

RENEWING SCOTLAND:
THE GOVERNMENT'S PROGRAMME
FOR SCOTLAND 2011-2012



RENEWING SCOTLAND: THE GOVERNMENT'S PROGRAMME FOR SCOTLAND 2011-2012

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CONTENTS

Page 2:	Foreword by the First Minister
Page 5:	Key Commitments
Page 8:	Chapter 1 Purpose and Vision
Page 11:	Chapter 2 Accelerating Economic Recovery
Page 18:	Chapter 3 A Wealthier and Fairer Scotland
Page 28:	Chapter 4 A Smarter Scotland
Page 34:	Chapter 5 A Healthier Scotland
Page 40:	Chapter 6 A Safer and Stronger Scotland
Page 46:	Chapter 7 A Greener Scotland
Page 51:	Chapter 8 Better Public Services
Page 57:	Annex A Legislative Programme

FOREWORD BY THE FIRST MINISTER



1. Since we first formed a minority administration in May 2007 we have been working hard to provide an ambitious, competent, and united government for Scotland. The Scottish people placed their trust in us again in May and we are determined that over these next five years we repay that trust and take our nation forward.
2. In this Programme for Government we set out the steps we will take in the year ahead as we deliver on our commitment to make Scotland better. During the election we said securing and creating jobs would be at the heart of our plans. We spoke of new opportunities for young Scots and a determination to make our nation fairer. Those ambitions are reflected in these plans for our first year as a majority Scottish Government.
3. The overarching Purpose of this Government remains unchanged. We will focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.
4. Accelerating the economic recovery and securing jobs for our people is our immediate task. Our people remain our greatest asset and we will produce measures aimed in particular at helping young Scots to ensure they have guaranteed opportunities for education and training as they take their first steps to build a life, a family and a future. We will take forward with focus and determination our plan to secure Scotland's economic recovery and will champion the transition to a low carbon economy to ensure Scotland seizes our unique opportunity to become a world leader in renewable technologies.
5. We are committed to a 'Social Wage' for Scots – helped in great part by our decision to freeze council tax and by meeting our commitments on no bridge tolls and free concessionary travel, prescription charges and personal care. We will keep university education free for Scottish students so that access to higher education is based on the ability to learn, not the ability to pay.
6. Our approach is based on continuing to do the job of government well. During this Parliamentary session we will introduce legislation on minimum pricing for alcohol, for the reform of police and fire services, for tackling sectarianism and for implementing self-directed social care. In response to the Christie Commission's recommendations, we will reform our public services with a decisive shift towards prevention, partnership working, effective leadership and transparency around performance.

7. Our approach to Government is inclusive and based on engagement. We should all have the opportunity to shape our future, and we will reflect this in the way we shape our services. Ours is a diverse nation of abundant talent and a history famed for innovation and creativity. We will foster those approaches in business and in society, including in our public services – developing the capabilities of public servants to match their commitment.
8. Scotland has elected to choose the future it wants and to forge its own path as a responsible nation. Our national ambitions are held back by constitutional constraints. The case to remove these constraints is irresistible and, given the record of this government, we know we could do even more with the full range of powers and levers available to a modern state. We will press the UK Government hard on the provisions of the Scotland Bill, securing the best possible outcome for Scotland with a devolved Government. But we strongly believe that the case for independence is overwhelming and rests in our capacity to build a better society and a stronger economy.
9. Scotland faces a number of challenges as we move forward – but also opportunities. This Programme for Government is ambitious for Scotland and is designed to make the most of our resources and opportunities. I believe the people and the Parliament stand ready to work together to address the challenges and make the right choices to change Scotland for the better.

A handwritten signature in black ink, appearing to read 'Alex Salmond', with a small mark at the end of the line.

The Rt. Hon. Alex Salmond MSP

The First Minister of Scotland

KEY COMMITMENTS

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Sustainable Economic Growth

1. We will implement our **Plan for Recovery** for the Scottish economy – focusing on jobs, capital investment, access to finance and enhanced economic performance.
2. We are committed to ensuring the **Transition to a Low Carbon Economy** – with targeted investment in renewable energy as key to economic recovery.
3. Helping young people into jobs is one of our key priorities. That is why **we will guarantee all 16-19 year olds a learning or training opportunity.**

Protecting Family Budgets

4. We will deliver the '**Social Wage**' by freezing council tax and meeting our commitments to no bridge tolls and free concessionary travel, prescription charges and personal care.

Scotland's Future

5. We will give the Scottish people the opportunity to decide our nation's future in an **independence referendum** in the second half of this Parliamentary session.

Reforming our Public Services

6. In response to the **Christie Commission's recommendations**, we will reform our public services with a decisive shift towards prevention, greater collaboration, partnership working, transparency and workforce development. We will bring forward legislation to establish **single national services for police and fire & rescue.**

A Wealthier and Fairer Scotland

7. We are committed to increasing the supply of housing across all tenures. We will bring forward legislation to help ensure that housing, and funding for housing, are used more efficiently in Scotland through the **Council Tax Levy (Charge on Empty Houses) Bill.**

A Smarter Scotland

8. We will reform the post-16 learning landscape and our student support systems. To that end, we will publish a **Pre-legislative Paper on Post-16 Education.** We will maintain our commitment to free higher education.

A Healthier Scotland

9. We will **protect resource health spending in the NHS budget** in Scotland. We will also: introduce a Bill on **Alcohol Minimum Pricing** to help reduce the impact of alcohol misuse; improve the **early detection of cancer**; and ensure the provision of targeted

assistance through the **Social Care (Self-directed Support) (Scotland) Bill**, placing greater responsibility and control in the hands of citizens.

A Safer Scotland

10. We will bring forward a radical reform of the courts and tribunals systems under the **'Making Justice Work' programme**.

11. We will make Scotland a safer country by rolling out across Scotland the **No Knives, Better Lives programme** and continue to progress the **Offensive Behaviour at Football and Threatening Communications (Scotland) Bill** to crack down on violent and bigoted behaviour.

A Greener Scotland

12. We will continue to drive action to achieve our ambitious emissions targets. We will continue to deliver the **Climate Challenge Fund**, with an enhanced level of funding and the development of the **Junior Climate Change Fund**. We will continue to make the most of our **natural resources** using them sustainably.

CHAPTER 1: PURPOSE AND VISION

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1. The May election was a resounding call to consider a new future for Scotland. In this Parliamentary session, our goal is to engage the people of Scotland; creating an agreed agenda on how Scotland can become a better nation.
2. Our shared endeavour will be to create a more successful country, with opportunities for all. We have captured this in our Purpose statement:

To focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.

3. At this stage of the economic cycle, securing sustained economic recovery is fundamental. In such difficult economic conditions, the priority is to stimulate new economic activity and job creation.
4. The Spending Review will give clear priority to directing our efforts toward accelerating economic recovery, protecting jobs and establishing the foundations for sustainable long-term economic growth.
5. We will reiterate through the Spending Review our commitment to the world-leading ambition of our climate change targets, the prioritisation of renewable energy, and our low carbon policies.
6. We will make full use of the powers granted to the Scottish Parliament, but more is required. We will continue to press the UK Government to secure the best outcome for Scotland and to take urgent action on capital investment, access to finance and enhancing economic confidence. The case is now clearer than ever that Scotland requires full freedom and powers to grow its economy and generate new jobs.
7. Scotland's greatest asset is its people. Throughout history, Scots have demonstrated their capacity for creativity, ingenuity and resilience. A modern Scotland must build on this rich tradition of innovation. We will invest in our children, young people and workforce. With this investment, we will rebuild and reinforce Scotland's vibrant communities, our thriving businesses and our world-class public services.
8. In the global economy, Scotland's competitive position rests on continued improvement in education, training and research. We will ensure our businesses and public institutions can draw on top-class talent. We will supply the world's best engineers, scientists and technologists - maintaining our reputation as a nation of leaders with an outward focus and a visionary approach. We will bring creativity and innovation back to the heart of the Scottish way of life – in our schools, colleges and universities, in our public services, and in our communities, including prosperous and empowered rural communities.

We will build a shared vision of Scotland's future

9. The duty of this government is to lead and provide strong stewardship of Scotland's interests and all governments also have a duty to listen to their people and build a shared vision of their future. We will therefore explore and define a new path with the

Scottish people, acting with humility throughout. We will begin a mission to provide five million people with a platform to come to a shared understanding of Scotland's future, to plan their desired path, and to set off on a journey together.

10. This Parliamentary session heralds the opportunity to define a new constitutional future for Scotland.
11. Our immediate constitutional priority is to press the UK Government to improve the provisions of the Scotland Bill. The UK Government has presented income tax proposals that, in their current form, pose a significant risk of prejudice to Scotland's public finances and the interests of Scotland. As it stands, the Scotland Bill provides no meaningful economic levers to help promote economic development in Scotland. A stronger Scotland Bill, stripped of its flaws and devolving more economic powers – such as corporation tax and capital borrowing powers – would make a difference to Scotland.
12. The current debate over the provisions of the Scotland Bill will always fall short of the ambition we, and the people of Scotland, have for this country. The extent to which Scotland can control its own fortunes will determine the prospects for our children, jobs and communities. The vision of this government is more vital and compelling than the parameters of the current constitutional debate. We will put a new vision of a Scotland with full control over its own affairs, to the people in a referendum later in this Parliamentary session.

We will continue to deliver

13. In the last Parliament, Scotland faced unprecedented challenges. But we have consistently defended Scotland's interests with conviction, plotting a safe course through troubled waters. Competence is now a hard-earned attribute of this government and economic competence is a prized quality of this government.
14. Unnecessary burdens on the people and communities of Scotland impact on their ability to flourish. We will continue to protect people and families during these difficult times, doing the hard job of government well. That is why we have: frozen council tax; maintained free personal care for the elderly; delivered free prescription charges; guaranteed no tuition fees for Scots; and balanced the budget. This is the Scottish Social Wage – and it is our commitment to all Scots.

We will drive change

15. Competent government is the bedrock of our future success, but the Scottish tradition has always been to find the boldest, most creative solutions.
16. The forthcoming Parliamentary session will see an ambitious programme of change and reform, which reaches into every part of government and society. At its heart are four themes: prevention, place, workforce development, and performance.
17. Our vision encompasses a Scotland where people collaborate; creating a new social partnership, with Scots empowered to take responsibility for improving their own lives. This requires the creation of a renewed sense of community and personal responsibility, maximising the opportunities presented by our greatest asset – our people.

CHAPTER 2: ACCELERATING ECONOMIC RECOVERY

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1. When this government was first elected in 2007, we established as our overarching Purpose an ambition to deliver faster sustainable economic growth with opportunities for all of Scotland to flourish. This remains the central Purpose to which all our activities are targeted.

Developments since 2007

2. Global economic conditions have changed markedly, with the deepest worldwide recession in over 50 years. The financial climate has also changed significantly, with the Scottish Budget now subject to a period of sustained and unprecedented cuts over the next few years.
3. At the first signs of the downturn, we responded by launching a detailed **Economic Recovery Plan** which protected jobs and supported the Scottish economy at its most difficult time.
4. Our actions helped to steer Scotland through the worst effects of the global financial crisis and ensured that our recession was both shorter and shallower than in the UK. Scotland's employment rate is now the highest of any UK nation, while we also have lower unemployment and lower inactivity than the UK as a whole.
5. Since 2007, we have taken forward a range of initiatives to ensure that Scotland is well placed to take advantage of new opportunities as the recovery gains traction.
6. We have:
 - Delivered the **small business bonus scheme** which has removed or reduced the rates burden for tens of thousands of business properties across Scotland;
 - Supported jobs directly, particularly in the construction sector, through our programme of record **infrastructure investment**. For example we have delivered the **Airdrie-Bathgate Rail Link Project**, the **M74 Completion Project** and the **M80 Steps to Hags** upgrade. We are delivering projects on time and on budget;
 - Frozen the **council tax** to help boost household incomes, against a backdrop of rising inflation and increasing UK Government taxes;
 - Provided over **300,000 training opportunities** – a figure which includes a record **25,000 Modern Apprenticeships** this year;
 - Worked with our partners in local government to help modernise the **planning process** to promote economic development and protect the quality of Scotland's natural and built environment;
 - Supported the activities of our **enterprise agencies** to assist business start-ups and provide new opportunities for existing businesses to grow; and,
 - Overachieved on our **efficiency targets**, securing an extra £700 million over the years 2008-10, which have been recycled to support public services and investment in the economy.

Securing Economic Recovery

7. As we look forward, it is clear that global economic conditions remain challenging and the impact of the financial crisis will resonate for a number of years to come.
8. Our **top priority** is therefore accelerating the recovery, boosting jobs and promoting economic security. We will respond flexibly to new pressures as they emerge and tackle remaining obstacles to growth.
9. Scotland's greatest asset is its people and our competitive position in the global economy rests on continued improvement in education, training and research. Our forthcoming *Spending Review* and *Government Economic Strategy* will set out in detail the measures that we will take to accelerate Scotland's recovery and build the foundations for long-term economic prosperity.

Plan for Recovery

Recent economic data indicates that the global economic recovery is fragile. Economic uncertainty is acting to dampen growth, while a lack of investment in the world's major economies is limiting job prospects.

In the UK, forecasts for the recovery have been revised down consistently over the last year. The Scottish Government has been clear, since the very first signs of a slowdown in growth prospects, that action is needed in three priority areas.

Firstly, *capital investment* is key to economic recovery. Investment is usually one of the first elements of the economy to contract during a recession. However, it is also vital to growth because it provides a timely boost to economic activity and jobs and it creates a legacy of assets which can have long-lasting economic benefits. We have been clear that the significant cuts to the Scottish Government budget are too far and too fast. In particular, capital spending must be supported given its importance to the economy and links to future tax revenues.

Secondly, securing *affordable finance* remains a considerable challenge and further action is needed to ensure that viable businesses have access to the funding they require to grow and support jobs. The recovery is being held back by limited private sector investment. Evidence shows that while many large companies have significant cash holdings or can access capital markets directly, for most small and medium sized companies bank lending remains the key source of finance. Unblocking this is key to helping the recovery gain traction.

Thirdly, to combat the uncertainty that is facing households and businesses, we need action to provide greater economic security and protection, as far as possible, from rising prices.

10. Many of the key levers to protect the economy in the face of ongoing uncertainty are reserved to Westminster. We have urged the UK Chancellor to take decisive action to protect the recovery and jobs.
11. However, within the constraints of the current devolution settlement, we are doing everything possible to promote growth through the three priority areas set out above.

12. Firstly and within our fixed spending envelope, we are prioritising our spend on *capital* to maximise the stimulus to the economy and to support jobs. The benefits of a targeted programme of cost effective public investment are clear. Our decision to accelerate public sector capital investment at the height of the recession was a considerable success, with growth in construction jobs of 11.6% over the year to Q1 2011 compared to a fall of 0.2% in the UK as a whole over the same period.
13. We will also look to maximise all available opportunities to boost investment in Scotland's economy at this time. This will include delivering our £2.5 billion programme of **Non-Profit Distribution investment** and seeking to leverage in new investment from innovative measures such as Tax Incremental Financing, the National Housing Trust and the JESSICA Fund.
14. Secondly, on **access to finance**, we are seeking to address constraints in the supply of finance – particularly for our small and medium sized firms – by working with the banks to improve supply where this is a barrier, and providing advisory support to help companies improve their chances of securing funding. Alongside this, the **Scottish Investment Bank** will continue to support, with private sector partners, early stage innovative technology based businesses, and growth and exporting companies.
15. Thirdly, we are helping to ease uncertainty and promote economic confidence through our policy of **no-compulsory redundancies**. In the Spring of this year, we announced an extension of our commitment to no-compulsory redundancies to March 2012 for the 30,000 staff governed by our pay agreement. Following the election in May, we have been able to extend this commitment to the NHS in Scotland.
16. Unnecessary burdens on the people and communities of Scotland impact on their ability to flourish. We will continue to protect people and families during these difficult times. As we ask for pay restraint, we are meeting core economic and social commitments through the delivery of a '**Social Wage**'. We have:
 - frozen council tax and water bills;
 - delivered a 'living wage' and provided a minimum pay increase for the lowest earners in the public sector;
 - abolished bridge-tolls and prescription charges; and,
 - met our commitments on concessionary travel and free personal care.

Opportunities for our Young People

17. We will invest in our young people, no matter what their background, and encourage them to work hard and fulfil their potential. Participation in learning and training beyond the school leaving age is therefore more important than ever. This is why we will guarantee all 16-19 year olds a place in education and training.
18. While levels of youth unemployment in Scotland have fallen over the year, they remain far too high. We have responded with a range of initiatives, including delivering a record 25,000 Modern Apprenticeships this year - nearly 60% higher than when we first entered office. In total, we will support 46,500 work focussed training opportunities this year, the majority of which will be targeted toward young people.
19. Going forward, we will prioritise a range of training initiatives to support young people develop their employability skills and secure employment:

- we will deliver 25,000 **Modern Apprenticeship** opportunities in each year of this Parliament;
- we will ensure that access to higher education is based upon ability to succeed rather than ability to pay and we will maintain **bursary support** to help young people remain engaged in college and training;
- we will invest in **14,500 pre-employment training opportunities** which we will align to Scotland's local labour markets;
- our most vulnerable young people often need extra support to stay in education and training. That is why we will complete the roll-out of **Activity Agreements**, a tailored programme of supported activity and learning specifically designed to ensure the most vulnerable 16-19 year olds can progress into more formal education and training; and
- we will continue to fund the **Educational Maintenance Allowance** for young people in school and college which will help support the least well-off students in Scotland. We will ensure EMA takes account of the needs of young carers with more flexibility built into the system to support them in balancing school and their caring responsibilities.

Action on Jobs

20. As our greatest asset, ensuring that our people have positive employment prospects is vital if we are to deliver on our ambitions for Scotland. Therefore, our Jobs Agenda is at the very heart of our programme for government. The *Government Economic Strategy* (to be published shortly) will set out in detail the series of measures we will take to secure the recovery and build the foundations for long-term sustainable economic growth.
21. We will look to build upon the success of our **Economic Recovery Plan** which helped support an estimated 15,000 jobs across Scotland during the recession, including an estimated 5,000 jobs from our programme of capital acceleration.
22. Since the end of the recession, we have attracted a number of major international companies to Scotland – including Amazon, Gamesa, State Street, Doosan Power, Ryanair, EasyJet, Tesco Bank, Virgin Money, Blackrock, INEOS/PetroChina and Mitsubishi Power Systems – which will help inject millions of pounds of new investment into our economy and deliver thousands of jobs. We will increase our efforts in the months ahead by focussing on attracting strategic inward investment in key sectors – for example by promoting Scotland as a destination of choice for low carbon opportunities.
23. Alongside this, we will implement a series of measures to support jobs in the Scottish economy, particularly in areas where there is significant potential to generate new employment opportunities:
 - we will announce in the autumn how we will introduce four **Enterprise Areas** in Scotland to attract new investment and jobs;
 - small and medium sized companies (SMEs) employ over 1 million people across the country and include many of our most dynamic companies. However, they are often discouraged from taking on new employees because of the complexity of rules, regulations and administration which accompany efforts to expand. To

help address this we will offer support, through Skills Development Scotland, to make it easier for **SMEs to hire staff** and take on apprentices; and

- the *Government Economic Strategy* will outline how we will use our £9 billion **public procurement** spending to promote growth and jobs and help Scottish firms, particularly SMEs, compete effectively for contracts. We will also require recipients of major public contracts to provide new training and apprenticeship opportunities, ensuring that we make full use of our public procurement spending as a lever of economic growth.
24. We will continue to set public sector pay in a way that is fair and helps sustain public sector jobs and protect public services in the face of deep budget cuts from Westminster.
25. We are also committed to workforce development and effective leadership in the public sector. This will develop the capabilities of our public servants to improve the quality of the services they provide to the people of Scotland.

Investment in Infrastructure and Connectivity

26. Since 2007, we have delivered a number of major infrastructure projects across Scotland on time and on budget. We will seek to build on this success and the excellent work of the Scottish Futures Trust which has delivered significant savings for the public sector – for example £129 million of net future benefits and savings during 2010-11 with more planned in the years ahead.
27. Our forthcoming Spending Review will set out in detail how we will **prioritise our spend on capital** to maximise the impact on jobs and recovery and support the delivery of faster sustainable economic growth:
- our key **infrastructure priority**, central to Scotland’s long term economic success, is the construction of the Forth Replacement Crossing. It is the largest civil engineering project in a generation and will support over 3,000 jobs;
 - we will take forward a new **housing investment** programme - building on our record £1.7 billion expenditure on affordable housing over the period 2008-11. This will include a £400m housing investment budget for 2011-12 which will support over 15,000 jobs across Scotland; and,
 - as part of the Spending Review 2011 – and to ensure Scotland is best placed to make the most of the digital revolution – we will set out plans for a **Next Generation Digital Fund** to accelerate the roll out of superfast broadband across Scotland, with a particular focus on rural areas. This will promote business and employment opportunities across the country.

Supporting Scottish Businesses to Grow

28. Scottish businesses – both large and small – are central to our plans for recovery and jobs.

29. The *Government Economic Strategy* (GES) will set out how we will direct our immediate efforts and resources to three key priorities – **Growth Companies**, **Growth Markets** and **Growth Sectors**:
- directing efforts and resources to establishing an environment that is attractive to **Growth Companies** will make Scotland a positive choice for international investment. Alongside this, we are supporting the growth of Scottish companies with global expertise to expand both at home and overseas;
 - targeting **Growth Markets** will help re-balance our economy and allow us to take advantage of the significant growth opportunities from emerging international markets; and
 - helping to build up the **Growth Sectors** of the Scottish economy will maximise value added and create high quality and sustainable jobs. Scotland has real international comparative advantages within a number of exciting sectors – including renewable energy, life-sciences, creative industries, financial services and sustainable tourism.
30. The Scottish salmon industry provides an example of recent success with an agreement between Scottish and Chinese Governments to allow salmon into China for first time. Demand for Scottish farmed-salmon continues to increase with exports up a record 37% year-on-year in the first five months of 2011.
31. Central to our ambitions will be the transition to a low carbon economy. Scotland has a distinctive competitive advantage in low carbon technologies. We have vast clean green energy resources and world-class skills and expertise in our industries and universities. The *Government Economic Strategy* will set out in detail the series of initiatives we will take forward to make the most of the significant opportunities for Scotland, not just in becoming Europe's green energy powerhouse but also as a centre for low carbon technology.
32. A key initiative is our £70 million **National Renewables Infrastructure Fund** which will help provide an immediate stimulus to the economy and leverage private sector investment to develop the necessary infrastructure to support offshore renewables.

Conclusion

33. Our actions to promote the recovery and secure jobs will help protect the Scottish economy at this difficult time.
34. We are constrained, however, by a constitutional framework that limits our ability to fully deliver on our ambitions.
35. Over 90% of Scottish tax revenues are controlled by Westminster and are not set with reference to economic circumstances here, or the preferences and needs of our businesses or households. We are limited in our ability to protect Scotland from the UK Government's spending cuts.
36. Independence will provide us with the levers to protect jobs and to promote economic opportunity. It is the key to Scotland securing faster sustainable economic growth and providing opportunities for all to flourish.

CHAPTER 3:
A WEALTHIER AND FAIRER
SCOTLAND

CHAPTER 3 – A WEALTHIER AND FAIRER SCOTLAND

1. Scotland is a country rich in economic potential. Our people are creative, ambitious and resilient and we are home to world-class entrepreneurs, scientists and engineers.
2. Helping our businesses and people increase their wealth, and ensuring more people share fully in that wealth is vital if we are to build a more successful and fairer nation.
3. This will be achieved by delivering increased sustainable economic growth and establishing opportunities for all of Scotland to flourish.
4. By building a more dynamic and faster growing economy we will create jobs, increase prosperity, be better placed to tackle Scotland's health and social problems, and establish a fairer and more equal society. By boosting our sustainability we will make our economy more resilient and ensure that future generations can enjoy a better quality of life.
5. We will publish an updated *Government Economic Strategy* which will build upon the progress made over the last four years and set out our key priorities for the future.

The Government Economic Strategy

Our ambition for creating a Wealthier and Fairer Scotland will be supported by an updated *Government Economic Strategy*.

Prioritisation of our activities is motivated by a clear focus on establishing the foundations to boost Scotland's growth rate, to create jobs, and to address inequalities wherever they emerge.

Young people will be a priority, with a range of measures to enhance skills, employability and job opportunities. We will focus on Preventative Spend to ensure that we tackle Scotland's social and health problems – which prevent individuals and communities realising their full economic potential.

Our focus on the drivers of growth – Productivity, Participation and Population Growth – are the key to unlocking Scotland's potential. Alongside these drivers of growth, our desired characteristics of growth – Solidarity, Cohesion and Sustainability – will ensure that all of Scotland has an opportunity to flourish and that we tackle the causes of inequality and lack of economic opportunity.

Promoting enterprise

6. Scotland's businesses are central to economic growth and jobs, and our collective prosperity will depend on their ability to compete both at home and abroad.
7. Increasing the size and ambition of our business base is a major challenge – but also an opportunity. The role of government is to create the best possible environment for entrepreneurship, innovation and international trade to flourish.
8. To provide our businesses with a competitive edge, we will maintain the highly successful **Small Business Bonus Scheme** which has eliminated the business rates

burden on tens of thousands of properties across Scotland and reduced the tax burden on thousands more.

9. We recognise the contribution that social enterprises make to employment and we will continue to support the third sector to increase its contribution to the economy and the well-being of the people of Scotland. Our *Government Economic Strategy* will set out in more detail our ambition for an enterprising third sector in Scotland.
10. A key focus for the next few years will be a concerted effort to streamline the public sector's dealings with business, adopt more efficient procurement practices and remove any barriers to growth.
11. We recognise that businesses can benefit from regulation which is transparent, accountable, proportionate, consistent, and targeted only at cases where action is needed. There is scope to improve further the way regulations are applied in practice across Scotland, by better defining national expectations and standards and the context for local variations. We will therefore bring forward a **Better Regulation Bill** in 2012-13, following detailed dialogue with national and local regulators, COSLA and local authorities and the business community.

Land Registration Bill

The **Land Registration Bill** aims to strengthen the system of land registration in Scotland that has evolved in practice since the Land Registration (Scotland) Act 1979. It will provide the legal basis for the eventual completion of the Land Register by increasing the triggers for the first registration of property, and providing powers in relation to voluntary registrations and Keeper-induced registrations. The Bill will re-align registration law with property law by, for example, adjusting the circumstances in which a person can recover their property rather than get compensation. The Bill will introduce a system of 'advance notices' for conveyancing transactions – this will remove the risk of losing title to a property between the settlement date and the registration date (this risk is currently underwritten by insurance). Finally, the Bill will introduce amendments to the Requirements of Writing (Scotland) Act 1995 to allow for electronic conveyancing and registration. The policy intention of the Bill supports the strategic objective of a wealthier and fairer Scotland since a well-functioning land registration system underpins the economy. Within this, the Bill supports the national outcome: *We live in a Scotland that is the most attractive place for doing business in Europe* because the Bill will result in more land registered titles, which are secure, map-based and backed by a State indemnity, which makes it easier for Scottish businesses to secure lending over.

Innovation and international trade

12. Scotland is a country rich in innovation, and we will bring creativity and innovation back to the heart of the Scottish way of life. We will continue to support creativity, research and design and ensure that more of the economic benefit of our inventiveness is retained in Scotland. We will streamline our innovation and commercialisation activities to support business and encourage greater spin-offs from our world-class university research.

13. Exports are a vital source of growth and will be essential to our future prosperity as world trade continues to expand. Exporting to a wide range of markets as well as increasing sales growth, enables companies to specialise in areas of relative strength, become more efficient, learn new techniques and benefit from a more diversified customer base.
14. We have an ambitious target to deliver a 50% increase in the value of our international exports by 2017 – a target which will create jobs across Scotland. To help achieve this, the **Scottish Investment Bank** will prioritise lending to support SMEs with international ambitions, and the work of our Enterprise Agencies will target their activities – such as the **Export Support Initiative** – to support Scottish companies with significant export potential.
15. One key sector with major growth potential is tourism, and we will take forward a range of actions to capitalise on our strength as an increasingly popular visitor destination, particularly in the run up to 2014 when Scotland 'Welcomes The World to Homecoming 2014'.
16. Our strategic engagement with other countries will continue to be driven by our overarching purpose of increasing sustainable economic growth. That engagement will take place across a range of areas where Scotland has expertise, from energy and climate change to education, culture and tourism.
17. We will continue to build on and develop international relationships to promote Scotland as a home for innovation, independence of thought, individual responsibility and internationalism. Building our country's reputation overseas is fundamental to our economic and social prosperity. That extends to capitalising on our rich natural and built environments. We have a strong track record in many areas of international interest and will continue to work hard to keep Scotland at the forefront of people's minds overseas.

Creative Industries

18. Throughout history, Scots have demonstrated their capacity for creativity. Our creative industries have the ability to create high-value jobs and investment through the development, production or exploitation of intellectual property. We are home to some remarkable creative talent in a range of fields including architecture, crafts, design, fashion, film, software, music, performing arts, publishing, television and radio.
19. To celebrate the importance of this sector, 2012 will be our 'Year of Creative Scotland'. This year long celebration of our culture and creative industries will celebrate and promote Scotland's cultural and creative vibrancy. It will also launch our activity to support *Year of Homecoming* in 2014. The year will promote Scotland's festivals, cities, and creative industries. It is a chance to recognise our great historic names of culture, to celebrate our contemporary icons and an opportunity to create a platform on a world stage for the talent of today.
20. Through Creative Scotland a number of investment opportunities will be supported. These include **First in a Lifetime**, a £2.5 million fund to enable mass participation in ambitious artistic experiences. There will also be £1 million to support new cultural

tourism activity and build collaboration between the culture, tourism and heritage sectors.

21. Our creative industries spur on our technological innovation and make Scotland an attractive place to be. The creative industries are worth more than £5bn to Scotland and support over 60,000 jobs. Over the past decade, creative industries have grown more quickly than the economy as a whole and they have a key role to play in supporting Scotland's economic recovery.
22. Edinburgh's Festivals bring at least £261 million to Scotland's economy. We recognise this economic contribution and also value the priceless cultural contribution our world-class festivals give Scotland. To ensure that Scottish talent is kept at the festivals forefront we have invested £8 million over the period of 2007-11 through our **Festivals Expo Fund**.
23. The film industry is a significant part of Scotland's creative industries. During 2011, high-profile productions such as *World War Z*, *Cloud Atlas* and the Batman production *The Dark Knight Rises* have been attracted to shoot key scenes in Scotland. In addition, Pixar's animated movie, *Brave*, which will be released next year, is set in Scotland and has prominent Scottish stars among its cast.
24. We intend to build on the impact of these productions to secure Scotland's reputation as a location for film. We will seek to attract more film premieres to Scotland – particularly among films which have been shot or set in Scotland – and to further develop film tourism. We will also investigate ways of supporting improved studio and post-production facilities, looking at a range of options including the proposal to develop the *Film City* site in Glasgow, to boost the capacity of the film sector in Scotland.

Scotland's Low Carbon Economy Opportunity

25. Central to our ambitions for a Wealthier and Fairer Scotland will be the transition to a low carbon economy. This transformational change builds on Scotland's comparative advantages in renewable energy, the hydro-economy and our emerging business and academic expertise.
26. Given our massive renewables resources, especially in marine energy, and a legacy of expertise and excellence in our energy industries, we have a distinct advantage in renewable energy. Our £70 million **National Renewables Infrastructure Fund** will help leverage private sector investment to develop the necessary infrastructure to support offshore renewables.
27. Our *Routemap for Renewable Energy in Scotland* has established a clear strategy and action plan to meet our ambitious renewable energy targets of:
 - 100% electricity demand equivalent from renewables by 2020
 - 30% of overall energy demand from renewables by 2020
28. We will prioritise our efforts to position Scotland as a world leader in low carbon activities and showcase Scotland as being at the cutting edge of innovative technology.

Investment in Renewable Energy

Targeted investment in renewable energy will act as a key motor of the Scottish economy and take Scotland forward to recovery. Scotland is blessed with abundant energy resources and we are committed to taking full advantage of the opportunities that exist in transforming to a low carbon economy and the employment opportunities that are now emerging. Renewable energy and low carbon technologies are two growth sectors, and through our renewable wealth we will reindustrialise Scotland as we research, develop, engineer, fabricate, install, export, and service the new energy systems and clean technologies that will power this century.

Hydro-economy

29. Scotland's history and character has water at its heart. Our iconic water environment attracts visitors and underpins key activities such as whisky production and golf. It is already amongst the best in Europe and we aim to improve such that 97% of Scotland's water bodies have good ecological status by 2027.
30. The hydro economy provides huge opportunities for Scotland which we are determined to seize. We have already: bid for Glasgow to host the World Water Forum in 2015, an event which can attract up to 20,000 delegates; initiated a Water Centre of Excellence that could have international reach; approved a growth plan for Scottish Water to maximise the use of its assets and knowledge; and we are working with the enterprise agencies to identify further areas for action. We will bring forward legislative proposals to maximise the opportunities the hydro economy provides, ensure that our management of our water sector remains cutting edge and that Scottish Water is structured to enable it to deliver its full potential.

Water Bill

We shall bring forward a **Water Bill**. We are committed to making Scotland a Hydro-Nation. Our water resource is significant and in a world demanding more food and water, there is good reason to nurture our water for our long term sustainable use. We shall continue to build on the success of Scottish Water by developing its capacity to develop renewable energy sources, and to market the intellectual asset of water management. The Bill will aim to develop our water resource as a tool of economic growth and an environmental asset. Scotland shall be strategically placed to play a key role in the development of the key asset of the 21st century.

Connectivity, Infrastructure & Planning

31. Improving connectivity across Scotland will support future innovation in the digital economy and ensure Scotland's businesses are competitive in the global digital environment. Delivering the ambition for next generation broadband to all by 2020, with significant progress by 2015, as set out in *Scotland's Digital Future: A Strategy for Scotland* is one of the government's top priorities for this Parliamentary session.

32. We will ensure that all of Scotland, including our most rural and remote communities, are equipped to take advantage of the digital revolution. As part of the Spending Review 2011, we will set out plans for a **Next Generation Digital Fund** to accelerate the roll out of superfast broadband across Scotland, with a particular focus on rural areas.
33. An efficient transport system is one of the key enablers for delivering faster, more sustainable growth, employment opportunities, as well as being central to our ambitions for a low carbon economy. We will take forward an ambitious programme of new investment which will build on recent key achievements including the **Airdrie-Bathgate Rail Link Project**, the **M74 Completion Project** and the **M80 Steps to Hagsgs upgrade**.
34. We have made major advancements in planning in recent years, helping to develop a system that better protects the quality of Scotland's natural and built environment and enables the development of growth-enhancing activities across Scotland.
35. Our continuing work on delivering a modernised planning system will support our key priorities of delivering development on the ground and better quality place making, alongside establishing a policy framework which supports growth and employment and sets clear priorities for the improvement of strategic infrastructure.

Cities

36. Cities are vital to the success of the Scottish economy. The more successful our cities – and their city regions – are, the more successful Scotland will become. We will work with all of Scotland's cities, individually and collectively to see how we can best help them to maximise their potential.
37. Scotland's six city local authorities are already working together. In May, together with the SCDI, they published a vision for Scotland's success. This set out a very clear approach on the role cities and their regions can play. For them to deliver all their ambitions and potential, they have recognised they need to work more closely together in an increased economic partnership where they collaborate for mutual benefit.
38. The role of government is to bring strategic leadership to this collaboration. To work with all partners – public, private and in the third sector - to identify how government policy programmes can best support Scotland's cities to flourish.

Regeneration

39. We have a vision for strong and vibrant communities. We will publish a **Regeneration Strategy** which responds to the challenges faced by our most disadvantaged communities. We aim to create a Scotland where all places are sustainable, and where people want to live, work and invest.
40. We are also committed to developing a Bill that will make a real difference by acting as a catalyst for a wide range of community development and service improvement. We are happy to accept the Christie Commission's recommendation to explore the potential of the Bill to improve community participation in the planning and delivery of services, and to consider how to build community capacity. We will begin a wide ranging engagement with people from the public, private and third sectors this Autumn, to ensure we hear the best ideas possible to include in the Bill.

Housing

41. Housing is crucial to the health, social well-being and economic prosperity of Scotland. Over the last 4 years we have worked hard to improve Scotland's housing and regenerate its communities. Over the period 2008-11, we invested a record £1.7 billion in affordable housing and achieved our target to approve around 21,500 new/improved affordable homes. We have also allocated £100 million to reverse decades of decline in council house building, supporting the construction of almost 4,000 new council homes across Scotland.
42. We have been innovative in our approach. We have used government funding to lever in the maximum possible investment from other sources and introduced innovative funding solutions to support new housing developments. A new **Innovation and Investment Fund** is leveraging investment from other sources to maximise the supply of new affordable homes. We are procuring new affordable homes for rent through the groundbreaking National Housing Trust initiative (NHT) working with Councils, housing associations and private developers across Scotland - a government guarantee of less than £2 million generates around £100 million of investment. We are working closely with our local authority partners and others to meet the 2012 homelessness target that all unintentionally homeless people will have the right to settled accommodation. In conjunction with the European Commission and European Investment Bank we have developed a £50m JESSICA fund to assist the delivery of regeneration projects in Scotland.
43. Our vision for housing is that all people in Scotland live in high-quality, sustainable homes that they can afford and that meet their needs. We are committed to increasing the supply of housing across all tenures, to provide homes for our growing population and to boost economic recovery through the construction industry. We recognise the vital role of social housing in providing people with an affordable home and a platform for getting on in life. We will also support intermediate products such as shared equity and homes for intermediate rent. We have pledged to deliver 30,000 affordable homes over the life of this parliament, including 5,000 new council homes over the next 5 years. The growth in numbers of older people poses particular issues for housing, and we will publish a national strategy on housing for older people.

Reducing Fuel Poverty

44. Energy prices have risen significantly in recent years with upward pressures expected to continue putting household budgets under pressure and increasing the prevalence of fuel poverty across Scottish households.
45. The transition to a low carbon economy and away from reliance on world markets for fossil fuels for power generation will reduce our exposure to variations in energy costs, particularly for our most vulnerable individuals. To aid this transition we will continue to improve the quality of Scotland's housing stock including meeting the Scottish Housing Quality Standard for all Social Housing by 2015. We continue to support initiatives to improve energy efficiency, which help to reduce carbon emissions and household fuel bills, while creating jobs and tackling fuel poverty.

Council Tax on empty homes and Housing Support Grant

The Scottish Government will bring forward legislation to help ensure that housing, and funding for housing, are used more efficiently in Scotland. The proposed bill will enable Councils to charge an additional levy on the Council Tax on long-term empty properties. This will help to increase the number of homes available to those who need them by encouraging owners to rent or sell their homes rather than leaving them empty.

The bill will also abolish the **Housing Support Grant**, which was originally established to subsidise local authorities' housing budgets. However, nowadays, under the prudential borrowing rules, local authorities are expected only to borrow funds for housing projects when they are satisfied that they will be able to repay the borrowing from rents or other income. Therefore the Scottish Government feels the Housing Support Grant is no longer needed and that government funding for housing could be better targeted on other priorities, such as helping to increase the supply of new affordable housing.

Tackling the Causes of Inequality and Protecting the Low Paid

46. Our people are our greatest economic asset. In order to ensure that *all* of Scotland has an opportunity to flourish, it is vital that our plans provide the most disadvantaged areas and people in society with an opportunity to flourish. The *Government Economic Strategy* will set out how we intend to deliver on this objective and deliver a fairer and more equal society.
47. Unnecessary burdens on the people and communities of Scotland impact on their ability to flourish. Since the onset of the recession, household budgets have been under pressure from a range of factors, including rising inflation and higher UK Government taxes. We will continue to use the powers that we have to help maintain the underlying resilience of our economy through protecting household incomes and employment.
48. Our pay restraint is helping to maintain jobs in the public sector. At the same time, we are supporting those on the lowest incomes by providing staff earning less than £21,000 with a minimum pay increase of £250 and we have introduced a 'living-wage' of £7.15 per hour for all staff within our responsibility.
49. Average household water charges are now 10% lower than in England and Wales. Households entitled to council tax benefit receive up to a 25% discount on their water bill – there is no equivalent discount in England and Wales. Analysis shows that, as a percentage of their income, households in the lower end of the income distribution benefit the most, on average, from the freeze in council tax.
50. We are focussed on improving the life chances of those who encounter barriers and setbacks from birth, whether due to their circumstances or characteristics. Too many of our resources are focussed on tackling the results of many of the long-standing problems in Scottish society that act as a constraint on individuals and communities from maximising their potential.
51. That is why we will focus our resources on the causes of these problems. Through sustained preventative action we can improve outcomes, deliver considerable future savings, allow individuals and areas to realise their economic potential, and break the

inter-generational transmission of poverty and inequality. We are also committed to step up efforts to end child poverty by 2020 through our new *Child Poverty Strategy for Scotland*.

CHAPTER 4: A SMARTER SCOTLAND

CHAPTER 4 – A SMARTER SCOTLAND

1. Scotland's success will be built around the talent and skills of our people. Our vision is for a nation where the skills and creativity of all our people contribute to a growing and sustainable economy in our communities, villages, towns and cities. Scotland is a place for dynamic new businesses to grow. It is a place where ambition is high and where all our young people, no matter what their background, are encouraged to work hard and fulfil their potential.
2. We want to be renowned for the quality of our education, from the earliest years right through life. We want children, young people and families to receive the support they need when they need it and for our nation to be recognised as the best place to bring up children.
3. Over the last four years we have made considerable progress. SQA Attainment and School Leaver Qualifications data¹ show that in 2009-10, 50.3% of pupils left school with at least one qualification at Higher or above. This is more than at any point in the past. Fewer young people than at any point in the past left school with no qualifications. Those with an Advanced Higher rose from 15.5% in 2008-09 to 16.2% in 2009-10. Exam results for 2010-11 show year on year increases - to a new high pass rate for Highers (74.6%) and Advanced Highers (79.3%). Furthermore, 83% of the public are satisfied with the quality of their local schools – up from 79% in 2007.
4. But we are not complacent. Over the next Parliamentary session we will work with our partners in communities, local government, higher and further education, health and the private and third sectors, to give top priority to activities that improve life chances for all. We know that giving the right help and support as early as possible – especially in the first years of a child's life – brings economic and social dividends for all of us. We know that we have more to do to make sure that all young Scots can get the skills they need to fulfil their ambitions and help our businesses grow.
5. We will focus on improving literacy, numeracy and attainment, and on raising and realising ambition for all. As we promised in our election campaign, we will continue to support our teachers by taking forward the recommendations of the Donaldson report. We will introduce an **Early Years Change Fund**, we will keep higher education free and we will reform our post 16 education system to support opportunities, jobs and growth.
6. As set out in Chapter 8, our people are our main asset and our strengths lie in our unity and partnership. Our vision for Scotland is one which builds and invests in assets – the strengths, abilities and connections held by our people, communities and businesses. We will help individuals, families and communities flourish through true social partnership.

¹ Attainment and School Leaver Qualifications data is based on post-appeal data for publicly funded schools, while Exam Results data is all centre pre-appeal data.

Early Years

7. We know that giving children the best start in life will maximise their learning and enhance their development in the long-term. As set out in Chapter 8, our commitment to early intervention and preventative action is strong.
8. Over the last four years we have made a strong start. We have increased free nursery provision by almost 20% over the last four years. This has benefitted 100,000 children in the last year. We have reformed and improved the way child protection services work and we have invested in parenting programmes. In the last year, we have delivered an increase in the provision of free nursery education to 3 and 4 year olds. We developed the BA in Childhood Practice for managers in early years services – with 1000 students currently undertaking the BA. We have invested over £10m in supporting the **Early Years Early Action Fund** and the 'Go Play' play programme. We have supported *Getting it Right for Every Child* across Scotland, including implementation projects in 17 Community Planning Partnerships.
9. We will have an even stronger focus on the early years this Parliamentary session. We will introduce legislation on the rights of children and young people. We will invest in the early years to support children's readiness to learn in school. We will continue to implement Curriculum for Excellence to the benefit of all children, including the most vulnerable.
10. We will consult on a draft **Children's Services Bill** for introduction later in this Parliamentary session. We will introduce an **Early Years Change Fund** to deliver effective early intervention in a child's life, including the development of a new generation of children and family centres across Scotland and support for families in crisis. We will deliver the next phase of the *PlayTalkRead* programme. We will develop a national parenting strategy that encourages agencies to work together to support new parents, giving them the skills they need to best support their children. We will create a taskforce to ensure that spending on early years is prioritised by the whole public sector. Investment in the early years and in preventative approaches will contribute towards giving every child born within the lifetime of this parliament the best start in life.

Schools

11. We have implemented the first stage of Curriculum for Excellence and halted the decline in Scotland's international educational performance. The most recent survey of international education performance (PISA 2009) demonstrates that, after a period of decline since devolution, we have turned the corner, with Scottish pupils performing above the international average in reading and science; at the international average in maths, and at the same level as in England and Northern Ireland and better than Wales. Over the last four years, too, we have supported the delivery of 330 new or refurbished schools, benefiting well over 120,000 pupils. During this Parliament, we are committed to halving the number of pupils in poor or bad condition schools from 120,000 to 60,000 by 2015. We delivered Interconnect, the high speed education broadband network, to link all local authorities and key educational sites.

12. We have delivered record low class sizes across Scotland. The average class size in primary schools fell to an all-time low of 23.1 in 2010. We secured an agreement with local government in spring 2010 that 20% of P1-P3 pupils would be in classes of 18 or less or in 2 teacher classes of 36 or less. When schools resumed in summer 2010, the target was exceeded at 21.6%. We have introduced regulations to reduce the class size maximum in all P1 classes to 25 from August 2011.
13. We want the most talented people in our teaching profession. We will continue to support our teachers by taking forward the recommendations from the Donaldson report on teacher education. We will also consider the outcomes from Professor Gerry McCormac's review of teacher employment in our efforts to strengthen leadership and drive up the quality of teaching. We are committed to having a stronger focus on performance by embedding a culture of self-evaluation and open accountability.
14. We will continue to develop a new suite of National Qualifications in order to provide a coherent and stimulating learning journey from 3-18, with final specifications for the new Access, Nationals and Highers available from April 2012. We will also drive forward improvements in literacy as outlined in our Literacy Action Plan.

Supporting vulnerable children

15. No child should be disadvantaged by their background and circumstances. This is our moral obligation. We will continue to act to improve the life chances of vulnerable children. We will continue the implementation of Getting It Right For Every Child and Curriculum for Excellence. Our universal services must deliver for the most vulnerable children.
16. We have launched the **Protecting Vulnerable Groups** scheme in February 2011. This offers increased protection and more streamlined disclosure arrangements for employers, employees and volunteers. We have reviewed child protection services across Scotland and published new national guidance. During 2012, all of those who work with vulnerable children will have practical, new guidance and tools to help them better assess risks for children in need of protection, and to support those affected by substance misuse in the family. Our *Child Poverty Strategy* for Scotland will give greater momentum to our efforts to tackle child poverty.
17. Over the next Parliamentary session we will take swift action to improve the speed and quality of decision making for looked after children. We will work to intervene early to quickly achieve permanence and stability and to improve life chances. Partnership is at the heart of our approach and we will be working with local authorities, the wider care sector and all corporate parents to secure earlier and more effective interventions.
18. We will be working with Social Care and Social Work Improvement Scotland (SCSWIS) to develop a new integrated children's services inspection, ready for piloting in 2012. From September 2012 we will implement the **Children's Hearings (Scotland) Act 2011** to ensure that the Children's Hearings system operates more consistently, independently and fairly.

Rights of Children and Young People

The Scottish Government is committed to recognising, respecting and promoting children's rights as part of our wider commitment to improving life chances for all. The Scottish Government's approach to children's rights is already firmly based on the United Nations Convention on the Rights of the Child (UNCRC). To establish in law the responsibility of the Scottish Government to have due regard to the UNCRC when carrying out its functions, we will consult on proposals for a Rights of Children and Young People Bill. This Bill lays the foundation for a Children's Services Bill to follow in 2013, which will make more specific legislative provisions in relation to the delivery of children's services.

Further and higher education

19. Our universities play an important part in developing our people, economy and society. We believe that access to full-time education at college or university should be free. We have consulted on secondary legislation to allow universities to set their own fees for students from the rest of the UK from academic year 2012-13. We have funded development of work towards a 'Year of Mobility' in colleges and universities in 2012-13. We have begun separate reviews of university and college governance, as part of our wider reform of post-16 learning.
20. We will maintain excellent, free higher education by ensuring that the opportunity to learn is based on the ability to learn, not the ability to pay. We will maintain a university sector that is internationally competitive and truly excellent. We want to deliver a unique Scottish solution and we will bring forward legislation to achieve this as part of the wider reform of post-16 education set out below.

Developing skills and supporting employment

21. The effective operation of the labour market relies upon employees with the right skills, and employers who can make sure those skills are used and developed. It is crucial that our learning and skills provision meets employer need. Our future success depends on developing our greatest asset – our people – by helping young people to make successful transitions from learning to working by preparing them well for the modern Scottish labour market.
22. We have published our refreshed *Skills Strategy for Scotland*. We provided places for over 21,000 new apprentices to start training in Scotland in 2010-11. In 2011-12, we will invest in 25,000 modern apprenticeship new starts – the highest ever number. The bulk of these have been targeted toward supporting young people into employment.
23. We want to see more Scots being able to fulfil their ambition and take advantage of opportunities in their work and their studies. That is why we are supporting skills development at schools, enabling all young people to stay and progress, and using technology to promote effective learning.
24. We will build on clusters of schools, ensuring that individual learning communities have the autonomy they need to deliver better outcomes for pupils. We will introduce language learning based on the European 'one plus two' model. We will also develop

the concept of Scottish Studies in our schools and continue to support the expansion of Gaelic medium education.

25. A central part of the reform agenda we signal at Chapter 8, will be a reform of our post-16 learning and student support systems. We want to develop a better learner journey – one that equips people with the right skills to enter and stay in work. To that end, we will publish a **Pre Legislative Paper on Post-16 Education** in September 2011. We will maintain our commitment to free higher education and we will guarantee all 16-19 year olds a place in post-16 learning. We will measure the success of that guarantee through the proportion of school leavers going into learning, training and work.
26. Meanwhile, and against that background, we will continue to support local partnerships to deliver 16+ Learning Choices and Activity Agreements to support our most vulnerable 16-19 year olds; fully support the Educational Maintenance Allowance; and implement our new *Careers Strategy* with more and better support for those who need it most.
27. We will support employers and help people find jobs to support themselves and their families. We will seek to deliver the best possible outcomes for Scotland's people and the Scottish economy from the UK Government's Welfare reform programme. We will refresh our approach to employability to reflect the significant changes in both the economy and the delivery landscape. While continuing to press for the devolution of the job search and support role of Jobcentre Plus in order to integrate employment and skills more effectively for the longer-term. We will work closely with Jobcentre Plus to create a more coherent offer of support to both jobseekers and employers and seek to develop a new, pooled approach to employability funding to better support growth and jobs.

A Modernised Careers Service for Scotland

The Scottish Government is committed to delivering all-age, universal Career Information Advice and Guidance (IAG), with more and better support for those who need it most. This reflects the importance of, and our aspirations for, lifelong learning and our wish to provide high quality public services for all.

Career IAG makes a significant contribution to delivering the Scottish Government's priorities, particularly that of sustainable economic growth. In March 2011, we published *Career Information, Advice and Guidance in Scotland A Framework for Service Redesign and Improvement*. This new Career IAG strategy looks to build the capacity of individuals to help them understand and adapt to the changing jobs market, make informed decisions about their learning, job opportunities and career options and to help them get, stay and progress in work. The strategy will place an emphasis on self-help – through developing the career management skills of individuals and through state-of-the art web-based delivery, with face-to-face and more intensive support for those who need it most.

CHAPTER 5: A HEALTHIER SCOTLAND

CHAPTER 5 – A HEALTHIER SCOTLAND

1. At the core of our vision for the health and wellbeing of the people of Scotland is our commitment to enable people to live longer, healthier lives, to ensure that children have the best possible start in life, and to provide everybody with high quality care when they need it. This is essential if we are to deliver strong economic growth and be the country to which we aspire.
2. Over the last four years we have worked hard to help people sustain and improve their health and wellbeing through a healthcare system that is faster, more efficient and closer to home. We developed, with our partners, the *Healthcare Quality Strategy for Scotland*, with its bold ambitions of world-leading, safe, effective and person-centred care. We have driven waiting times down to record lows, increased by 1 million the number of people registered with a dentist and abolished prescription charges.
3. We have increased the public's satisfaction with their health services – over 85% of the public are satisfied with the quality of their local health services. We introduced the **Change Fund**, worth £70 million, to give fresh impetus to joint working between local authorities and other partners to find new ways in which health and social care can meet the challenges of today and tomorrow.
4. We have improved outcomes for people. For example, we have continued to make progress on the three conditions which account for more than half of all deaths in Scotland: cancer, coronary heart disease and stroke. In particular we have, since 1995, reduced premature mortality from coronary heart disease and strokes by 60%, and 54% respectively. This remarkable progress has been achieved in part by a combination of earlier diagnosis and better treatment and risk management.
5. We have significantly improved safety in hospitals, with a 7% reduction in hospital standardised mortality rates since 2007 and a dramatic fall in healthcare acquired infection. For example, we have achieved reductions of over 77% in clostridium difficile and of 73% in central line bloodstream infections. We have improved the support given to people with long-term conditions so that fewer need to go to hospital. For those who do, recovery is faster.
6. Over the next Parliamentary session we will continue to build on the progress that has been made. We have pledged to create a health service where inequalities are reduced and patient care and wellbeing are the top priority. As our Manifesto makes clear, we will protect health spending and the NHS budget in Scotland. The NHS will receive in full the resource budget consequential from increases in health spending in England.

Healthcare

7. We have a clear vision for the future of our nation's health service. We are committed to sustaining the improvements that have been made over the last 4 years, continuing to make Scotland healthier. However, there is no doubt that this will be a serious challenge. Scotland's public health challenges are well documented. These will grow in complexity and severity as the age pattern of our population shifts. Over the next 20 years the number of people over 75 is likely to increase by almost 60%. This will

mean many more people with long-term and multiple conditions and complex needs such as dementia. Over the next 20 years demography alone could increase expenditure on health and social care by 70%. It is estimated that obesity could cost the Scottish economy £3 billion per year by 2030. In that context, meeting Scotland's health needs will present NHS Scotland and its partners with unprecedented challenges.

8. To help meet those challenges we will build on our strengths. In particular, we will hold firm to the values of the NHS, which are so important to the people of Scotland. We will foster a mutual NHS, working competently and collaboratively to deliver healthcare which is free at the point of need. We shall not go down the route being pursued in England.
9. We will implement in full the NHS Scotland Quality Strategy, working with partners to build on the momentum and focus which is already being given to healthcare in Scotland.
10. We will ensure that the NHS in Scotland is equipped to meet this challenge. As we have promised, the NHS budget in Scotland will receive in full the resource budget consequential from increases in health spending in England. We will continue to invest in new facilities across the country, whether new hospitals or other health and social care facilities. NHS Scotland staff will continue to be fully involved in shaping the future NHS, benefitting from partnership arrangements which are the envy of many, within and outwith Scotland.
11. We will continue to put a premium on competence, pressing on with the progress we are already making towards our ambition for healthcare that is:
 - **Safe:** for example, focussing relentlessly on tackling hospital acquired infection, with minimum standards for MRSA screening in our hospitals.
 - **Effective:** for example, reducing the chances of an older person needing to be admitted to hospital as an emergency through better management of long term conditions and driving down waiting times yet further so as to achieve 18 weeks referral to treatment by December 2011; extend the standard to psychological therapies by December 2014; and work to establish during this Parliament a maximum waiting time of 12 months for IVF treatment.
 - **Person-centred:** for example, taking steps under the Patient Rights Act to ensure patients receive healthcare that considers their needs and circumstances, respects their rights, and encourages their involvement and feedback.
12. While building on our current strengths, we will also be bold and innovative in facing up to the scale of the challenge we all face – not only in Scotland but throughout the world. We will not shy away from difficult conversations or decisions wherever the needs of the people of Scotland are at stake.
13. As set out in Chapter 8 we will help generate a shared vision of what success looks like. We will take every opportunity to develop with the public, NHS staff and other partners a compelling vision for the NHS and for care in Scotland. Our vision is of fully integrated care allowing everyone to live longer, healthier lives, for as long as possible at home or in the community. We will give importance to the role people can play themselves, supported as appropriate, to play a fuller part in their own care.

14. We will continue to drive up efficiency and productivity in the NHS, helping ensure the sustainability of high quality health care. We will achieve a further £300 million of efficiency savings this year, retained for re-investment in NHS care. This will include reducing the number of senior managers in the NHS by 25% this Parliament.
15. We will give priority to ensuring that older people receive the care, compassion, support and dignity they need and deserve. This will involve working with partners to reshape the provision of care for older people. We will insist on the highest quality care for every older person, every time. This will require, amongst other things, delivering the integration of health and social care and improving joint working with other agencies and the voluntary sector. We are determined to ensure that the older person is the central focus of delivery the length and breadth of Scotland.
16. We will enshrine in law new rights for people who need care and support, putting people at the heart of decision-making about their care packages. Treatment for those cared for will be improved by ensuring that unpaid carers are equal partners in health and social care. We will take action on the ground to implement the commitments in the Carers and Young Carers Strategies to ensure better information, respite, and support. We will improve diagnosis and support for those on the autism spectrum and their families, and healthcare for those with a learning disability. For those who are survivors of in-care abuse, we will improve access to services and will rollout a National Confidential Forum.

Social Care (Self-directed Support) (Scotland) Bill

Scotland's public services should be of the highest quality, they should be continually improving, efficient and responsive to local people's needs. Crucially, they should be designed around the citizen and not the service. The **Social Care (Self-directed Support) Bill** will help to underpin new models of support, placing greater control and responsibility in the hands of citizens and thereby enhancing people's independence and wellbeing. Moving social care away from a direct delivery approach, the Bill will require local authorities to give people a range of options. This will include direct payments and taking greater control of their support package. By providing councils with new powers to support unpaid carers, and by putting the carer in charge of the available funds, the Bill will help to underpin effective, flexible support to carers.

A focus on preventative action

17. As set out in Chapter 8, there is a growing body of evidence that spending on preventative approaches can deliver real improvements in outcomes at a considerably lower cost. We are convinced of the merit of driving forward preventative approaches and we will make a step change in focusing our efforts on prevention and anticipation, with evidence-based intervention at the earliest stage. This will mean that while we will continue to support people at different stages of their lives - from childhood, through adulthood to older age – we shall increase the focus on prevention in the early years.
18. It will also mean addressing the fact that too much of our health resource is tied up in acute and institutional care. We cannot continue with the situation where almost a

third of all health and social care spend for the over 60s is on emergency admissions to hospitals. This is neither good use of resources nor good for patients. We will:

- **Build substantially on the success of the Change Fund.** This will allow us to go further in working with others to find innovative ways to help people stay at home or in the community as long as appropriate and to avoid unplanned admissions to hospital.
- **Take further steps to address some of the major public health issues facing our country.** We have been very successful in recent years in increasing access to alcohol brief interventions – over 174,000 delivered – and smoking cessation support – almost 75,000 quit attempts. We will go further, for example introducing a minimum pricing bill for alcohol.
- **Improve the early detection of cancer.** We aim to increase the number of cancers detected at the first stage of the disease by 25%, with an initial focus on lung, breast and colorectal cancer; and have already issued our action plan for consultation. This will mean many more people will benefit as quickly as possible from the world leading treatment and support we have for cancer patients and their carers.
- **Focus on early years and early intervention to prevent future problems for the most vulnerable.** As set out in Chapter 8, there is a growing body of evidence about the critical importance of a child's earliest years in determining that child's health, both social and emotional, throughout life. We will co-ordinate our efforts across government, and will implement evidence based interventions with our partners. We will build on the strengths of children, young people, families and communities, improving their resilience and future health and enabling them to contribute to their full potential in society.
- **Support NHS Boards to deliver the Family Nurse Partnership programme to first time, pregnant teenagers.** This programme improves maternal health, child health and development and family economic self sufficiency, with benefits far outweighing the costs. We will also implement the Refreshed Framework for Maternity Care across NHS Boards to reduce inequalities in maternal and infant health. We will also deliver on the Improving Maternal and Infant Nutrition Framework for Action to improve the nutrition of pregnant women, babies and young children and reintroduce the 24-30 month review for all children.
- **Maintain our focus on reducing health inequalities.** Our focus on early years and early intervention will make an important contribution to reducing health inequalities. We will maintain this momentum by reconvening the Ministerial Task Force on Health Inequalities in 2012 to review progress on implementing *Equally Well* and the related social policy frameworks on early years and tackling poverty. Keep Well, the programme of inequalities targeted health checks, will be mainstreamed across NHSScotland from April 2012.
- **Implement the actions set out in the Obesity Route Map Action Plan.** It is estimated that obesity could cost the Scottish economy £3 billion per year by 2030. We will work with partners to ensure access to healthy food and to increase opportunity to increase levels of physical activity.

Alcohol Minimum Pricing Bill

The Bill will introduce minimum pricing as a condition of licences granted under the Licensing (Scotland) Act 2005 with the actual minimum price being specified in subordinate legislation. These measures will help to reduce alcohol consumption in Scotland and reduce the impact that alcohol misuse and overconsumption has on public health, crime, public services, productivity, and the economy as a whole.

Sport

19. We recognise the importance of sport to Scotland. Its impact can be far-reaching, for our economy, our cultural heritage and our international standing. Direct sports-related consumer spending alone amounts to over £1.8 billion a year and accounts for over 51,000 jobs. Increases in sport and physical activity can also have significant public health benefits, delivering savings to the NHS - a 1% increase in sport and physical activity would yield a £3.5m saving each year from coronary heart disease, stroke and colon cancer alone. It will also lead to improvements in people's wellbeing.
20. That is why we have made a considerable investment in developing Scotland's sporting facilities infrastructure. Since 2008 we have provided over £11.5 million through **sportscotland** in direct support to projects across Scotland. We believe that sport has the potential to significantly transform lives in every community. For example, over the past 3 years we have seen the upgrading of the pavilion and pitches at Seedhill Playing Fields in Paisley; enhancements to the mountain biking tracks at Fort William; new facilities for juniors players at Orkney Golf Club; and a new skate park at Saughton in Edinburgh.
21. We have invested over £16 million through our national and regional sports facilities strategy to help deliver a new Regional Indoor Football Centre at Toryglen in Glasgow; a new Sports Village in Aberdeen, the Peak Centre in Stirling and new state of the art sporting facilities at Ravenscraig in Motherwell.
22. We are committed to building on our investment and support to the 150,000 adults who regularly volunteer to deliver sport in their communities week in, week out. We will also continue to invest in sports facilities by building on the success of the first 56 community sports hubs already being delivered across 12 local authority areas by creating at least 100 hubs by 2014.
23. The Glasgow 2014 Commonwealth Games will provide Scotland with a once in a generation opportunity. We will continue to work closely with our Games partners to ensure that the Games remain on time and on budget, and provide a showcase for Scotland at its best. The games will serve as the foundation for a legacy that maximises the opportunities to bring benefits for the whole of Scotland.

CHAPTER 6: A SAFER AND STRONGER SCOTLAND

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1. We are committed to helping local communities to flourish so that they are safer and stronger places to live, offering improved opportunities and quality of life to the people of Scotland. This is a worthwhile goal on its own but has the added benefit that it will increase the attractiveness of Scotland as a place to live, work and invest.
2. Over the last 4 years, we have made significant progress. Scotland's crime rate is falling and recorded crime in Scotland is at its lowest level since 1978²; overall crime is down 10% in 2009-10 compared to 2008-09³; 71% of people think crime levels in their local area are either falling or stable, up 2% from the previous year; and 94% of people rated their local neighbourhood as a good place to live in 2009, the highest level since devolution. But there is still much to do to achieve our vision of safe, strong communities and an inclusive and respectful society.
3. We will focus on prevention and tackle the issues that blight our society - bigotry, knives and alcohol abuse. We will make sure that crime does not pay by taking money off criminals to reinvest in our young people. We will build a 21st century justice system with victims at its heart, and effective punishments.
4. In a time when finances are very constrained, we will put reform at the heart of our programme to ensure resources are where people want to see them – at the front line protecting our communities.
5. We will deliver on our Manifesto commitments of: police and fire reform; investing in community justice; improving the rights of victims; rolling out the **No Knives, Better Lives** campaign across the country; and introducing legislation on alcohol minimum pricing.

A visible police and fire service

6. Over the last Parliamentary session the Scottish Government put an additional 1,000 police officers on the beat in Scotland. This played a central role in tackling crime and reassuring our citizens and businesses. As set out in our election Manifesto, we recognise the vital role police officers have played in reducing crime and we will maintain the extra 1,000 police over the current Parliamentary session.
7. But we are in tough times with declining budgets. We have therefore set in motion a process of reform which will ensure that the police service is sustainable into the future. We will seek Parliament's approval to create a single Scottish Police Service. Our priority will be to ensure policing remains strongly rooted in and responsive to our communities, and that front line services are protected despite the financial challenges.
8. The overall number of fires in Scotland has fallen by 20% since 2006-07 and fire fatalities are at their second lowest level since devolution. Nevertheless, fire fatalities in Scotland remain higher than in the rest of the UK. In this context, our focus will be on protecting

² Recorded Crime in Scotland, 2010-11.

³ Scottish Crime and Justice Survey, 2009-10.

front line services in the face of declining budgets through establishing a single fire and rescue service during this Parliamentary session.

Police and Fire Reform Bill

We will bring forward legislation to establish single services for police and fire & rescue. Reform will protect and improve local services. Reform will keep communities safer with more equitable access to specialist support and national capacity when and where it is needed across Scotland. Reform will strengthen the connection between services and the communities they serve, enabling closer integration with community planning partners and delivering greater local democratic scrutiny and engagement, and achieving better outcomes for communities.

Reducing crime through early and effective interventions

9. The vast majority of young people in Scotland are citizens that we can be proud of but there are a small number who get involved in crime and anti-social behaviour. We will continue to work with partners to reduce offending and reoffending by young people, by ensuring that appropriate and proportionate interventions are taken early. This will reduce the need for formal and costly measures later.
10. We will also continue to invest the proceeds of crime into the **CashBack for Communities** programme. This programme will provide exciting and challenging activities for young people, keeping them away from crime and antisocial behaviour. Over 600,000 young people have participated in CashBack activities since 2008 and over £42 million of funding has already been committed through to 2014. This money will be reinvested back into those communities hardest hit by crime and anti-social behaviour through sporting, cultural, youth and third sector organisations. A diverse range of projects will seek to increase levels of young people participating in positive and healthy activities, divert young people away from 'at risk' behaviour and support long-term positive outcomes for those hardest to reach young people in communities across Scotland.
11. We will continue work to reduce reoffending by building up community alternatives to short term prison sentences for minor offences. Introduced in February 2011, the **Community Payback Order (CPO)** now offers a credible and tough alternative to prison. It will be more effective in reducing reoffending, and pay back to the communities that have been wronged. We will do what needs to be done to help the CPO bed in, including the provision of realistic levels of funding. We will also look at the suite of interventions offered to help offenders turn their lives around. We will examine carefully the report of the Commission on Women Offenders (expected in February 2012), chaired by Dame Elish Angiolini, to see what we can do to improve outcomes for vulnerable women and victims.

Keeping us safe from harm

12. With low level offenders repaying their debt in the community, we will use prison for keeping dangerous criminals off our streets. For those who are sent to prison, sentences

are getting longer. The average length of prison sentences in Scotland has increased by 21% since 2006-07 and is now at its highest level in a decade. We will continue to invest in the prison estate so that those who need to be in custody are kept in conditions that ensure security and promote rehabilitation, including a commitment to build a new HMP Grampian. We will also continue to work with the police, prisons and local authorities to end unconditional automatic early release, by reducing overcrowding in our prisons.

13. We know that knife crime is one of the biggest dangers for public safety. Over the last four years we have taken tough action, which has resulted in violent crime at their lowest levels since the early 1980s and a fall in knife crime incidents by nearly a third since 2006-07. While police on the streets have made our communities safer, we also need to provide education and support. Our **No Knives Better Lives** initiative has led to significant reductions in knife carrying in its initial areas (35% in Inverclyde, 29% in Renfrewshire). The initiative is currently being rolled out further across Scotland.
14. Working with the national Violence Reduction Unit (VRU) on the world-recognised **Community Initiative to Reduce Violence** (CIRV) has already made a substantial impact on gang violence. We will continue to invest in the VRU and other innovative prevention measures. Building work is well under way at Gartcosh and we are fully committed to the Scottish Crime Campus which will be a major step forward in our ability to tackle Serious Organised Crime and a tremendous asset to the Scottish police service.
15. We will continue to take strong action to tackle domestic abuse and all forms of violence against women. We will support key front line services for victims as well as work with perpetrators through our ground-breaking **Caledonian System**. We will increase our focus on early intervention and prevention, aimed at driving down the incidence of abuse, and will provide increased support for the work of the Zero Tolerance Trust and White Ribbon Scotland.

Building strong individuals, families and communities

16. As set out in Chapter 8, building a partnership with the whole of Scottish society is at the centre of our approach to government. We will continue to build on our work to date to engage directly with communities and individuals in a way that is manageable and meaningful to them. Strong communities are built on individuals who take responsibility for their own actions and who contribute positively to the local area. The government will therefore continue to invest in early years support, learning and the economy to create the conditions in which our communities can thrive.
17. We have been clear in our election campaign that tackling sectarianism is central to building the Scotland that we want to be: a society built on dignity, respect and understanding which embraces and celebrates diversity. To do so we need to challenge those with sectarian attitudes and address the reasons these prejudices arise.

The Offensive Behaviour at Football and Threatening Communications (Scotland) Bill

The Offensive Behaviour at Football and Threatening Communications (Scotland) Bill makes clear the government's determination to take the immediate and decisive action needed to address the incidents from last season that shamed Scotland and begin to restore the reputation of Scottish football and Scotland. We are committed to removing bigotry and sectarianism from Scottish football and our communities. This legislation will crack down on those who bring shame to our national game with their violent and bigoted behaviour.

18. Alcohol and drug abuse remains a blight on our society and has a significant impact on crime and public safety: 50% of prisoners and 77% of young offenders were drunk at the time of their offence; and in 62% of violent crimes, victims said the offenders were under the influence of alcohol. We have already introduced a range of measures in the last Parliament to improve our nation's relationship with alcohol but we will go further, by introducing legislation to give effect to minimum pricing.
19. Levels of self-reported drug use have fallen from 12.6% in 2006 to 9.8% in 2009-10 but problem drug use is still unacceptably high. An estimated 40,000 to 60,000 children are affected by problem drug use of one or more parents. We have increased investment in drug treatment services by 20% since 2007-08 and we are on track to meet our commitment to a maximum wait of 3 weeks by March 2013. Going forward, we will build on these early successes by supporting the development of recovery communities across Scotland; investing in early intervention and prevention; and focusing on person-centred care, treatment and recovery.

A Justice system that works

20. We have made progress in processing criminal cases quickly: 74% of summary criminal cases were dealt with within 26 weeks in 2010-11, 8 percentage points higher than in 2006-07. However, delays are still commonplace within the court system and the experience of victims and witnesses is not nearly as positive as it should be. During this Parliamentary session we will focus on building a justice system that reflects a modern and forward-looking Scotland.
21. Victims are the most important people in the criminal justice system and witnesses are key to ensuring justice is done. We will bring forward legislation during this Parliament to ensure victims' rights are central to improvements in our justice system, and witnesses are able to fulfil their public duty effectively.
22. We will bring forward the most radical reforms of our courts and tribunals for at least a century, under the **Making Justice Work** programme. The programme will include a range of measures that can be implemented in the short term. These include a much greater use of video technology to reduce costs and save time, and steps to ensure that cases go ahead when planned, with less inconvenience to victims and witnesses and fewer police hours wasted. Longer term measures will include implementation of Lord Gill's major reforms to the civil courts, which will ensure that cases are managed

effectively and at the right level. We will integrate tribunals into a single, more efficient and user-focused Scottish Tribunals Service.

23. We will also take forward reforms which will reduce costs while maintaining access to justice. We will shortly publish our plans for legal aid, setting out how we will achieve this within sustainable levels of expenditure. We will also identify opportunities to promote other forms of dispute resolution, including mediation and arbitration, and to ensure that citizens have access to the right information and support to resolve disputes without court action, wherever possible.
24. We will continue to reform the law in key areas. The Scottish Law Commission is examining a number of high profile areas of the law, including whether juries should be informed about previous convictions. We also have two significant independent reviews in train under Lord Carloway and an independent group led by Lord McCluskey. We will work with justice organisations to respond to their recommendations.

CHAPTER 7: A GREENER SCOTLAND

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1. Scotland's environment is unique and irreplaceable. While it supports our health and wellbeing, it also underpins much of Scotland's wealth creation. That includes tourism and exports, especially from our food and drink industry where the quality and provenance of production are essential advantages. However, the economic value of our environment goes much further than that: our natural assets are an immense resource for the whole of Scotland's economy. It is our responsibility to protect and enhance our environment for future generations and to ensure our natural resources are deployed in support of our economy in a sustainable way.
2. Our vision is for a greener Scotland, which is low carbon and zero waste. A Scotland where future prosperity rests not in depleting finite resources but in conserving and promoting the valuable assets that make Scotland an outstanding destination for visitors and investment. We are also committed to redeploying expertise and strengthening communities to develop economic opportunities based on our rich renewable resources.
3. Our policy for rural development is built on making sustainable use of Scotland's natural resources, on community empowerment and on improving connectivity in our rural areas. Food production is of course a key economic activity in rural Scotland. Our strong support for primary producers, who are themselves dependent on the quality and reputation of our natural resources, helps ensure a supply of raw materials for our increasingly successful food and drink sector.

Supporting the rural and marine economy

4. Our rural and marine industries make a key contribution to the economy. 20% of Scotland's population live in rural areas and it has been estimated that rural regions account for over 25% of gross value added to the Scottish economy. Scotland's core marine sector alone is estimated to contribute £3.6 billion (excluding oil and gas).
5. The wider food and drink supply chain, much of which is directly dependent on produce from rural and maritime areas, is estimated to be worth close to £10 billion. Over the last 4 years our core strategy has been to support the rural communities and agriculture that supply the food and drink industry. Through the Rural Priorities element of the **Scotland Rural Development Programme** we have provided £450 million to some 5,650 projects since 2008, committing some £147 million of that to around 1,800 projects in 2010.
6. We have distributed payments of £500 million to around 20,000 farmers and crofters under the **Single Farm Payment Scheme**. Through the **Scottish Beef Calf Scheme** we have invested £22 million in quality beef production, especially in environmentally sensitive areas. Scotland has been officially free of Bovine TB since September 2009 and we are continuing to work hard to preserve that status. We regained our free status for the ruminant disease Bluetongue in July 2011. We have committed £2.4 million to over 100 innovative forestry projects within the **Central Scotland Green Network**. We have also supported the seafisheries, aquaculture and fish processing sectors with an excess of £50 million assistance awarded through the European Fisheries Fund.

7. Over the next few years we will continue to support these industries including:
- negotiating a fair share of Common Agricultural Policy (CAP) funding for Scotland for the period 2014-2020;
 - working with industry partners on a new animal health strategy that fits the distinctive circumstances of our livestock sector, including the industry-led programme to control bovine viral diarrhoea;
 - continuing to bring forestry and farming interests together – achieving our forestry targets while safeguarding food production;
 - implementing the new integrated approach to marine planning and management provided for in the Marine (Scotland) Act 2010 by developing a national marine plan and MPA network by the end of 2012. We will also introduce regional marine planning;
 - supporting and protecting our iconic wild salmon and freshwater fisheries and aquaculture sectors through continued partnership working in modernising management and delivering improvements; and
 - actively shaping radical reform of the Common Fisheries Policy to ensure that we can effectively enhance the viability of the Scottish fishing fleet through sustainable fisheries management which is no longer micro-managed from Brussels.

Aquaculture and Fisheries

We are developing consultation proposals with a view to legislation on improving management measures for farmed fish. We propose to update enforcement provisions including in relation to sea fisheries, and the application of EU restrictions and obligations. We also propose to amend and update sea fisheries legislation and to provide continued protection for shellfish growing waters. We will also be reviewing aspects of management arrangements for wild salmon and freshwater fisheries.

Climate change and renewables

8. Over the last Parliamentary session we made sure that Climate Change was at the heart of everything we did. We passed ambitious Climate Change legislation, and now, alongside the draft Budget, we include an assessment of the carbon impact of our proposed expenditure. Over the last 4 years we have worked hard to reduce emissions and to protect and enhance our natural and built environment. Scotland is already more than halfway to meeting our 2020 target of a 42% reduction in emissions. Key achievements include:
- **continuing to deliver the hugely successful Climate Challenge Fund.** This initiative has empowered 345 communities across Scotland to take forward their own solutions to make a significant reduction in carbon emissions. We have published an independent review of the first 3 years of the scheme's successful operation;

- **our Zero Waste Scotland business resource efficiency service.** This has helped more than 800 Scottish business to reduce their waste and resource consumption in 2010;
 - **working together with the farming sector, other land managers and the Scottish Environment Protection Agency (SEPA).** We have made significant progress in managing diffuse pollution issues in 14 priority water catchment areas. The related Water Environment Restoration Fund also provided funding for around 80 projects to address adverse impacts on the water environment resulting from past human activities; and
 - **introducing new energy standards in October 2010.** The standards are expected to deliver a 30% reduction in carbon dioxide emissions from new buildings when compared to 2007 standards.
9. Scotland is now uniquely placed to become a world leader in building a low-carbon future and reaping significant economic and community benefits as a result. The path to a low-carbon Scotland is mapped out by our ambitious annual emissions reductions targets. These are now in place to 2022 and will shortly be in place for every year until 2027. Our targets provide certainty for long-term investment in the technology and changes required to build a greener, more sustainable, low carbon Scotland.
10. Throughout the next Parliamentary session we will continue to drive action to achieve our ambitious emissions targets. In addition to the activity outlined in Chapter 3 to drive forward low carbon activity, we are committed to taking forward the commitments made in our Manifesto, which include: working to a 70% target for recycled waste and a maximum of 5% to be sent to landfill by 2025; taking forward proposals for a rural Parliament; and driving forward action for the Scottish Parliament to take on responsibility for the Crown Estate Commissioners so that the resources generated in Scotland can be used to support the development of the offshore renewable sector and in time be re-invested in Scotland's communities.
11. We have raised the renewable energy electricity target to 100% by 2020, in line with our belief that Scotland can be environmentally sustainable. Our Renewables Routemap sets out the collective actions necessary to meet our enhanced renewables targets. We will continue to support renewable generation schemes at a community level through the CARES Loan Fund. As set out in Chapter 8, collaboration and partnership is at the heart of our approach to government and we will continue to deliver the **Climate Challenge Fund** with an enhanced level of funding of £10.3 million in 2011-12. We will be supporting 130 communities and developing a **Junior Climate Change Fund**, underlining our commitment to community-led action on climate change.

Energy efficiency

12. Addressing climate change requires us not only to reduce our energy consumption but also to use the remainder of our supply as efficiently as possible. The Scottish Government has taken a range of measures to drive progress in this area:
- we have invested around £60m since 2007-08 to fund the Carbon Trust and EST to help business, public sector and households to reduce carbon emissions and improve business efficiency;

- we worked with the CERT Strategy Board to redesign our domestic energy efficiency and fuel poverty programmes to maximise uptake of CERT. CERT – subsidised professionally installed cavity wall and loft insulation installations – went up by over 15,000 in Scotland to over 93,000 measures in CERT year two (2009-10); and
 - we published the Energy Efficiency Action Plan *Conserve and Save* in October 2010. This includes an ambitious headline target to reduce final energy consumption by 12% by 2020. The Action Plan sets out a framework for our comprehensive approach to energy efficiency and microgeneration. We will publish our first annual report on progress by October 2011.
13. We are committed to continuing to drive forward action on energy efficiency and will continue to explore options for improving energy efficiency of existing non-domestic building stock through a working group. We intend to develop regulations for 2012.

Minimising waste

14. The **Zero Waste Plan** sets out our vision for a zero waste Scotland where waste is treated as a valuable resource and not as an unwanted burden. In a zero waste society resources are used efficiently and most waste is recycled into valuable resources and products, leaving only limited amounts for residual waste treatment, including energy recovery. This is about reducing Scotland’s demand for finite resources and with it our global environmental impact. We have already set two new targets that will apply to all waste: a 70% target for recycling; and a maximum of 5% of waste to be sent to landfill, both by 2025.
15. Over the next Parliamentary session we will take forward statutory measures to transform how Scotland views and manages its waste including: new requirements to separate and collect recyclable materials; restrictions on the inputs to thermal treatment facilities; and a ban on biodegradable wastes going to landfill. We will also take forward our commitment to introduce a waste prevention programme that will help Scotland to make best use of its resources. Through **Zero Waste Scotland**, we will continue to support local authorities, industry and the public in making the changes needed to deliver our aspirations for a truly zero waste society.

Agricultural Holdings (Amendment)(Scotland) Bill

The **Agricultural Holdings (Amendment) (Scotland) Bill** will implement the outstanding recommendations from the Tenant Farming Forum. These are intended to provide a better environment for landlords to let their farm land out to tenant farmers and also to encourage new entrants into tenant farming. It will extend the definition of ‘near relative’ to include grandchildren making it easier for them to inherit tenancies and will also prohibit provisions for ‘upward only’ or ‘landlord only’ initiated rent reviews from being included in leasing arrangements. There is also provision relating to VAT and rent reviews which corrects an anomaly arising from an English High Court case regarding the incorporation of VAT in agricultural rents.

CHAPTER 8: BETTER PUBLIC SERVICES

CHAPTER 8 – BETTER PUBLIC SERVICES

1. Excellent public services are essential for a productive and equitable society. We recognise the strength of the public's commitment to Scotland's public services and believe that the quality of those services is the bedrock on which our society and future prosperity depend.
2. In the last Parliament, Scotland faced unprecedented pressures: an international financial crisis and a global recession. As a minority administration, the government sought to chart the best way through those difficulties – working with partners to help Scotland's people and businesses through the worst.
3. The Purpose, to create a more successful Scotland with opportunities for all, remained as our single overarching goal throughout.
4. In the coming Parliamentary session, Scotland will confront unprecedented fiscal pressures imposed by the UK Government at a time of continuing global economic uncertainty and rising demand for public services.
5. Current estimates suggest the real value of the Scottish budget will not return to the levels of 2009-10 until the middle of the next decade. Over this 16-year horizon, the expected loss of funding to Scotland's public services will be close to £40 billion. Within this, our capital budget has been hardest hit – with a 35% real terms cut over the current UK Spending Review period.
6. No previous Scottish Government has been challenged to operate in such a restrictive fiscal environment.
7. We are ambitious for Scotland's public services even in these challenging times. In this Parliament, we will intensify efforts to realise the benefits of social partnership and closer collaborative working; we will accelerate our reforming agenda, speed up cycles of innovation and intensify our focus on value for money. Incremental improvements are no longer adequate; fundamental reform is unavoidable.

Approach to Government

8. Our approach to government is based on outcomes that matter to people; ensuring the focus of public spending and action builds on the assets and potential of the individual, the family and the community, rather than being dictated by professional silos and organisational boundaries.
9. Partnership with the whole of Scottish society will underpin our efforts to improve public services. A partnership with local government, Single Outcome Agreements in each locality and Community Planning Partnerships offer the potential to carry this bold agenda into every neighbourhood and release the energy and creativity of Scotland's people.
10. In the face of Westminster's unprecedented cuts to the Scottish Budget, we have acted decisively and prioritised our resources to maximise their positive impact – stimulating economic recovery, protecting employment and front-line services and investing in Scotland's future prosperity. We have already introduced many fundamental reforms of

the design and delivery of our public services and led an open and inclusive debate on the nation's budget priorities.

11. Departing from the practice of previous administrations, we opened the books of government to the scrutiny of the Independent Budget Review (IBR) Panel and asked the expert Panel to report publicly on areas where savings might be made. Their highly detailed analysis presented a wide range of saving options, many of which we have adopted.
12. The IBR report was followed by the longer-term analysis of the **Commission on the Future Delivery of Public Services** (the 'Christie Commission'), which reported in June this year. In presenting a radical roadmap for renewal, the Christie Commission made a major contribution to debate on the future direction of our public services.

Building on Success

13. Empowered with a unique Parliamentary mandate, this government will build on a successful track record of competence and achievement in public services with an expanded programme of public service reform. We will lead our public services into new ways of working and thinking, new understandings of the needs of Scotland's people and ways to meet those needs.
14. A Cabinet sub-committee on public service reform has been convened to shape and take forward our response to the Christie Commission in a coordinated manner. The Spending Review, to be published later this month, will express our continued focus on driving reform and value for money throughout public services.
15. Part of the required transformation will come from improving and harnessing new technologies as never before. 'Scotland's Digital Future' recognises that the wider adoption of digital technology can help to both improve outcomes and reduce costs of delivery.
16. The McClelland Review of Public Sector ICT found that the customer experience of public services can be greatly enhanced by new technologies as online services are easier, quicker and more convenient for people to use while costing less than other methods. In taking forward our priorities for the reform of public services we will capitalise on our investment in digital technology to improve access and provision for citizens and businesses.
17. Over this 5-year Parliament, our public service reform agenda will be built on four pillars:
 - a decisive shift towards prevention;
 - a greater focus on 'place' to drive better partnership, collaboration and local delivery;
 - investing in people who deliver services through enhanced workforce development and effective leadership; and
 - a more transparent public service culture which improves standards of performance.

Focus on Prevention

18. There is a large and compelling body of evidence, including recent reports by the Parliament's Finance Committee and the Christie Commission, which demonstrates that spending on prevention can deliver real improvements in outcomes and avert future costs to the public sector. A more preventative approach will benefit individuals, communities and wider society, and help to stem the mounting pressure on services and resources that would otherwise arise. We are convinced of the merits of these arguments.
19. Experience has shown us that preventative approaches can produce results in practice and offer cost-effective use of taxpayers' money. Some preventative interventions will quickly improve outcomes and produce savings, whilst others will deliver significant benefits over a longer term. We will help partners to identify, generate and share the evidence on what is working in Scotland and be clear that when approaches are ineffective they should be supported no longer.
20. Despite significant progress, the focus within many of our public services can be shifted further away from dealing with the symptoms of disadvantage and inequality towards tackling their root causes. We are committed to working jointly with our delivery partners to prioritise preventative approaches and early intervention.
21. The required shift in the balance of public spending towards prevention will be supported through our approach to early years, justice, health and social care. Prevention is central to our approach to government and specific examples of planned actions on prevention are given throughout the preceding chapters.
22. The Change Fund is an ongoing example of success. It has been welcomed by NHS Boards and local authorities and is being used to drive forward radical redesign of services that will produce better outcomes for older people. Third sector and independent sector organisations have also embraced the principles of the Change Fund and are involved with the statutory bodies in helping to integrate older people's services.
23. We will continue to have a focus on outcomes, partnership working and the further integration of services, that will support a more preventative approach. We will encourage and enable effective joint action between bodies to tackle problems before they arise.

Place-based Partnership

24. Many of the solutions to Scotland's major challenges – from tackling climate change to improving public health – lie locally. Many of the best ideas and most effective solutions will come from those with the most direct experience of the problems or opportunities that exist. We want local communities to have a greater say in the decisions that affect them.
25. Community Planning is at the heart of our approach with partners working together to agree their priority local outcomes through the development of locally-attuned Single Outcome Agreements.

26. Building on our partnerships with local government and others at community level, we will continue to look for ways to improve how individuals, communities and businesses are able to develop local solutions for local challenges. Through partnerships – based on openness, trust and honesty – we can secure delivery of activities to improve outcomes that would not have been possible on our own.
27. We are clear that effective, locally integrated service provision is crucial to the achievement of outcomes, ensuring high quality and seamless provision of services to the public and the effective use of taxpayers' money in times of fiscal constraint. The efforts of all public agencies must be on delivering integrated services that deliver better results – integrated services which lead to improvements in the quality of life, social and economic wellbeing.
28. Public service organisations must come together to design and deliver integrated services, and should involve fully the local public, communities, third and private sectors. We will continue to focus on outcomes and support public service organisations to overcome boundaries to deliver these effectively and efficiently.
29. We have a strong track record to build on. The work of the Joint Improvement Team, GIRFEC, Community Health Partnerships and Community Justice Authorities, for example. We need to intensify our efforts in some areas and begin that journey to integration in others. Community Planning Partnerships will have a significant role to play in leading and implementing integrated services in their areas.

Workforce Development and Effective Leadership

30. Those who deliver our public services must have a voice in how their organisations operate and be encouraged to use their expertise by contributing ideas about how improvements might be made.
31. All public servants will have the opportunity to shape the future of the services they deliver and we are committed to develop their capabilities to improve the quality of the services they provide to the people of Scotland.
32. We will support: leadership development collaborations across public, private, third sector and community organisations; encouraging effective management and strong employee engagement at every level, in every workplace; helping business to understand which skills are needed now and in the future, and finding innovative ways to resource those needs; and helping everyone to develop and use the skills and work-related experiences already held by the people in their organisation, to increase productivity, job satisfaction and well-being.

Openness and Transparency in Performance

33. This government is committed to openness and to meaningful dialogue with those who use and fund Scotland's public services. The public are entitled to have opportunities to scrutinise services and have their say on how public services are designed and delivered.
34. Transparency is enhanced by greater clarity around the objectives of public services. During the last Parliament we replaced a proliferation of disjointed targets and

organisational objectives with Scotland's first National Performance Framework, fully integrated with our spending plans. This provided a sound basis to drive closer strategic alignment, increase transparency across Scotland's public services and has contributed to a much stronger performance culture.

35. By driving closer strategic alignment, alongside a more transparent performance management approach, the government has enhanced public accountability and sharpened the focus on the delivery of better outcomes for the people of Scotland.
36. We will continue to promote and extend Scotland Performs as the vehicle for transparent reporting on progress towards the Purpose and National Outcomes, and encourage the rest of the public sector to contribute to this monitoring framework through Single Outcome Agreements.
37. We will advance the improvement agenda further in this Parliament by intensifying our efforts to recognise and spread the benefits of good practice in service delivery, while also tackling any remaining sources of unexplained performance variation. Our response to the current fiscal challenges will be informed by what we know about what works.
38. Where structural reform is required in order to achieve the required outcomes and value for money it should proceed, but leadership and culture matter more than structure.
39. We will encourage a stronger and more reliable set of approaches to public service improvement through an improvement framework that emphasises the importance of the following factors:
 - clear aims;
 - improvement priorities explicitly designed to achieve those aims;
 - transparent measurement of progress;
 - the building of stronger improvement capability; and
 - the spreading of innovation and best practice across the public sector.

ANNEX A: LEGISLATIVE PROGRAMME

1. Our Legislative priorities for the coming year are:

➤ **Budget Bill**

- The annual Budget Bill provides Parliamentary approval for the Scottish Government's spending plans, allowing the allocation of resources to our strategic objectives and supporting progress towards our vision of a more successful country, with opportunities for all of Scotland to flourish through increasing sustainable economic growth.

➤ **Water Bill**

- We shall bring forward a Water Bill. We are committed to making Scotland a Hydro-Nation. Our water resource is significant and in a world demanding more food and water, there is good reason to nurture our water for our long term sustainable use.

➤ **Police and Fire Reform**

- We will bring forward legislation to establish a single service for police and a single service for fire & rescue. Reform will protect and improve local community services.

➤ **Alcohol/Minimum Pricing**

- The Bill will introduce minimum pricing as a condition of licences granted under the Licensing (Scotland) Act 2005 as this is an efficient and effective way to tackle alcohol misuse in Scotland. The actual minimum unit price being specified in subordinate legislation.

➤ **Self Directed Support**

- The Social Care (Self-directed Support) Bill will help to underpin new models of support, placing greater control and responsibility in the hands of citizens and thereby enhancing people's independence and wellbeing.

➤ **Council Tax on empty homes and Housing Support Grant**

- The Scottish Government will bring forward legislation to help ensure that housing and funding for housing are used more efficiently in Scotland. The proposed bill will enable Councils to charge an additional levy on the Council Tax on long-term empty properties.

- **Offensive Behaviour/Football Disorder/Sectarian Abuse**
 - The Offensive Behaviour at Football and Threatening Communications (Scotland) Bill will criminalise behaviour which is threatening, hateful or otherwise offensive to a reasonable person and incites disorder at a regulated football match – this includes offensive singing or chanting. The Bill also criminalises the communication of threats of serious violence and threats intended to incite religious hatred, whether sent through the post or posted on the internet.

- **Rights of Children and Young People**
 - To establish in law the responsibility of the Scottish Government to have due regard to the UNCRC when carrying out its functions we will consult on proposals for a Rights of Children and Young People Bill.

- **Land Registration**
 - The Land Registration Bill aims to strengthen the system of land registration in Scotland that has evolved in practice since the Land Registration (Scotland) Act 1979.

- **Legal Aid and Civil Justice Council**
 - This Bill will make provision for the levying of financial contributions in criminal legal aid, ensuring that those who are able to pay a contribution to the costs of their defence do so. It will also establish a Scottish Civil Justice Council to replace the existing civil rules councils and support improvements to the civil justice system.

- **Scottish Criminal Cases Review Commission**
 - This Bill will provide an appropriate legislative framework for the Scottish Criminal Cases Review Commission to consider the release of a statement of reasons in circumstances where an appeal has been abandoned.

- **Agricultural Holdings**
 - The Agricultural Holdings (Amendment)(Scotland) Bill will implement the outstanding recommendations from the Tenant Farming Forum.

➤ **Long Leases**

- We will reintroduce the Long Leases (Scotland) Bill, which was considered in the last Parliament but ran out of time. The Bill will implement a report by the Scottish Law Commission and will simplify and clarify land tenure in Scotland.

➤ **Aquaculture and Fisheries**

- We are developing consultation proposals with a view to legislation on management measures for farmed fish and wild salmon and freshwater fisheries.

➤ **National Library of Scotland**

- The National Library of Scotland (NLS) Bill will enable the NLS to update and develop its services and functions for the 21st century, responding to the changing needs of its customers. The Bill will also reform governance arrangements which were established in 1925 by reducing the size of the Board, remove reserved places and ensure all appointments are made by Scottish Ministers based on merit and selection.

➤ **Freedom of Information**

- The Freedom of Information (Amendment) (Scotland) Bill will propose amendments to the Freedom of Information (Scotland) Act 2002 intended to add strength and clarity to the Act.



**The Scottish
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