primarily an issue for that portfolio. I was keen to hear from someone who is at the receiving end of a lot of this about how it feels from the perspective of portfolios that money is being taken from. However, I accept the constraints. Thanks.

The Convener: I have one final area that I want to look at. Are you aware, cabinet secretary, of the group Scottish Professionals Advising on Gender?

Jenny Gilruth: I do not think that I am, convener.

The Convener: Oh, is that right? The group wrote to you on 8 July and 17 October, and again last month. It has always received an acknowledgement from you and never a substantive response. It has now taken to writing to this committee.

Jenny Gilruth: I am very surprised to hear that, convener. Let me check with my private office. I last looked in my inbox last night, when Mr Macpherson was delivering the stage 3 debate on the Tertiary Education and Training (Funding and Governance) (Scotland) Bill, and there were four items in my correspondence box, none of which was from that organisation. Let me pick up with officials what has happened, as I am not sighted on that.

The Convener: The group has written to us as a committee because it is not getting any response from you. As I say, it is not just recent correspondence from last night's inbox but correspondence from 8 July and 17 October and, when I spoke to the group, it told me that it had also written to you last month. The group gets an acknowledgement, so it is going into the system somewhere, but nothing is coming back out.

Jenny Gilruth: Okay. Let me find out and come back to you on that.

The Convener: The group has not had any correspondence from you and it would like a meeting with you. Given that the group has not had any response, would you be willing to meet with it, first of all?

Jenny Gilruth: Convener, I have not even seen the correspondence in question.

The Convener: But it is a group of Scottish professionals advising on gender—you would not have any objection to meeting with it.

Jenny Gilruth: Convener, I am sorry, but we are not going to have a diary conversation today. I would like to look at the correspondence first. It has not come to me, so please let me read it in the first instance and come back to you and, more importantly, get back to those stakeholders, because they should have received a response.

The Convener: Well, I agree with that last point. Since they have not met you, they are asking us about funding going to groups such as LGBT Youth Scotland and their concerns about some of the materials that that group uses. They want to know whether you are happy with the funding that is going from the Scottish Government to LGBT Youth Scotland, given what it is outlining in schools to children and young people.

Jenny Gilruth: I do not think that any funding comes from education to LGBT Youth Scotland—Alison Taylor or Clare Hicks will correct me if I am wrong—

The Convener: You have just had a discussion with Mr Greer about your collective responsibility—

Jenny Gilruth: I think that it comes from equalities.

The Convener: But there is collective responsibility on the part of all Government ministers.

Jenny Gilruth: Absolutely, but—

The Convener: So are you concerned about funding that goes from anywhere in the Scottish Government to an organisation that some professionals have concerns about in relation to what the organisation is saying to children and young people, which is within your remit and the committee's remit?

Jenny Gilruth: I accept that point about remit, convener, but I would like to look at the correspondence in question. You have mentioned on a number of occasions the correspondence from the group that has apparently come to my office, which I do not have and which is not sitting in my inbox. Forgive me, but would you please allow me to at least look at the correspondence before I respond to you? It would be remiss of me not to look at the detail of what is being put to me, and today is the first time that it has been put to me.

The Convener: I will reluctantly accept that response at this time. If you have not seen the

multiple letters that have been addressed directly, perhaps Ms Don-Innes has some information on the matter.

Natalie Don-Innes: No, I do not. I believe that we would need to see what has been proposed as unacceptable before we could make any comment on whether we agree or disagree. I agree with the cabinet secretary on that.

The Convener: Even without the correspondence—whether those letters have gone in and have been lost or have been ignored—there are still questions that I could ask, but we are very late on in the meeting and I cannot see me getting anywhere on the issue now. Rest assured, cabinet secretary—I think that we will have to come back to this, given my serious concerns about the correspondence being unresponded to. We as a committee have now been asked about the matter, so that is why I am raising it today.

Jenny Gilruth: Understood.

The Convener: If we are not going to get any further on that now, I ask for a commitment from the cabinet secretary that we will hear back from her on the correspondence, as a matter of urgency, because the committee does not have long left.

Jenny Gilruth: Absolutely.

The Convener: I thank the cabinet secretary, ministers and officials for their time today. The committee will now move into private session.

12:49

Meeting continued in private until 13:10.

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