

Melting Pot 2016



Melting Pot 2016

This is a collection of the individual blogs we have posted on our Melting Pot site in 2016

December 2016

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About Reform Scotland

Reform Scotland, a charity registered in Scotland, is a public policy institute which works to promote increased economic prosperity and more effective public services based on the principles of limited government, diversity and personal responsibility.

Reform Scotland is independent of political parties and any other organisations. It is funded by donations from private individuals, charitable trusts and corporate organisations. Its Director is Geoff Mawdsley and Alison Payne is the Research Director. Both work closely with the Advisory Board, chaired by Alan McFarlane, which meets regularly to review the research and policy programme.

About the Melting Pot

The Melting Pot is our guest blog, where Scotland's thinkers, talkers and writers can indulge in some blue sky thinking. The posts do not represent Reform Scotland's policies.

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i. Foreword

Reform Scotland set up the Melting Pot blog on our website to provide a forum where people could put forward policy ideas. This is in keeping with our role as a public policy institute that seeks to inform, influence and widen the public policy debate in Scotland.

The contributions to the Melting Pot over the past year collected in this publication, whilst representing the views of individuals and not Reform Scotland, have complemented the work that Reform Scotland has done across a range of economic, public service and constitutional issues.

A blog such as this is entirely dependent on the quality of the contributions themselves. In this respect, we have been very fortunate that people from such a wide range of different backgrounds have been willing to contribute such interesting and insightful pieces. I would like to thank them all for taking the time and trouble to write these blog posts and I look forward to reading further contributions in the New Year.

Geoff Mawdsley,
Director, Reform Scotland

Section 1: January to April

Economic Growth in Scotland: From Ideas to Policies

– **Professor David Simpson**

Originally published 7 January 2016

The rate of growth of the Scottish economy has for long been below that of England, and even further below its counterparts among the smaller countries of North Western Europe. How can this situation be changed? Primarily by creating a business environment that's attractive to entrepreneurs, not just native ones but foreign ones as well. When the pool of native business talent is quite shallow, as it is in Scotland at the present time, then the need to attract incomers is more urgent. Experience suggests that if you create a sympathetic environment, entrepreneurs will come. One third of the successful business start-ups in California between 1980 and 2000 had Indian-born or Chinese-born founders.

The modern recipe for economic growth is well-known, even if it is frequently ignored for political reasons. It can be illustrated by the experience of Singapore. When that country gained its independence in 1965 by leaving its political union with Malaysia, it was so poor that anyone who suggested at the time that Scotland would have anything to learn from a backward Asian country would have been laughed at. Today those same people would no doubt argue that Singapore was too rich a country for us to compare ourselves with. Singapore became rich by following a fairly simple set of principles that would have been appreciated by Adam Smith and his successors in the Scottish tradition of Political Economy. The first principle is self-reliance. Right from the beginning, Singapore refused to accept foreign aid of any kind. By doing so it avoided a culture of dependence and established instead a culture of confidence. This is the exact opposite of the economic policies of the unionist parties in Scotland. The Labour Party openly advocates dependence on continuing fiscal transfers from the south east of England. This is the philosophy of the begging-bowl, or perhaps the cargo cult. It is a policy that is tacitly shared by the other unionist parties.

The second policy principle for modern economic growth is freedom of trade, with low rates of business taxation and light, but smart, regulation. Singapore is at the top of the World Bank's annual *Doing Business* rankings, which measures the ease with which entrepreneurs can conduct business in a country. The metric uses 10 factors and covers 183 countries. Countries with better *Doing Business* rankings tend to have higher life expectancy rates.

A third principle is the rule of law. The Singapore strategy emphasises personal security, public order and the protection of private property.

Finally, there is stable money. A currency board provides stable prices and free convertibility at a fixed exchange rate which attracts foreign investment. It also delivers discipline to the spheres of money, banking and fiscal affairs.

What about Government? Singapore has a small, transparent system of governance that minimises red tape. It appoints only first class civil servants and pays them first class wages. In return for high salaries, the civil servants are expected to tolerate neither waste nor corruption. The Singaporean Government plays a central role in the country's healthcare market. Its health care system is characterised by innovation (e.g. personal health savings accounts), simplicity and transparency, resembling neither the public monopolies of Europe nor the complex regulatory nightmare of the US.

This is light years away from the public sector scene in Scotland today. How can that change? Change will not be brought about by argument but by the facts on the ground. Governments everywhere, not just in the UK but throughout most of the Western world, are heavily in debt and have great difficulty in meeting their current expenditure commitments, especially the financial demands of their healthcare services and the needs for new infrastructure. Things cannot go on as they are. The alternatives are either higher taxes and lower public expenditure prolonged indefinitely, (“austerity”) or doing things differently. What we need is not just smaller government, but smarter government.

That improvement in public sector performance is possible in Scotland is demonstrated by the recent experience of Scottish Water, a public sector monopoly. When it was formed in 2002, the water industry in Scotland had operating costs and levels of service that were about thirteen years behind those of the same industry in England and Wales. Average household water bills in Scotland in 2002 were £19 higher than the average in England and Wales. Since then, operating costs have fallen by around 40%, so that household bills are now £50 lower than the average bill south of the border. This has been achieved by smart regulation providing strong incentives that reward both management and workers for meeting stiff targets.

Resources in the public sector in Scotland and elsewhere will be stretched for many years to come. A business-friendly environment, the only kind that will produce faster growth, means lower tax rates at both the corporate level and at the higher end of the income tax scale. Well judged reductions in tax *rates* should produce increases in tax *revenues* in the medium term, but in the short term increased taxes on consumption may have to take some of the strain. Consequently a fiscal regime in which income taxes alone are devolved will never be able to deliver economic growth, which is perhaps why this has been offered.

A further important role for Government is in the provision of finance for infrastructure. As Donald Mackay argues, only government investment in the necessary infrastructure will make the exploitation of many of Scotland’s natural advantages, especially renewable sources of energy, commercially attractive.

The recipe for promoting economic growth that Scotland can learn from the success of other states is that sovereignty brings two essential ingredients: the ability to design policies to suit the country’s own circumstances and a culture of confidence. As Keynes pointed out, the principal determinant of the level of private investment in a market economy is not the rate of interest nor even the level of aggregate demand but the state of business confidence. The prosperity that many other small states enjoy today is an indication of what is possible for Scotland.

Professor David Simpson founded the Fraser of Allander Institute in 1975, and was Professor of Economics at the University of Strathclyde from 1975 to 1988. From 1988 to 2001 he was Economic Adviser to Standard Life. From 2005 to 2012 he was Vice-Chairman of the Water Industry Commission for Scotland.

The Scottish Liberal Tradition

– Dr Craig Smith

Originally published 13 January 2016

During the referendum debate we heard a lot about the distinctiveness of Scottish political culture. There is a widespread belief that Scotland is in some sense a more social democratic and left-wing country than some of her neighbours. Laying aside the accuracy of these claims, challenged as they have been by the evidence of social attitudes surveys, many have been struck with the uncomfortable feeling that this narrative tells a partial, not to say a partisan, history of thinking about politics in Scotland.

Like all countries, Scotland's political culture is not monolithic. In stressing one narrative we risk ignoring other political traditions. One of the strongest of these is the tradition of Scottish Liberalism. It may seem an odd time to talk about Liberalism in Scotland given the recent electoral results for the Liberal Democrats. But we are talking about ways of thinking about politics, about attitudes rather than political parties. There are political ideas that have a strong historical resonance in Scottish life which, while many of them are shared by the social democratic narrative, also form the basis of an alternative way of thinking about politics.

These themes emerge from three great moments in Scottish cultural life: from the Reformation, from the Scottish Enlightenment and from the Nineteenth century reform movement. In terms of the thinkers that helped to shape this tradition one might dwell on the political thought of George Buchanan, on David Hume and Adam Smith and on the work of James and John Stuart Mill. Glancing through their writings we can see a number of themes that amount to an alternative tradition of Scottish political thought.

The great theme of Scottish Liberalism is individualism. Scotland's experience of Calvinism imbued its culture with a strong respect for the individual. In the Scottish Enlightenment this moved from the sphere of religion into that of social life as Hume, Smith and others argued that their developing commercial society offered far greater opportunities for individual self-expression than previous times. In the nineteenth century in the hands of John Stuart Mill, it became the core of the most celebrated moral case for a free society. The rugged individualism of Scots at home and overseas was a manifestation of a strain of thought that valued the individual, and that was antagonistic towards those who sought to impose their will on others.

Another product of the Reformation was the view that all people are of equal moral status. In the hands of George Buchanan this took on a political dimension where rulers were seen to be dependent on the consent of the people. For Buchanan Kings were limited by law and their position was revocable should they step beyond the bounds of their office. In the Scottish Liberal tradition egalitarianism of status was intimately linked to the idea of limited government.

Stemming from moral egalitarianism was a deep concern with the idea of self-respect. This came to be bound up with ideas of hard work, self-reliance and parsimony. It reached its apogee in Samuel Smiles book *Self-Help*, a Victorian best seller that lauded the work ethic, individual responsibility and idea of living within your means. This may be one root of the crude caricature of the Scots as mean, but it is a theme that is already present in the work of Adam Smith. In the *Wealth of Nations* Smith's hero is not the wealthy businessman. It is the

prudent ordinary individual who is able, by hard work and careful saving, to improve the situation of their family.

Smith's great book also gives us another theme. Free exchange of goods between responsible individuals became the basis of the economic miracle that Scotland experienced in the eighteenth century. It's also vital to remember that Smith's case for free trade was a moral case: his argument is based on the idea that it is the poor who benefit most from economic growth.

Key to this, in Smith's view, was the provision of a stable government and the rule of law. As he said in a famous aside, 'Little else is requisite to carry a state to the highest degree of opulence from the lowest barbarism, but peace, easy taxes, and a tolerable administration of justice: all the rest being brought about by the natural course of things.'

Scotland also has a rich history of local government and one of its key features was the absence of formal political parties. Though the Highlands remain the last refuge of this tradition of independent service in local government, it was once characteristic of all Scottish communities. Communal organisation to provide roads, water and sewerage, policing and education developed along with strong town and county identities which have been increasingly obscured by centralisation and local government reorganisation.

For all of the Scottish Liberal tradition's focus on individualism, it also shows strong concern with a sense of community and shared responsibility to the less advantaged. Scotland's towns and cities are filled with buildings, libraries, museums and parks that were gifted to the people by successful individuals or raised by public subscription. These examples of philanthropy highlight that a sense of belonging and duty to community was a key aspect of Scottish culture long before the development of the institutions of the social democratic state. The ideas mentioned above form the basis of an indigenous Liberal tradition characterised by respect for individual rights, the rule of law, representative democracy, and a distinct private sphere. The Liberal tradition stresses the importance of limited government; non-intervention in the economy; trust and responsibility towards individuals; individual effort through small businesses and careful capital accumulation; mutual co-operation on areas of shared and local concern and suspicion of the grandiose claims of government. It is an outlook which does not have the media profile of the left-wing narrative, but it is no less real for that. Starting to think in terms of a Scottish Liberal tradition once again provides an alternative to the dominant narrative about Scottish politics. Indeed it may offer us another distinctly Scottish and distinctly progressive path in the years ahead.

Dr Craig Smith is the Adam Smith Lecturer in the Scottish Enlightenment at the School of Social and Political Sciences at the University of Glasgow.

Inequality, Social Justice and the schooling ‘gap’: a different perspective

– Sarah Atkin

Originally published 20 January 2016

When a school system, designed specifically to advance the life chances of society’s least privileged is demonstrably and disproportionately failing them it is time to put your hands up and say ‘not good enough.’ No excuses. No defence. Where you start is not where you should end up after 11 years of schooling. Thanks to Kezia Dugdale’s tenacity education is now – at last – top of the political agenda in Scotland.

According to the OECD, Scotland was a leader in maths attainment in 2003 and now we are ‘above average’. Also, the proportion of lower achievers in maths is increasing whilst the proportion of higher achievers declines. The Scottish Survey of Literacy and Numeracy 2014 echoed this trend in reading. Between 2012 and 2014 top performers in reading declined by 11% between Primary 4 and 7; by 6% in P7 and by 8% by S2. This cannot continue. It is not ‘talking Scotland down’ to raise the political stakes and tell the truth. If your reading age fails to at least match your chronological age when you start secondary education you will struggle to access the curriculum and likely never catch up.

Raising attainment overall and ‘closing the gap’ – actually different challenges – are what the OECD said Scotland needs to ‘relentlessly pursue.’ This requires a sense of mission, a strategy and some urgency; none of which is being suggested in Nicola Sturgeon’s plans. Of course it’s vital to invest heavily in high quality pre-school education. I’d also argue that Scotland needs a coherent literacy and numeracy strategy for primary schools (it is surely worth looking at the impact of this down south during the early Blair years.) However, ‘the gap’ and wider inequality in education extends beyond attainment/exam results.

The best educators will tell you that what happens outside the classroom matters as much as what happens within it. I was struck by reference to ‘socio-economic status’ in the 2007 OECD report ‘Quality & Equity of Schooling in Scotland’ and its influence on the ability of pupils to make the best of what school offers even when they attend the same (good) schools. Socio economic status is a far more complex measure than poverty and relates to cultural attributes and practices – family values, child rearing, language development, well-being and aspiration.

The impact of socio-economic status is something I’ve noticed working in a school and through my own experience as a parent observing a generation of children from infancy to young adulthood. Part of this inequality is the gap in the ‘cultural capital’ of pupils. Access to broader experiences is an issue a recently retired Depute Head Teacher said was possibly the biggest driver of inequality in her former (academically high achieving but socially mixed) school. How do you encourage and/or enable poor, less affluent and/or less culturally confident pupils to access opportunities beyond formal learning? Not just to pursue a natural talent – although this area relies way too heavily on parental willingness – but also for the sheer joy of a different experience? A trip abroad, an outward bound week-end, mountain biking, visits to theatres, galleries, art house cinemas, concerts. The experiences that open young people up to a world beyond their background and help them realise their true potential. We also know that it is wider experiences and achievement beyond the classroom that build character and boost confidence and, crucially motivate those disengaged by school to learn.

The middle classes take for granted the access their children have to a wealth of experiences denied others because of a lack of means, parental motivation/know-how, transport or that precious of commodities – time. One reason people with the money have no hesitation in paying for private education is because so much of what is offered beyond the classroom is embedded within the curriculum – not optional; not under the eye or direction of parents and not determined by them either. School is school and home is home.

Of course many state schools do provide a fantastic array of opportunities despite having nothing like the resources of the independent sector. I am in awe of the commitment of many teachers and youth workers I know. However, in the main this agenda is not yet part of the ‘whole school’ offer. I guess therefore, across the system as a whole it’s patchy and optional. Pupils choose. With ‘choice’ there’s a chance participation will be weighted towards the already motivated and confident; those with bucket loads of parental advantage outside the school gate. A double whammy for the less privileged and insecure.

Might this be one reason why state school outcomes mirror socio/economic/cultural status so accurately? Too much reliance on parents to provide input and effort into ‘wider achievement’?

So, what can we do to try and close this particular ‘gap’? Here’s a plan.

To embed this agenda within all schools will require a change in mind set and greater autonomy for schools to innovate (there are more ways to provide a Broad General Education than just through subjects.) Plainly though, it’s also about money. For rural Highland schools the logistics of even delivering the broader agenda/cross curricular aspirations of Curriculum for Excellence are near impossible. Travel costs are the biggest barrier. I’d like to see an acknowledgement of this in any school funding settlement with ‘top up’ money for remote and rural Highland & Islands schools ring-fenced for education transport costs. In addition, modelled on the Fair Start Fund, less affluent children should be allocated an annual non-transferrable ‘cultural fund’ for their secondary school years paid directly to their school. It is up to the school and the pupil how this money is spent. Leave it to those who know pupils best – Head Teachers and teachers.

Finally, somehow schools need to be incentivised to ensure every child pursues something that interests them outside of formal schooling rather than leave it to parents or pupils themselves to ‘choose’. This could become part of the personal support remit. Participation rates in activities and participation in wider school life should also continually be monitored and reflected upon from a socio-economic status perspective as rigorously as attainment. This could become one of the measures by which schools are inspected.

With dedicated resources, a remit and the freedom to take this forward unburdened by bureaucracy our schools will make a ‘step change’ difference.

It’s time for creative approaches initiated nationally, monitored locally and managed at school level to help address ‘the gap’ from every perspective.

Sarah Atkin is on the shortlist for the Scottish Labour Highlands & Islands Regional List and a volunteer contributor to the Commission on School Reform.

Scotland – where an entrepreneurial mindset is unlocking a nation’s potential

– Sandy Kennedy

Originally published 27 January 2016

Could Scotland become the most entrepreneurial society in the world?

We believe that it can and our team at Entrepreneurial Scotland is focussed on finding and supporting the people who have the ambition and the mindset to make it a reality.

Across Scotland and internationally, our global networks and inspirational education programmes are already attracting and developing some of our most talented people – helping them to acquire the attitudes, behaviours and skills they will need to succeed. And, this time we’re addressing the economy as a whole, because we believe entrepreneurial thinkers have a role to play in everywhere – in business, the public and third sectors.

For years businesses, government and entrepreneurs have debated how to release Scotland’s latent potential. Many initiatives, backed by significant investment have attempted to address this and, while Scotland has produced some remarkable successes along the way, the step change needed has yet to be realised.

However there is good news to report. Along with our partners we are, collectively, getting better at identifying, inspiring and supporting people who have or are keen to develop an entrepreneurial mindset.

When we talk about an entrepreneurial mindset this is much more than supporting individuals who are keen to start a business. It describes a way of thinking that applies to that special group of individuals who have the ability to unlock the potential of a business or organisation – whether it is in the private, public or third sector.

At Entrepreneurial Scotland the characteristics that we believe define those individuals are that they share an ambition and passion to spot the gaps, seize opportunities and deliver change whether they are starting out in their careers, launching or scaling up a business or leading their organisations through periods of change.

We know that the key to growing Scotland’s economy and improving public services lies with inspiring and supporting them at the right moment in their careers. And, thanks to experience, data and a growing body of evidence we’re getting better at finding Scotland’s entrepreneurial thinkers and providing them with the networks, support and confidence they need to succeed and to realise their dreams.

Through our growing global network of inspiring leaders, our members can learn from entrepreneurial thinkers – people prepared to share their experience and to support others through challenging times. And, our educational programmes expose people to the best international experience giving them the confidence to take their organisations to the next level.

Our Future Leaders and Leaders’ Exchange networks are designed to help people at each stage of their careers, enabling them to learn from others, develop new skills and make contact with peers and mentors. For many members these relationships have become an important support system – helping them address new challenges and opportunities.

Alongside our membership networks, our Saltire Foundation educational programmes provide inspiring experiences for individuals at key moments in their careers. Operated as a charity, the Saltire Foundation has established a strong reputation and we have plans to grow this important element of our work.

The Saltire Scholarship, which works in partnership with leading universities across Scotland, has already seen 850 young people graduate from the programme. Our Saltire graduates are now providing a substantial new pipeline of talented people who are ready and able to support businesses and organisations of all sizes in Scotland and beyond.

For those further on with their careers, the Saltire Fellowship, a successful partnership with Babson in Boston (the number one business school in the world for entrepreneurship) provides a transformative experience for individuals ready to start a business or embark on a programme of change within their existing organisation.

This new cohort of entrepreneurial thinkers is equipped with the skills and international experience needed to build or scale-up businesses or transform organisations – they are becoming Scotland's next generation of entrepreneurial leaders.

Our aim is simple. Through our inspirational members' networks, our Saltire programmes, collaborations with business leaders and our partnerships with other individuals and organisations that share our ambition, we are helping Scotland become the most entrepreneurial society in the world.

As we strengthen our networks and programmes we are confident that this will have a positive impact on jobs, tax revenues, innovation, exports, international reputation, national confidence and our capacity to deliver social change.

Encouraging entrepreneurial behaviour will assist the Scottish Government in achieving its ambitions for a fairer society by creating jobs, establishing new businesses and organisations, encouraging innovation and improving the effectiveness of all types of organisations whether they are in the private, public, third or voluntary sector.

We are challenging the misconception that entrepreneurship is all about start-ups – it's much more than that. Developing an entrepreneurial mindset is just as important in scale-ups, family and owner-managed businesses, established firms and corporates.

In our public sector it's about inspiring and supporting entrepreneurial thinkers – the people who can lead others and encourage the attitudes and behaviours that can deliver positive change in the fastest possible time. Our support can help those committed to improving service design and delivery across every area.

As important as the internal impact is how a truly entrepreneurial society positions the country globally leading to more exports and enhanced national pride and confidence. That's why we are determined to become even more globally active in future.

This year more than 130 Saltire Scholars will undertake paid internships around the world and 26 Saltire Fellows from the private, public and third sectors will complete an eight month programme in Scotland, Boston, Silicon Valley and China.

Already many of today's entrepreneurs are yesterday's Saltire Scholars and Fellows – so we know that we're on the right track to create even more entrepreneurial thinkers for the future. Scotland has started a powerful movement for change that is significant, life changing for individuals and is shifting the culture in businesses and organisations – large and small. It is building a global network of talent capable of making a lasting impact on Scotland's economy and, in time, we believe it will drive a culture change that will make Scotland the most entrepreneurial society in the world.

Sandy Kennedy is the chief executive of Entrepreneurial Scotland and The Saltire Foundation

The Basic Income Guarantee

– James Mackenzie

Originally published 2 February, 2016

A pair of ideas have orbited the further reaches of the political solar system over the last century. Both are ill-understood but have enthusiastic groups of supporters, backed in both cases by parts of the left and right. Both are simple but would have powerful consequences – and now the debate on both is bringing them closer to the light.

One is Land Value Tax, which Reform Scotland also supported last year as one of a range of ways local authorities should be able to fund their work. And the other is Basic Income, which is having a bit of a moment.

When something is supported by both the Adam Smith Institute and the Scottish Green Party it's surely worth closer consideration, even if just to work out why. And the arguments are compelling.

We have a vexed relationship to work. In some cases people are lucky enough to be paid well to do something they love – but far more people are either unemployed or working simply to get by, while others live off unearned income. The bureaucratic infrastructure around work can also be complex and demoralising, whether that's self-assessment, the policing of toilet breaks, or the increasingly incomprehensible and barbaric sanctions regime for those in receipt of social security payments.

The media demonise those who don't work, even when it's (to channel the Adam Smith Institute) not rational for them to do so, given the cost of withdrawn social security payments. It's even more rational when what's offered is temporary work, and all those forms have to be filled in again from scratch soon: I know this from my own experience.

The left want power and money redistributed to the poorest in our society – and basic income does that. For their part, the sensible right want work to pay for all – and are increasingly seeing that basic income is the most efficient way to make that happen.

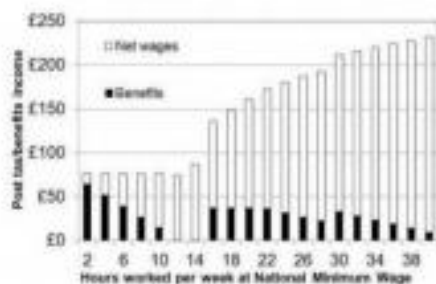
There's other support out there too. On one hand many in the tech industry think it could cushion the blow of increased automation, although their version of it tends to come with a libertarian war on other parts of the state. Closer to home, the Sex Worker Open University argues that “if every person in the UK was entitled to a universal basic income, no one would be pushed by absolute poverty into selling sex.”

The model Siobhan and I have written up with Reform Scotland certainly doesn't come with Silicon Valley's libertarian agenda, although we can agree with them that the current social security system comes with a side order of intrusive and expensive state bureaucracy. Instead it unifies tax and social security within one department, and it uses progressive taxation to redistribute to those who need it, including to parents. It also merges National Insurance into income tax, removing some extraordinary kinks in that system – I admit I didn't know that the NI rate falls to 2% on income over £42,385, for example. And then it makes a payment to everyone that isn't withdrawn – while all income over it is taxed.

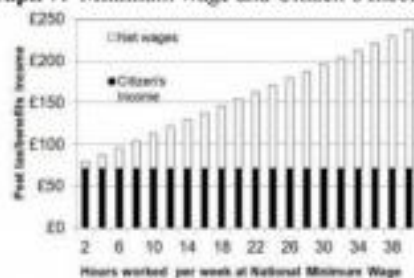
My favourite pair of charts from our report, based on work by the Citizens Income Trust, shows how arbitrary and counter-productive the current arrangements are. If you are

unemployed and get offered up to 12 hours' work a week at the current national minimum wage, you should rationally turn it down: you will be no better off. If you work 14 hours a week, you're slightly better off but receive no government support, but at 16 hours a week, tax credits kick in. The chart below shows the impact of basic income. If you work two hours a week, you're slightly better off – every hour you work increases your income by the same amount. It's clear, it's fair, and it helps people get back into work if they can, and if they want to.

Graph 6: Minimum wage and Income Support / Jobseeker's Allowance:
(People who work less than 16 hours per week may be entitled to income support, while those who work more may be entitled to working tax credit or Universal Credit)



Graph 7: Minimum wage and Citizen's Income:



As a Green for whom this has long been one of my favourite policies, I personally hope basic income gets proper consideration amongst the other parties. I'm pleased to have worked with Siobhan on this, and I know there are many Lib Dems hoping it'll appear in a future manifesto of theirs, as it did in 1992. Looking at the other parties, Labour's Shadow Chancellor is a supporter, Conservative Home published a piece in favour, and a motion from Caroline Lucas MP on the subject is attracting SNP support right now. After all, why should ending the benefit trap and wanting work to pay be a partisan issue?

Personally I still wish we had voted for independence: then we would be taking the powers to deliver a basic income in just a few weeks. Perhaps there will be another referendum in the medium term, but in the short term I want to see a Scottish Government that makes the case for all work-related benefits to be devolved, so we don't have to wait for independence before we start work on a basic income.

Maybe by then other countries will have schemes in operation we can learn from – there's a lot happening elsewhere. If not, we should be the pioneers.

James Mackenzie is the commercial director at Cutbot and a former head of media for the Scottish Greens. He co-authored Reform Scotland's report, The Basic Income Guarantee.

Basic Income Guarantee: a 21st Century Scottish Welfare System?

– **Siobhan Mathers**

Originally published 3 February 2016

In recent years, Scotland has been much pre-occupied with constitutional matters. You'd have had to live in a cave to avoid the reflection and debate on who and what we are as a nation and whether we should be an independent country or remain part of the UK. The best of this debate has examined what sort of country we want to be and yet here we are weeks away from a Holyrood election, which will decide spending priorities for the next 5 years with significant new powers on their way, and little talk about how we would actually do things differently. Even with new powers, the response from political Scotland seems to be 'steady as she goes'.

Welfare policy is an area ripe for a rethink. UK Welfare policy is: overly complex; arguably unfair and unhelpful to many who need it; and doesn't seem to deliver great value for the taxpayer. I think a welfare system should provide a safety net in times of need, but encourage those who can work to do so. The ridiculous complexities of the current system often make it difficult to take on part-time or temporary work.

So what could a Scottish welfare policy look like? The new Basic Income Guarantee report, which I co-authored along with James Mackenzie and Reform Scotland, aims to reshape the debate. This is something genuinely radical we could do to send a message to our citizens and the rest of the world that Scottish society is different and we're not afraid to collectively be bold and radical to create a better Scotland.

The idea of a guaranteed income for all has got a fair bit of attention recently both in the UK and abroad. Fianna Fail have made it a key plank of their manifesto in the imminent Irish election. Once the natural governing party of Ireland, they have struggled in recent years. But this has helped to put them back at the centre of political debate with the claim that a basic income could play a key part in eradicating poverty in Ireland.

The Finns have mooted a scheme and there is also considerable interest in Canada and the Netherlands. In the UK there has recently been a spark of interest in the idea, but with most ruling it out as unrealistic.

In Scotland, however, we could have the opportunity to design a welfare system with a blank sheet of paper, whether in an independent Scotland or as part of the UK. What would that look like? How could it be better at dealing with changes in working patterns and lifestyles? How would it affect students and young people struggling to get a foot on the career ladder? How would it deal with a shift towards the 'gig economy' often entailing a mix of part-time/temporary jobs? How could it help older people transition from a full time job to temporary or part-time jobs to allow more leisure time/looking after grandchildren/dealing with health issues? How could it help parents to equitably juggle child-care and work?

The beauty of the Basic Income Guarantee to me is that every man, woman and child is entitled to it (we use the example of £100 per week for each adult and £50 per child) whatever they do and what they earn. It is a security and an absolute. And every pound earned on top of it is worth it. No more ridiculous complexities meaning that it sometimes isn't worth taking on certain jobs. It could also allow for a more flexible labour force which could particularly benefit Scotland's Small and Medium Sized Enterprises.

The scheme we have proposed is demonstrative rather than definitive, an opening gambit in the debate about a new welfare system for Scotland. Yes some would pay more tax; disruptive change always has consequences. But after the heat and light of the referendum debate, do we really want to settle for tweaking at the edges an outmoded UK welfare system? Or do we want to create a welfare system which could be the envy of the world in responding to changing economic realities while supporting our citizens and encouraging a dynamic economy?

Siobhan Mathers is a member of Reform Scotland's Advisory Board and co-author of our report, The Basic Income Guarantee.

Liberal economy or Utopia?: the paradox of Thomas Reid

– Kris Grint

Originally posted 10 February 2016

Any discussion of the Scottish Enlightenment typically conjures up images of two of Scotland's most eminent intellectuals: Adam Smith and David Hume, with the former's achievements in economics only matched in stature by the latter's accomplishments in philosophy. These reputations are well deserved, but there is of course more to the Scottish Enlightenment than the contributions of these two heavyweights. For more-or-less the entire second half of the 18th century, Scots from across the country elucidated and discussed profound and wide-ranging ideas, from politics to religion, science to jurisprudence. Why the Enlightenment took hold in Scotland in the way it did is a question still central to much current historical debate. My aim here is much less broad: it is to attempt to illuminate – excusing the pun – some of the lesser-known thinkers who participated in it, and show how their ideas had an impact that still resonates today.

Thomas Reid (1710–1796) is a good starting point in this endeavour, since he succeeded Smith as Professor of Moral Philosophy at the University of Glasgow in 1764 and was also regarded as a perennial thorn in the side of Hume. Reid was the founder of what has come to be known as the 'Common Sense' school of philosophy, common sense being not what every schoolchild knows, but a set of innate ideas that we possess from birth as opposed to acquiring through our senses. This cast him in opposition to Hume's more sceptical position about human nature but, as we shall see, this was only one of many disputes between the two. Whilst historians have focused on Reid's philosophical inquiries, rather less studied are his ideas on political economy and, more specifically, his thoughts on money, credit and trade. Much of Reid's thinking on these topics is the subject of a recent publication of his works entitled *Thomas Reid On Society and Politics* published by Edinburgh University Press.

Reid had some strikingly modern ideas about money. Money had to be removed, for instance, from the capricious reach of the monarch or other political ruler who might attempt to fix its value or debase it. But Reid also claimed (following Smith) that money had little relationship with the riches of a nation: he could see no sense in prohibiting the export of bullion, for example, or, purposely minting money out of base metals that no-one abroad would want. These views align Reid's thinking with the fiat money system still with us today. Meanwhile the quantity theory of money, as put forward by Hume amongst others, was in Reid's view mistaken: an increase in the supply of money did not automatically lead to a similar increase in prices. And Hume's related questioning of the utility of paper money was also misguided: it was simply an extension of metallic money which, taking the previous point as given, meant it also had no direct correlation with price. For Hume, reliance on paper money ('paper credit') undermined the economic competitiveness of a nation. But Reid believed prices rose because the circulation of paper money increased trade. The instrument itself was not the stimulus. The benefits of this increased trade, meanwhile, heavily outweighed the disadvantage of higher prices.

Reid also took an interest in the deregulation of markets. His response to the 1773 Corn Law was nuanced. He thought that artificially keeping the price of corn high had considerable knock-on effects on the cost of life's necessities, on wages, on the price of manufactured goods, and ultimately on the competitiveness of the nation. But he welcomed the law's provisions for the warehousing of grain because they allowed for the establishment of public granaries that would both smooth supply problems and, perhaps, encourage a Scottish grain

trade to rival that of the Dutch. Whilst Reid rejected Hume's ideas about the need to raise agricultural wages in order to incentivise workers to be more productive, he also could not give his assent to Smith's notion that controls over wages and food prices should be left to the market, because he was concerned about wages falling below a 'necessary subsistence'. Instead, Reid believed that effective government meant minimising fluctuations and controlling wages to avoid extremes of indigence or excess. Reid went much further than Smith, however, in his views about money-lending. Since money had progressed from being a mere token of value to being a commodity in and of itself, it could be traded much like grain. Reid thus advocated the abolition of the usury laws which limited the interest rate that could be charged on lending, believing that whilst such restrictions were applicable in baser societies, for the modern Scottish economy they were a drag on commerce.

How influential are Reid's economic ideas to modern times? With the advent of pay-day lenders, his views on usury are being tested to the very limit. His acknowledgement that agricultural wages had to be set above a certain level, meanwhile, has clear echoes in modern minimum wage policy. Reid tempered this interference with market forces by advocating a series of liberalizing reforms that would strengthen the grain trade in other ways. One of the most important was his argument for the establishment of free ports, where foreign goods destined for re-export could be brought in without attracting the complex array of British taxes, duties and bounties. Reid's belief that this encouragement of a 'carrying trade' would generate huge economic benefits not only foreshadows the free trade areas of today, but fed into his more general principle that the spirit of trade transformed society.

Why, then, has there been such a lack of general acknowledgement of Reid in the same way as someone like Smith? Notwithstanding the eloquence (and commercial success) of Smith's *Wealth of Nations*, one obvious answer lies in Reid's political thought. Inspired by Thomas More's *Utopia*, Reid was actually in favour of abolishing private property, which he thought was the cause of all modern forms of moral and political corruption. In Reid's utopia, this meant production would eventually end up in the hands of the state. The commercial system he described would still exist, but only for the purposes of international, not domestic, trade. Visions of utopia affect political theorists and commentators to this very day, so perhaps we can indulge Reid his speculation on this alternative future. To his credit, Reid acknowledged its unlikely occurrence, and whilst he clung to the hope of its establishment, he was pragmatic enough to acknowledge that the reality of the 18th century was very different. When focusing on the practical, Reid achieved some impressive insights into the foundations of liberal economic thought, even if the paradox apparent in his position makes him a rather unlikely hero of its history.

Dr Kris Grint is a historian of eighteenth and nineteenth-century Britain.

Changing Directions for Scottish Transport

– Tom Hart

Originally posted 17 February 2016

Introduction

After the May election, a more fundamental review of transport in Scotland is now being promised together with links to and from Scotland by air, sea, rail and road. This will look forward to the early 2040s though with provision for five-yearly revision and more detailed proposals to 2030. Network Rail (in the draft *Scotland Route Study* published in December 2015) and road, business and environmental groups are advancing their own proposals for short and longer-term change.

This blog post concentrates on changes within Scotland since external links will be affected by the joint Scottish and UK Government review of Anglo-Scottish High Speed Rail (and impacts on rail freight) expected to be published in late February and by final decisions on airport expansion in the London area.

What kind of Changes in Direction?

Many politicians and members of the public continue to give the impression that rises in transport infrastructure investment can offer substantial benefits for the economy and society in both the short and longer-term – creating construction jobs, improved labour market access and private investor confidence in wider spin-offs. On the other hand, there are new arguments that the net benefits of large transport projects can be exaggerated with better, and more democratic, results coming from a restructure, rather than a rise, in infrastructure spending and greater reliance on reforms in regulatory, fiscal and pricing policies – including greater devolution of transport and access decisions in England and in Scotland.

There is also the issue of how far, and in what ways, changes in technology may affect the future socio-economic role of transport. Will driverless cars and other developments in broadband electronics replace the desire to own cars with an explosion of ‘pod’ rental and a near collapse of both conventional taxis and scheduled buses? Five-yearly reviews can take account of actual developments but there could be major spatial and environmental issues if technology is found to be increasing, rather than reducing, the total space required for ‘car’ and ‘pod’ movement, especially within cities.

Actual Changes in Direction 2000-2015

An under-appreciated feature of the recent past has been the ending of a century of massive decline in rail modal share of movement and the appearance of near stability (absolute decline in several cities) of car movement per head of population. Road freight, notably light van movement, has remained more buoyant yet HGV operators having rising problems of labour shortage and facing up to a much reduced reliance on diesel fuel by the 2040s. The Tables below show recent changes in Scotland:

Table 1 Passenger Movement by Rail, Car and Bus in Scotland (millions)

	Rail Passenger Kms.	Car Vehicle Kms	Passenger kms	Bus Local Trips
2001	1,969	31,904	47,854	466
2006	2,338	34,466	48,266	476
2013	2,828	33,811	43,954	425
2015	3,000 (est)	34,000 (est)	44,200	425 (est)

Source Scottish Transport Statistics (published annually)

NOTES Finalised data for 2015 has still to be published but interim data shows continuing rail growth, including high growth in and around Glasgow, Edinburgh and Aberdeen and on the reopened Borders rail route. Car passenger kms are not given in STS but the British National Travel Survey (now excluding Scotland) shows a fall in average car occupancy. For Scotland, the table assumes an average of 1.5 persons in 2001, falling to 1.4 in 2006 and 1.3 in 2013 and 2015. Bus passenger kilometre data is not published but, taking an average bus trip of 10km, rail passenger kms are up from 42% of bus passenger km in 2001 to 70% in 2015. Data excludes trips on the Glasgow Subway and on Edinburgh tram – amounting to 13m and 5m in 2015. Heritage and Cairngorm Mountain rail trips are also excluded.

Table 2 Average Daily Road Traffic Flows (including HGVs and vans) at selected key points

	2001	2006	2013
A74(M) Lockerbie	30,998	32,156	31,410
M8 Harthill		51,557	50,170*
A/M80 Cumbernauld		64,599	69,314
M90 Kelty	28,536	26,511	31,117
A720 Dreichorn	67,062	78,386	76,704
A90 Stonehaven	22,969	24,921	25,796*
A9 Tomatin	7,600	8,717	8,749

Source Scottish Transport Statistics * 2012 as special factors affected 2013 data.

Table 2 indicates a slowing of road traffic growth which is only partly attributable to the recession since rail growth has been much higher over the same period. The very low growth on the new 3-lane motorway Rural A74(M) completed in the mid 1990s casts doubt on the former government view that creation of this high capacity motorway was vital for Scottish economic growth. Even without this long-distance motorway, it is unlikely that economic growth would have been lower – it may even have been higher given alternative options for use of the capital involved.

Table 1 shows that the volume of rail passenger travel remains far below the volume of car use but the rise in rail use, and the stability in car vehicle kilometres (plus evidence of lower car occupancy – especially at peak periods) has seen the rail share of total passenger kilometres in Scotland up from 3.7% in 2001 to around 6% by 2015. This included a greater rise in the already higher rail share of peak movement into city centres. By 2030, the Scottish

rail share could be 10% or more with growth mainly in Inter-city and city-region travel plus a greater share of tourism and leisure travel. Despite the disappearance of coal hauls, rail is also likely to see a rise in other types of bulk freight and container traffic on longer-distance corridors.

The Direction of Change 2015-45

More attention needs to be given to the formulation, and implementation, of actual changes in the transport framework giving greater weight to personal and business preferences for a stronger but more inclusive and sustainable economy and society – in which transport is only one of several sectors meriting new approaches. Two related themes need development – the first dealing with regulatory, fiscal and pricing reform the second looking at changes in the nature of transport investment.

Regulatory, Fiscal and Pricing Reform

Four main areas of change should be considered:-

1. **A shift from regulation by mode to a stronger emphasis on land-use planning and regulation suited to differing lengths and type of trip** e.g. external, Inter-city and intra-regional trips with the Scottish Government involved directly in the first two categories (within EU and/or UK law requirements) but a strong element of devolution to regions and communities in Scotland with associated funding powers (powers for most trunk roads, foot/cycle issues, local ferries and local public transport could be devolved – Local Authorities already deal with local public roads but could gain from a transfer of several trunk roads to become a regional responsibility – as would traffic management, parking and franchising issues related to local movement)
2. **A phased transfer of present Scottish Government responsibilities (and funding) for local bus, rail & ferry operations to strengthened Regional Partnerships** with a shift to these bodies of present Scottish Government funding for Bus Operator Grant and for free bus travel compensation subject to concession (or low flat fare) travel being retained for travel by any local mode by those of state pension age and to those in other concession categories considered appropriate.
3. **A phased replacement of road fuel duty with electronic road pricing** in a framework set by the Scottish Government and with proceeds earmarked for transport, access and environmental purposes.
4. Scottish Government Targets and related measures to ensure delivery of **low-carbon** and action to cut surface transport carbon which could allow a lower rate of air travel carbon reduction

The Nature and Structure of Transport Investment

At present, the high level of private spend on road vehicles, their maintenance and developing electronic technology is often forgotten in a debate about the level and nature of (mainly public) spending on infrastructure maintenance and enhancement. Over the period to the 2040s, it may be that – as already evident from changes in the pattern of personal and business spending – such private spending may edge away from individual car ownership towards increased reliance on car hire or leasing and greater spend on other forms of transport and elsewhere in the economy facilitated by electronic communication. This could lead to less movement (measured in passenger and freight kilometres) per head of population in a situation where population growth may be less than currently anticipated (the Scottish forecast remains low compared to south-east England). But a significant fall in total movement remains unlikely compared to modest overall growth but with a continuing shift to longer-distance air travel and to rail for inter-regional trips (up to some 800 to 1,000

kilometres), for city-region trips (including expansion of driverless trains) and for a higher share of rail trips in the tourist/leisure sector.

This points to a conclusion that there is no clear case for a marked rise in present Scottish levels of transport infrastructure investment – and, indeed, a case for a cut in present investment if it has to be funded from the use of general taxation to underpin increased public borrowing for major transport projects. A different approach is needed to make the case for maintained, or higher, infrastructure investment. The key elements in this case are:-

- The increasing need to minimise the adverse impacts on transport of climate change bringing higher winds, higher rainfall and rising sea levels (as found in Scotland with landslide risks as on the A83 at ‘Rest and Be Thankful’, rising flood risks on road and rail routes plus problems of rising sea levels affecting coastal routes – as on the railway at Saltcoats and on the trunk road from Ardrossan to Wemyss Bay).
- Cost-effective steps to improve local road/pavement and cycleway maintenance and renewals together with an enlarged programme for lesser improvements aiding both traffic, safety and the local environment.
- An enlarged programme for upgrades within the existing rail network to shorten inter-city trip times and increase capacity while also giving better access to intermediate stations and to a co-ordinated City Metro rail, tram and quality bus network with a particular focus on Glasgow, Edinburgh and Aberdeen.
- Rail network extensions creating a more inclusive network and sections of new route giving extra capacity and further cuts in trip times with longer sections of inter-regional route adapted to 110/125mph operation by 2030 and options for the creation of longer sections of new route suited to 160/180 mph operation by 2040.

Due to the large investments already made in the trunk road network but limited opportunities for shorter trip times and rises in usage, rail is well placed to secure further infrastructure investment, again in a phased manner with strong control of costs. Apart from proposals in the imminent Anglo-Scottish High Speed Rail report, it is difficult to prioritise long sections of new HSR route in Scotland. The *NR Scotland Route Study* is right to stress the importance of improvements within the existing Scottish rail network yet it does give priority to a new section of route bypassing Dunfermline and other action to shorten trip times by upgrading the inland route from Edinburgh through Fife to Perth and Dundee. It also proposes electrification of all the Scottish inter-city routes by 2040, including extending electrification from Dunblane via Perth to Dundee by 2024.

But finalised Scottish Transport Strategies could go further in seeking acceleration of electrification to Aberdeen and Inverness associated with a longer section of new route through Fife to the lower Earn with a direct link over the Tay to Dundee by 2030 and the potential addition of high-speed running through Strathmore by 2040. This programme could cut longer Inter-city trips in Scotland by 30 minutes by 2030 and by 45 to 60 minutes by 2040. Best Glasgow-Edinburgh times would fall to 30 minutes. Glasgow Airport would gain access to the rail network by 2025 with Edinburgh on the national rail network by 2035.

Other features which need to be considered in a finalised transport strategy include detailed proposals for high quality city public transit, especially in and around Glasgow, Edinburgh and Aberdeen, plus provision for a more inclusive rail network extended to places such as Hawick, Leven, St Andrew’s and Ellon by 2025 with land safeguards for further extensions which may prove justifiable in following years.

Transport Infrastructure : Funding Issues

These present an opportunity, rather than a problem, for the economy and society if innovative approaches are pursued. Rather than using general taxation to finance borrowing costs, there are options to fund borrowing costs through new ways of securing additional income while also adopting techniques lowering the cost of borrowing and including repayments over periods up to 60 years for major projects. Actions requiring consideration, and early decisions, include:-

- a. A phased, rather than ‘stop and start’, approach making better use of scarce funding and skills.
- b. Measures to cut capital costs but without detriment to quality and safety in the preparation, delivery and subsequent maintenance of improved infrastructure.
- c. A review of programmes for A9 (Perth-Inverness) and A96 (Inverness-Aberdeen) dualling to allow funding transfers to smaller trunk road schemes and extra funding for Local Authority or Regional Transport bodies earmarked for transport and access.
- d. A phased shift from road fuel taxation and VED to electronic road pricing with part of net proceeds earmarked for transport and access improvements (an initial phase could be higher levels of road fuel duty in conjunction with part of the proceeds becoming available for public transport and active travel schemes plus extended fuel rebates for areas with no local filling station).
- e. Earmarking of the majority of expected savings in rail franchise operating support for increased capital spend on rail (and a similar earmarking of a proportion of payments made by franchise holders for rail infrastructure improvement). At present, a substantial but reducing annual payment is given to the ScotRail franchise operator under the terms of the franchise but rail capital spend by the Scottish Government is at a standstill in the 2016-17 Budget while trunk road capital spend sees an increase. (Rising rail passenger usage, and income, is making it easier to lower operational support but there needs to be a transparent mechanism allowing part of such annual savings to go towards higher capital spend on rail infrastructure).
- f. Action by Local Authorities or Regional Bodies to increase net income from parking and other charges subject to this being used for transport, access and public realm purposes – including consideration of peak Monday to Friday parking charges at several park and ride sites already full by 9am.
- g. Action by public bodies to increase income or capital through the rental, redevelopment (especially at interchange hubs) or sale of land presently owned, subject to outcomes improving the local environment rather than leading to over-development of sites.
- h. Greater use of ‘developer contributions’ towards transport improvements followed by legislation to permit ‘betterment’ property levies on routes with improved local public transit.
- i. Introduction of tourist taxation accruing to Local Authorities or Regional Bodies with proceeds earmarked for improved facilities for tourists.
- j. An expectation that larger businesses, including airports, would be expected as part of partnership agreements to make larger contributions to infrastructure schemes.
- k. Retention of APD at Scottish airports with more than 2m passengers a year with proceeds earmarked for improved public transport access to airports and for Anglo-Scottish HSR.

Tom Hart is a former Lecturer in Economic History, a member of the Scottish Association for Public Transport and an appointed member of Strathclyde Partnership for Transport

Taxable benefits

– Alison Payne

Originally posted 7 March 2016

Today Reform Scotland has published a briefing which includes a policy recommendation that Scotland should change the administration arrangements for Carer's Allowance when it is devolved to Scotland following the passing of the Scotland Bill 2015/16.

Carer's Allowance is a taxable benefit. In other words, although the government is giving you some money, it wants to take some of that same money back. However, the government will not tax benefits at source. This means that it is up to the individual to ensure the money is paid back, mainly through a decrease in their personal allowance or self-assessment. Carer's Allowance is not the only taxable benefit, though it is the only taxable benefit that is due to be devolved to Scotland.

There are a number of other taxable benefits. One of which I am personally in receipt of. In November 2015, my husband died from Non-Hodgkin's Lymphoma. As we have two young children I was entitled to claim Widowed Parent's Allowance. This benefit is based on my husband's National Insurance contributions, so is a contributory benefit and not means-tested.

When the letter arrived confirming I was to receive it, I needed to phone the DWP to check some details. As I sat on hold I started skimming through the small print of the benefit and found a line referring to it being taxable. The information was a bit unclear, so when I was speaking to the advisor I asked if she could clarify what this meant as surely the tax would be taken at source. I was informed that the DWP could not tax at source. Instead, what must happen is that the receiver needs to get in touch with HMRC to notify them that they are in receipt of a taxable benefit. HMRC will then adjust your tax code, in effect lowering your personal allowance, so that you pay more tax on your earnings to cover the tax due on the benefit.

To me this seemed a very complicated, inefficient and certainly not user friendly way for the government to give you some money, but then take some of that same money back. In other words it's like someone giving you £100 and saying they would like £20 back. But they won't just give you £80 and refuse to take back £20 of the £100 they gave you. Instead you have to go to a cash machine and get a different £20.

I can understand that the government may want to vary the amount given in benefits to take account of the earnings of the individual, so people on different tax rates will end up receiving more or less of the benefit. However, it is a very inefficient way of operating. There is no reason why the government could not tax at source. Companies, pension providers and a wide range of organisations who regularly give payments to individuals have to, and are able to, give the individuals the required amount, less what is due in tax, and pay that tax direct to the government. So surely the government can do the same.

The devolution of a taxable benefit to Scotland, therefore, gives the Scottish Government an opportunity to look at doing things differently, to create an administration that is more efficient but also better for the user.

Reform Scotland has called on the Scottish Government to create one government department for tax and welfare, which will also bring additional benefits in terms of transparency and accountability as welfare is split between HMRC and DWP at Westminster. Having one department should help achieve this end.

It is also worth considering that many of the taxable benefits, listed below, are benefits individuals receive when they are potentially going through a period of upheaval and change. As a result, individuals may not notice the small print about the benefit being taxable and find that they are then faced with a tax bill that they cannot afford.

The following other benefits are taxable:

- the State Pension
- Jobseeker's Allowance
- Employment and Support Allowance (contribution based)
- Incapacity Benefit (from the 29th week you get it)
- Bereavement Allowance
- pensions paid by the Industrial Death Benefit scheme
- Widowed Parent's Allowance
- Widow's pension

Reform Scotland believes that such a system is overly complicated, inefficient and not at all user-friendly. However, since a taxable benefit, Carer's Allowance, is being devolved to Holyrood, there is an opportunity to create a better system of administration, thereby leading Westminster by example.

Alison Payne is Reform Scotland's research director.

Why Scotland Needs a Tax Cut

– Alan Grant

Originally posted 9 March 2016

A refreshing maturity has taken hold of Scottish politics lately. The emergence of debate on fiscal issues, where before there had been little but constitutional quibbling and point scoring, is exactly the dose of reality that Scottish politics desperately needs. The fact that Scottish politicians, commentators, and campaigners are talking about tax rates, bands, revenue and other elements of fiscal policy is to be welcomed unreservedly. This is especially the case in terms of revenue raising powers as it allows for more open and thorough debate instead of our politicians basing their entire pitch on how best to spend other people's money. Scottish politics is finally growing up.

This adolescence is the perfect opportunity to make the case for what to do with tax in Scotland. It is clear; Scotland desperately needs an income tax cut!

Context is everything in Scotland's emerging fiscal debate. Currently, the Scottish Parliament has the ability to vary certain tax components; the most important of which is the Scottish Rate of Income Tax (SRIT). This allows Holyrood to vary all the bands of income tax simultaneously e.g. if the top rate increases by 1p then so do the middle and bottom rates. In fact, this exact policy has been touted by the SNP (in a slightly different form – remember the disastrous “*a penny for Scotland*” campaign?) and is currently in vogue with Scottish Labour and the Scottish Liberal Democrats

Presently, the SNP is correct on this issue. Raising SRIT would place an intolerable burden on the lowest paid in Scottish society whose pockets it would pick most deeply. The Scottish Tories are also right on SRIT and have avoided the trap they could easily have fallen into – advocating tax cuts purely for the sake of cutting tax. Their income tax commission has recommended an income tax cut for the “*squeezed middle*” in Scotland when band setting powers are devolved. Implicit in this is a welcome acknowledgement that a cut in SRIT is unworkable as it applies to all bands and cannot be realistically augmented by other policy. Income tax could be Ruth Davidson's most reliable weapon during her time as Scottish Tory leader; many swing voters will be watching to see how she deploys it.

The truth is that SRIT is a non-power. Its only usefulness is to prepare Scottish politicians to start talking about taxation. Current SRIT powers allow for little flexibility and mean that all taxpayers are treated the same way, contrary to the progressive principles to which Scotland's political class seems wedded. Other than introducing discussion of tax into Scottish political life, SRIT is not a tool that could be effectively used to any real purpose. The sooner Scottish Labour and the Liberal Democrats realise this the better – theirs is a sledgehammer solution to a scalpel problem.

However, introducing debate over how Holyrood should raise its own money and therefore become more accountable to Scottish taxpayers is **not** a minor achievement and if awareness raising and steering of the popular debate towards these important topics is all that SRIT does then it will have been an indirect success.

There are two main reasons that there should be an income tax cut in Scotland once control of bands is brought to Holyrood. One is practical and the other is more cultural or ethereal. I turn to the practical first.

There is much historical precedent in Britain and the United States, showing that gutsy, tax-cutting, spending-reducing governments tend to be rewarded; especially in tough economic times. If a prospective Scottish Government was able to rein in its spending, curtail the extravagancies of the devolved administrations and reward its citizens with more of their own money back then the rewards will be forthcoming.

During the independence referendum there was some inane chatter on the No side of a ‘brain drain’ occurring in the event of independence. The parallel here is that should Scotland reduce its tax bands, rein in the public spending and take full advantage of its increased ability to hold reserves, then it has the potential to become a ‘brain sink’ that attracts individuals, businesses and others from within the UK and across the world. Scotland could see itself go from lagging behind the rest of the UK to outstripping it in terms of prosperity and innovation; if only it were bold enough to do what needs to be done.

A move to a low-tax, low-public spending economy in Scotland would also do our morality an immeasurable amount of good. Whether we care to admit it or not, Scotland has an addiction to public services that needs to be addressed if we are to grow up as a nation and truly achieve what we can within the UK, EU and on the world stage. We need people to stop thinking that the “coonsil/that Nicola Sturgeon” should take care of everything for them and that more ‘free’ stuff is always axiomatically a good thing and can ever be delivered at no cost.

There is a cognitive dissonance present here. Scots enjoy prattling on about Alexander Fleming and the other inventors we have birthed but they fail to realise that a country of innovation and development, if that is what is wanted, is not a country in which the government takes such a large role in personal life and organises so much of public life. If Scotland were brave enough to cut its income tax and be more sensible about its public services then we would have the opportunity to change our cultural outlook. It is time for us to stop talking about national independence and start developing an environment of personal independence – and that starts with cutting income tax.

Scotland’s political dialogue has gone through a number of important changes in recent times. 1997 saw the election of a Labour UK Government with an overwhelming majority of Scots voters, 1999 brought the establishment of the Scottish Parliament and now Scotland has the chance to do something genuinely revolutionary, again. If we want a more prosperous, fairer and more personally responsible Scotland then we know what we must do; we must cut our taxes. During the referendum on independence the former Prime Minister Gordon Brown called on Scotland to “*lead, not leave*” the United Kingdom – by reducing the tax burden on individuals and their families, we have the opportunities to do just that.

To miss our chance would be to let down a generation of Scots.

Alan Grant is a politics and culture blogger for the Huffington Post.

Scotland's SNP 'Learner Journey'

– Sarah Atkin

Originally posted 21 March 2016

Last week-end I read of yet another case of Scotland seeming to be 'asleep at the wheel' (TESS 'Schools key to cracking nation's coding shortage.) Reducing computing teachers in our schools by 25% over a decade when technology has taken over our lives and the digital sector is already a massive area for jobs growth is more than 'not smart' – it's a near dereliction of duty.

Education determines the future prospects of any country. Like many, I ask myself, is there any aspect of the the SNP's 'learner journey' that is delivering for the next generation?

Pre-school education. The numbers of GTCS teachers in the Nursery sector has declined by 29% in a decade to just one per 84 pupils in Scotland. Every piece of evidence tells us that teacher input in the early years, particularly for poorer and/or less able children is essential if we are serious about social justice and economic prosperity.

Primary education. The 2014 Scottish Survey of Achievement showed declining literacy rates in our schools. Less widely reported was the worryingly smaller 'pool' of high-end achievers – those working 'very well' or 'beyond' the expected level (a level I assume to be a baseline expectation.) At the end of P7 56% of pupils may have been working 'very well' at the expected level in reading but **none** were recorded as working beyond it. 23% were working 'very well' at the expected level for writing; listening and talking and (respectively) just 5% and 8% 'beyond it'. The 2013 Numeracy survey saw just 26% of P7 pupils performing 'very well' at the expected level with **none** recorded to be working beyond it.

Secondary. The historic tenet of Scottish education – breadth – has all but disappeared past S3 in much of Scotland with subjects narrowing to just 6 in S4. This, ironically coincides with an era when broadly educated, skilled and creative young adults are the most likely to prosper in current and future growth sectors – like the digital sector.

The commitment to the comprehensive principle has also been undermined as the new qualifications have near excluded the less academically able from the exam system altogether.

Further Education colleges. Since 2007 college budgets have been slashed and student numbers have fallen by over 150,000. The FE sector provides for post-school practical education and skills training and is also vital for adults needing to upgrade their skills in search of new employment opportunities.

Universities: the % of Scots domiciled undergraduates at our top Universities is falling. The figure at Edinburgh University last year was 40.5% (down from 44%) and at Glasgow University 63% (down 10% in a single year.) Funded/free places are 'capped' and our pupils have to compete with rising applications from the elite of the (non UK) EU. Universities cannot discriminate so the statistics suggest that bright young Scots who are missing out.

Student Grants: tuition remains free for all Scots educated (including the wealthy) but grants for poorer students were drastically cut in 2012. By 2014 student loans had doubled. In 2014/15 nearly 20,000 of Scotland's least well-off students took out loans averaging nearly £5,900 a year to fund their living costs compared with just 1,900 for better off families.

Perversely, students from poorer families in Scotland have higher debt burdens than those from wealthy families.

By any measure the above is a terrible but also intellectually incoherent legacy. Where's the strategy? It would appear the massive potential of young people from all backgrounds and abilities is being sold short.

So, what's to be done?

Firstly, it makes absolutely no educational or economic sense to have imposed stringent cuts on local government which is seeing teaching posts disappear, piece-meal from schools. How on earth is that going to close the attainment gap or raise standards?

Second, Kezia Dugdale's plan to invest additional money to all primary aged pupils from deprived backgrounds, direct to schools, makes both practical and intellectual sense. The OECD said as far back as 2007 that the socio/economic attainment gap in Scottish education exists as much within schools as between them. This policy ensures the challenge to raise the attainment of the under privileged is one all schools share. Also, it places trust in those best placed to have an impact – teachers.

For the longer term 'raising attainment' just isn't ambitious enough. Scotland has to 'step up' a gear. We need to transform our education system and it is only great teachers and school leaders who can do this for us. Scotland takes pride in its commitment to maintaining a high quality teaching profession. We know we have some fantastic teachers and we know our schools have the capacity to deliver – if we let them. Yes, plainly there has to be a coherent national strategy for education with local planning / strategic input, accountability and high expectations to back it up. Bureaucracy has its place. Surely, though bureaucracy should only exist to serve the interests of our educators – not to inhibit or control them.

Sarah Atkin is a voluntary contributor to the 'Commission on School Reform' and a Scottish Labour Regional List candidate for the Highlands and Islands.

Childcare

– **Professor Sir Donald MacKay**

Originally posted 20 April 2016

The Gender Gap and the Opportunity

Previous blogs argued that the recovery from the “Great Recession” was essentially supply side driven. This resulted from a major shift in employment from the public sector to the private sector and, within the labour force, a marked secular increase in female labour force participation. The latter continued through the recession and the recovery. In terms of academic qualifications in Scotland, at school, college and university, women score more strongly than men

Over the last four decades woman have become a substantially higher proportion of the labour force in many of the higher paid occupations, such as accountancy, law and medicine. And yet, although the direction of change toward less gender inequality is unmistakable and will continue for the foreseeable future, the pace of change lags significantly behind that of countries which have economic and social characteristics not hugely dissimilar to our own – I cite Iceland, Norway, Sweden, New Zealand, Denmark, Finland, Canada, Luxembourg, Belgium and France, but exclude a smaller clutch of countries which are not in north-west Europe.

At present, the gender pay gap in Scottish local authorities is 15%. Women account for 44% of chief executives but are over-represented in lower skilled and lower paid jobs. Amongst the higher paid professions, gender discrimination is most evident in the legal profession. The Law Society of Scotland reports that, for the first time, the majority (51%) of Scotland’s solicitors are women and women account for 64% of last year’s new entrants. However, there is a large overall gender pay gap of 42%, which widens for women aged over 36. Amongst solicitors, women are likely to remain associates or assistants rather than partners. At the apex of the legal profession, the Faculty of Advocates reports that only some 19% of QCs are women. Even here the direction of change is self-evident but slower than in many other countries in north-west Europe. To a lesser degree but still noticeably, the same pattern exists across the higher paid professions.

Work/Life Balance

One major barrier to a better work/life balance for women has been the limited availability and cost of childcare. Reducing the cost and time burden of childcare can be expected to increase the years spent in paid employment by women with childcare responsibilities. The resultant income and employment gains are likely to be particularly evident for women working in higher paid activities and professions.

Confucius declared that “It is not easy to find a man who can study for three years without thinking about earning a salary.” Today he would surely include “or a woman.” This suggests that the sheer weight of numbers of well educated and trained women will accelerate major shifts in the work-life balance of females toward more work and higher salaries. The experience in North West Europe is that generous childcare provision can assist further increases in female labour market participation and reduced gender inequalities in pay.

The Scottish Government flagship labour market project in its White Paper, “Scotland’s Future,” was that an extended system of childcare could increase employment and incomes,

particularly for females, and generate additional tax revenues. That this is the likely direction of change cannot be in serious doubt, but the devil will be in the detail – as usual!

Why Now?

One of the unfortunate results of devolution has been that the major opposition parties in Holyrood have swallowed wholesale the Westminster dictum that “the duty of the opposition is to oppose.” It would be better if the word “sensibly” was added to this injunction and the reaction to the enhanced childcare proposals proves the point.

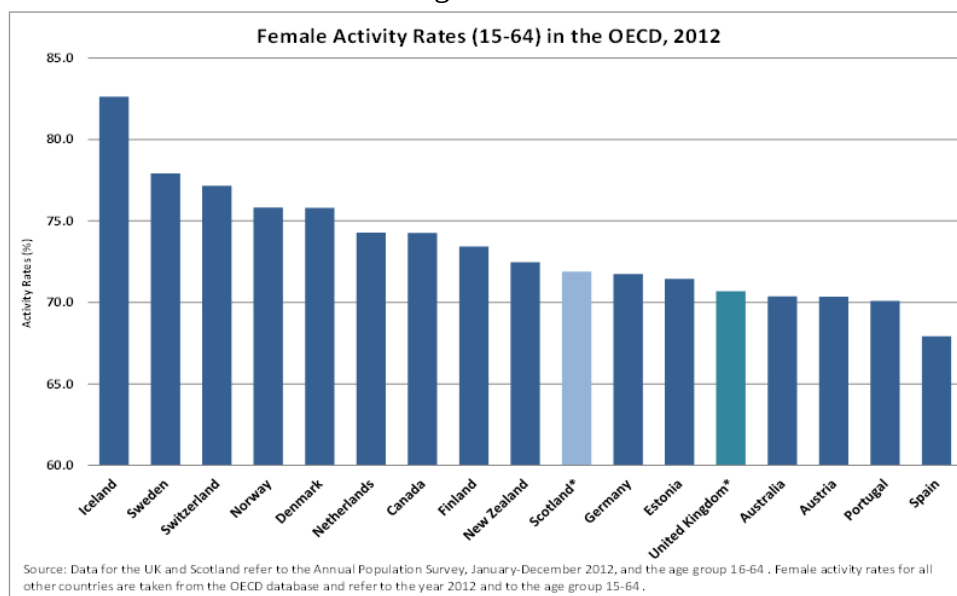
The First Minister recently declared that “the most transformational investment the next SNP government makes is not in any road or bridge – it will be a revolution in childcare provision.” The main opposition argument has been that devolution already provided the Scottish Government with the authority to provide enhanced childcare and that, if it was such a good idea, it should get on with it forthwith. The Scottish Government did have the relevant legal power but no sensible government would have pressed further ahead unless it had access to a major part of the increased tax revenues (mainly income tax and VAT) flowing from an increase in female labour force participation.

Under the ancient regime almost all of any increase in tax revenues from rising personal income and expenditure would have accrued to Westminster. Quite simply, a childcare system which is going to work could not have been funded generously as per the smaller countries of north-west Europe. The opposition parties probably knew this, or else were guilty of woeful ignorance. Let us be charitable and assume the former applies!

JB Say

The Scottish Government’s working paper on childcare (“Childcare and Labour Market Participation – Economic Analysis”) argues that its impacts “can be defined as demand-side. However, the greatest benefit for the Scottish economy will stem from the transformational supply-side impacts it could have.” As JB Say would have put it, “Supply creates its own demand.”

The female activity rate in Scotland is above the UK average but was lower than 9 OECD countries in 2012 – as shown in Figure 1 below.



The working paper suggested that raising the Scottish female participation rates to Norwegian and Swedish levels would result in an annual increase in output of £1.4 billion (1.1%) and £2.2 billion (1.7%) respectively. These calculations are based on constant prices and might be expected to be achieved at the conclusion of a 5-10 year period, the earlier date being highly dependent on the nature of the childcare proposals which are implemented. Here there is much to be learned from our own experience and that of the Scandinavian countries in particular.

The January 2014 paper estimates that the required expansion of childcare services would, when fully implemented, create some 35,000 jobs. The staffing of primary schools would suggest that most of these new jobs would be filled by women. Now any observer should be wary of official estimates of good news and it is prudent to check whether there is any independent estimate of the possible economic impact of improved childcare.

A study by PwC – “Women in Work Index” (March 2016) – estimates the economic impact if UK female participation rates moved up to the level of female participation rates in other European countries. Given that the Scottish female participation rate is slightly above that of the UK and income per capita is slightly below the UK average, it could be expected to have around its 8.4% population share of any UK gains calculated by PwC. The UK potential gains, as estimated by PwC are very large, and applying a population share would provide much better outcomes than those suggested in the Scottish Government’s working paper. Raising the UK female employment rate to Swedish levels would raise UK GDP by £170 billion and, on a population share basis; the increase in Scottish GDP would be around £14 billion per annum. Eliminating the gender earnings gap would raise UK female earnings by £80 billion and in Scotland the same process would result in an increase in female earnings of nearly £7 billion.

At this point we have to draw back and remember the Keynesian dictum that “the long run is only for undergraduates.” And I always bear in mind my statistics lecturer who declared that “extrapolation is a substitute for thinking!” The Scandinavian quiet revolution in childcare is the result of a long process which recognises that the best equaliser is a hand up not a hand out. But the Scandinavian experience was, from the outset, based on sensible principles, whereas the early Scottish experience has produced a familiar post-code lottery because the provider and not the consumer too often has the final say in the nature of the service provided.

It would be unrealistic to expect the level of income generation in Scotland to match Swedish levels inside a decade and much more sensible to consider that matching the Danish outcomes in a 5-10 year period would be more easily achievable. But even this requires recognition that the Scottish Government has to deliver an appropriate funding model and a truly national programme must accredit nursery provision and respond to the very different demands which will be generated by different family choices.

What kind of childcare?

The intention of the Scottish Government is that each three and four – year-old should be entitled to 600 hours of government-funded nursery provision per annum. This is generous but, if it is to be effective, the Scottish Government must ensure that it has put in place the necessary funding and the means of providing the range and quality of provision which parents are entitled to expect.

Fair Funding for our Kids recently observed that “For many children and working parents in Glasgow and beyond, the system is not delivering a model of childcare that matches the needs of the modern working family ... (and that).... thousands of families across Scotland are unable to access their legal entitlement to free childcare because most council nurseries do not offer suitable hours for working parents.”

The Family and Childcare Trust believe that fewer than one in six of councils have the capacity to meet the needs of working parents. Reform Scotland observes that the funding solution should be a nursery entitlement which follows the child. But the corollary of this is a one size fits all policy will never meet the needs of many parents. If the customer knows best, as she or he usually do, then they must be able to use their virtual voucher at accredited nurseries.

I hope that the Scottish Government will not repeat the mistaken named Person approach which will find it difficult to reach those families who actually are in need, while wasting resources annoying well functioning families who will resent outside interfering.

These standards should be set by Education Scotland and the Care Inspectorate. They should ensure that the present post- code lottery does not endure, but flexible enough to accept that the best is not “the enemy of the good.” Local authorities are often well placed to provide good facilities for childcare but it must be recognised, that if another supplier, whether a charity or private supplier, meets the required standards, then they must be able to accept the virtual voucher which follows the child.

The First Minister is right to emphasise the major social and economic benefits which might be realised by an effective childcare programme. Yet, if the aims of a national programme are to be met, the Scottish Government must provide the funding and the framework within which families can access the form of childcare which best meets their needs. The clock is ticking and the prize is to deliver results commensurate with the Danish experience within the 5-10 year interval!

Post script

I have benefitted from a number of discussions with Reform Scotland but remain solely responsible for any errors of omission.

Professor Sir Donald MacKay is a past Chairman of Scottish Enterprise and was an economic adviser to the Secretary of State for Scotland for over 25 years. He was a member of Reform Scotland’s Advisory Board until his death in November 2016.

High Speed Rail & Scotland: Delivering a Better Fit with Socio-Economic Strategy

– Tom Hart

Originally posted 26 April 2016

The Current Position

The March Reports by the UK and Scottish Governments and by HS2 Ltd have provided more information on HSR prospects for Scotland and the North of England. Five options, two being West Coast and three East Coast variants, are examined for the extension of HSR route beyond present proposals for completion from London to Crewe by 2027 and onwards to Wigan and Manchester plus new line from Birmingham Airport to just north of Leeds by 2033. From 2027 HSR services will be able to extend beyond Crewe on existing route to both Glasgow and Edinburgh but since HSR trains lack the tilt capability of present Virgin West Coast services, trip times from London using the completed Y shape new route to Wigan and Leeds/York by 2033 would be no lower than 3 hours 38 minutes, only slightly better than Virgin East Coast plans to deliver shorter times on the existing London Kings Cross-Edinburgh route (with sections raised from 125 to 140 mph operation) by the mid to late 2020s.

The agreed UK and Scottish Government aim is to deliver 3 hour trip times from London to both Edinburgh and Glasgow but with no date for completion specified. Further work by both Governments in 2017 is scheduled to reach agreement by 2019 on the start of a programme to deliver 3 hour timings together with the Scottish Government aspiration for frequent HSR services between Glasgow and Edinburgh in 28 minutes. The HS2 Ltd technical preference has always been for the greater resilience offered by building new route allowing maximum speeds of 200/250mph on almost 100% of route used by HSR services north to the Scottish Central Belt. This could provide 2 hour 30 minute trip times between London and both Glasgow and Edinburgh but at a high capital cost likely to be beyond what could be justified by wider economic benefits and competing priorities for funding.

While a West Coast corridor could provide 2 hour 30 minute trip times from both Glasgow and Edinburgh to London, use of an East Coast corridor via Newcastle could give this time to Edinburgh but with Glasgow only reached by very expensive and controversial new route through the Borders to join a new line between Carstairs and Glasgow. Though no favoured option is likely to be announced by the UK and Scottish Governments until 2017, HS2 Ltd does conclude that 3 hour timings could be provided from London to both Glasgow and Edinburgh by phased upgrades and sections of new route beyond Wigan – including new route from Wigan to north of Lancaster, between Penrith and Shap and Scottish Government involvement in new route from north of Carstairs to inner Glasgow, also facilitating HSR between Glasgow and Edinburgh) (see *LTT694 1 April* and *Stephanie Browne features in Rail issues 796 & 797, 16 & 30 March*)

Similar opportunities are seen in northern England with the UK March Budget highlighting devolution within England and an emphasis on large rises in rail and road investment inter-connecting northern cities. **Transport for the North** (of England) has been established and there is now an accord on joint working with **Transport Scotland**. This accord could lead to benefits for Scotland through the provision of bypasses for Morpeth, Newcastle and York plus new line through County Durham.

Critique and Future Prospects

The HS2 proposals and what is being termed HS3 across northern England have attracted much attention but with the UK government and Network Rail also stressing the importance of upgrades of the existing British rail network and a much larger element of devolved decision taking and funding. These could be seen as complementary developments in that new HSR route can ease severe capacity problems arising on existing routes while also giving the opportunity to increase connectivity through more frequent and faster inter-city services with quality interchange to and from improving city region networks.

New route can be cheaper to provide than the costs and disruption arising from quadrupling more sections of inter-city route to handle the differing speed ranges of freight and of 'intermediate' express and more localised passenger services. New route can be better aligned for high-speed with few passenger trains operating below 120/140mph. The difficult issue for HS2 Ltd is that the high capital cost of new HSR route (and related new stations not always well connected with existing regional networks) may not be as beneficial for economic and social objectives as alternative strategies. Both HS2 and the UK government are inclined to hype the total economic benefits of HSR and a shift in the balance of economic activity away from London and the south-east. The scale of these benefits, relative to alternative spending options, is open to question with many benefits not gained until well into the future. A significant shift away from the south-east is likely to need more substantial fiscal, pricing and innovation strategies than only an HSR focus.

The political interest in HS2 may be hindering appraisal of alternative options, including improvement of inter and intra-regional rail networks reducing requirements to invest heavily in road and giving a better ratio of total benefits to costs through close integration of investment in HSR and existing rail networks over the next 15 years. This could also make a greater contribution to low carbon programmes – as called for in the March Report of the **UK Committee on Climate Change** – and action to improve health, education, productivity and the overall environment. The *LTT* 693 editorial on 18 March 2016 queried why demand management has been replaced by a surge of interest in both rail and road investment.

The recent report by the **Competition and Marketing Authority** favouring greater competition on the East and West Coast corridors has also raised fears that fare cuts on longer distance travel could discourage early investment in HSR routes to relieve severe capacity constraints. Yet there is an urgent need to tackle track capacity issues by investment in priority sections of new HSR route, easing already apparent tensions in the allocation of short and longer-distance train slots for both passenger and freight movement.

Government argues that increased, but better controlled, investment in the existing rail network is being secured with HSR investment only rising sharply from 2020. But this evades the issue of whether the balance of funding for HSR, the existing inter-regional rail network and city-region transport networks is optimal. Also, how strong is the case for present proposals to increase road investment? Should road demand management receive more attention along with a greater shift from major trunk road investments to rail and to local road maintenance and public realm/active travel improvements? Apart from London, city transit also remains relatively neglected in the coming decade. Delays and cost overruns have been experienced in electrifying already busy rail routes and in identifying lesser adjustments, including some new route, reshaping the present inter-regional passenger and

freight network to offer better value and greater prospects for road traffic reduction. Devolution to the English regions has left a gap in developing an effective inter-regional transport strategy. An emphasis only on developing HSR fails to fill this gap.

Towards a Reshaped Strategy for Anglo-Scottish Rail

There are already signs of a reshaped strategy north of Birmingham with increased emphasis on the gains from using sections of HSR route and upgraded existing route to improve express links within the north and potentially on through services into Wales and points other than London in southern England. Proposals are also being studied for fuller integration of Manchester Airport in future networks. In conjunction with longer freight trains, much of the main inter-city network will continue to handle expanding longer-distance freight assisted by passing loops allowing passenger trains to overtake, some track quadrupling and more attention to the development of diversionary and emergency routes. But many of these proposals are piecemeal rather than part of a phased strategy for long-distance rail complemented by improving networks within regional devolution.

These issues need to be addressed in revised five-year strategies for rail and road to the early 2030s compatible with potentially larger rises in rail modal share and new route construction into the 2040s. A crucial need is to ensure that infrastructure plans facilitating an expansion of inter-regional passenger and freight movement are agreed for the 2019-24, 2024-29 and 2029-34 planning periods – though with provision for variations in the light of emerging circumstances.

The UK and Scottish Governments are committed to decisions in 2017 on reshaped rail and road programmes. These need to include accelerated build of a mix of new and upgraded existing route north from Crewe and York, recognising both Transport for the North aims and the reality of strong growth in rail use between Scotland, northern England and the Midlands. In 2013-14 Anglo-Scottish rail passenger trips reached 8m, 75% up on 1995-96 but with growth in trips to and from the north of England up almost 150% and accounting for almost 50% of all Anglo-Scottish trips. (Scottish Transport Statistics, 2015 edition, Table 7.4)

Current action on large improvements in services between Scotland, northern England and Birmingham are intensifying this growth trend into the 2020s. Virgin East and West Coast also expect the balance of Scotland-London air/rail travel to rise from the present 30% rail share to 50% by 2023 with further rises to 70% or higher on delivery of 3 hour trip times from Glasgow and Edinburgh. Such prospects are bringing larger and earlier additions to net income (as well as wider economic and social benefits) from a mix of new and upgraded track catering for non-London inter-city services operating up to 140mph as well as an increase in freight usage and HSR services to London operating up to 200mph. Within a reshaped network for the North and Midlands, stops for what could be termed a Tier 2 of express regional and inter-regional services will often only be 30 to 40 miles apart, making it impossible for trains to exceed 140mph for any significant distance. Only Tier 1 HSR services would have higher speeds but more widely spaced stops, including no stops between Birmingham Airport and Old Oak Common or Euston.

Two other issues require attention as part of carefully phased and cost-effective programmes to the early 2030s. These relate to station location and train design. On **station location**, there is still conflict between new HSR stations at some distance from principal existing city

stations and integration of HSR services in existing, but enlarged, through stations. Opinion is tending to favour the latter – though London Euston and Glasgow Central will continue to be terminal stations. This strategy allows high-quality interchange with improved city transit and between Tier 1 and Tier 2 inter-city services. In some cases, alternatives may still be favoured. Government and user interests also affect the issue of providing HSR services through major airports and through from some HSR stations in Britain to the continental mainland. More study is needed of how far the cost of major station extension can be eased through provision of improved city transit offering good interchange with longer-distance services and airports.

On **train design**, the present HS2 position is to reject any future use of tilting trains and focus on the need for lengthy trains (400 metres) to maximise capacity. While tilting trains (such as the present Virgin Pendolinos) can permit shorter trip times and less need to adapt infrastructure for higher speeds, they involve higher vehicle construction costs, higher maintenance, reliability issues (if tilt mechanisms fail) and higher track maintenance costs.

On much existing track, it is not possible for tilt to permit speeds above 140mph. Yet, given recognition that HSR trains will operate on substantial sections of existing track for at least the next twenty years, there is a case for considering some HSR trains incorporating tilt and reducing the need for completely new line where track capacity issues are less acute.

In the medium term, shorter but more frequent trains with ticket price differentials can improve usage and revenue. There can be advantages in either dividing 400m trains at certain points to run to different destinations or in ordering shorter trains for HSR use and a later cascade to other routes. Current HS2 proposals still involve a loss of 7 minutes while half-hourly trains from London divide at Carstairs for Glasgow and Edinburgh but alternatives could be the use of shorter trains running separately to Glasgow and to Edinburgh or the use of electronic systems (being considered for HGV convoys) to allow a rapid split of trains at stations such as Preston or Carlisle. Bi-mode trains, already on order, could also permit some HSR trains to operate beyond the limits of electrification, though at lower speeds, or in conjunction with lower-cost electrification allowing wiring to be avoided on short sections of route with clearance problems. Longer, rather than more frequent, trains are likely to merit greater priority in the freight market, assisted by provision of some longer passing loops or sections of quadruple track.

The overall conclusion is that future HSR strategy is best developed in close conjunction with strategies offering wider benefits through lower levels of domestic air travel and of road traffic growth (already much lower than in the 20th century and with some absolute falls in car use per head of city population). HSR must link well with high quality city transit and further modal shift to rail in a phased reshaping of the national rail network (including some new build) to encourage passenger and freight usage. Options which should be evaluated for possible delivery by the early 2030s include tilting trains, extended new route from Crewe to north of Lancaster, HSR in the Scottish Central Belt and priority for new route from south of Sheffield via Leeds to north of York in conjunction with upgrades of existing onward route via Newcastle. Later in the 2030s, an East Coast HSR route to London and the Channel tunnel via Peterborough, Cambridge and Stansted Airport may become justifiable, including bypasses for Morpeth and Berwick-on-Tweed.

The Role of HSR in Scottish Transport Strategy: 2020 – 2030

Clarity is needed on the distinction between HSR services and new HSR route. HSR services will extend over a greater length of existing inter-city route than that of new route. Their key purpose will be to offer improved inter-city connectivity also encouraging shifts from car use and easing conflicts between passenger and rail freight flows.

Rather than 3 hour HSR trip times between the two largest Scottish cities and London by an uncertain date in the late 2030s, 3 hours is a realistic target for 2030 with the potential bonuses of :-

1. a) a higher service frequency from Glasgow Central to Edinburgh in 28 minutes – also releasing space at Glasgow Queen St for additional services to Stirling and the north (*Transport Scotland, March 2016*)
1. b) shorter trip times and improved frequency on Tier 2 inter-city services from Glasgow and Edinburgh to Lancashire, north-east England and the Midlands (some using the West Coast corridor and some East Coast)
- 2.

Three hour times and an improved ratio of benefits to costs are feasible with only three sections of lengthier new build (from Crewe to north of Lancaster, outwards from Glasgow and on Edinburgh's western approach plus the NR Scotland 'Route Study' scheme for 30 miles of quadruple tracking south from Carstairs). Study of the possible gains from tilting passenger trains and longer freight trains could allow substantial savings in infrastructure costs without prejudice to 3 hour timings by 2030. At Glasgow Central, there could be a high frequency shuttle link to **Glasgow Airport** as early as 2025.

The above network would offer good connections further north at Edinburgh, a major objective of the Scottish Government in extending HSR benefits throughout Scotland. Bi-mode trains could provide some through services until electrification is completed to Aberdeen and Inverness (though both these cities are seeking earlier electrification than the 2034 and post 2040 dates suggested in the Network Rail Scotland Draft Route Study published in December 2015). More inter-city route in Scotland would also be raised to 100/125 mph standards as part of Scottish Government policies to extend the benefits of HSR to more parts of Scotland.

Other outstanding problems are:-

- 1) the imbalance in capacity demands into Edinburgh, with demand being much higher from the west – and even more so if 4 HSR shuttles per hour are added between Glasgow Central and Waverley
- 2) strengthening action to encourage shifts to public transport, cycling and walking in the areas around the city centres of Glasgow, Edinburgh and Aberdeen
- 3) the lack of direct inter-city rail access to Scotland's existing principal airport at Edinburgh
- 4) the increasing isolation of Dumfries as other towns come within a 1 hour rail trip of Glasgow and Edinburgh
- 5) using the revised National Transport Strategy and Planning Framework to remedy the (understandable) omission from the Network Rail Scotland Draft Route Study of rail and tram network extensions

These issues need to be addressed with some urgency in the revised Scottish Transport Strategy due in 2017 and including five-year phased programmes incorporating HSR plans.

Some possible solutions are outlined below but fuller debate is needed on wider options, funding availability and the robustness of benefits. 4.5.1 may present the least difficulty as there is already a preference for Waverley to remain the principal Edinburgh station with priority action to improve the eastern twin-track approach. Coming from the west, extra slots for longer-distance trains could be provided by terminating some local services at Haymarket or extending these as tramtrains along Princes St and on the Edinburgh South Suburban Line, presently without passengers (except during emergency diversions) but with tramtrain potential.

In addition to the inter-city market and some growth in longer-distance commuting, funding and regulatory strategy will require to support 4.5.2, especially in the three cities mentioned, through a combination of greater attention to city transit, active travel and appropriate changes in land use planning, interchanges and ticketing

Being effectively Scotland's central airport with most users already being international passengers, **Edinburgh Airport** and Scotland as a whole could gain from placing the Airport on the national rail network but in ways differing from the original, and abandoned, EARL proposals. Diverting some existing services and future HSR services through the Airport with an added link to Fife and the north via the Forth Rail Bridge could widen HSR benefits and ease capacity problems through Haymarket to Edinburgh Waverley. Though some phases of such development may come after 2030, Network Rail Scotland has already suggested that an initial phase of new and upgraded route through Fife should be completed by 2029, shortening trip times from Edinburgh to Perth, Dundee and points north. A further 20 miles of new build in the early 2030s could permit 2 hour 45 minute trip times from London to Edinburgh Airport with Dundee reached in 3 hrs 15 minutes and Aberdeen in 4 hours. There could also be an alternative service from Glasgow to Dundee running from Glasgow Central on pre-existing HSR route through Lanarkshire and then via Edinburgh Airport and Fife.

South of the Central Belt, Dumfries stands out as one of the larger towns with no rail service to Edinburgh and a circuitous route to Glasgow via Kilmarnock. Rather than the cost and disruption of quadruple tracking 30 miles south from Carstairs over Beattock summit but with maximum line speeds little changed, might it be better to consider a new 15 mile link across to the Nithsdale route near Carronbridge and onward upgrades via Dumfries to Carlisle capable of 180/200 mph operation OR the alternative of diverting rail freight and Tier 2 inter-city services via Dumfries with the route via Beattock and Lockerbie adapted for 180/200 mph operation? These options should be compared both with current proposals for HSR upgrades north from Carlisle and with more detailed evaluation of a rising number of proposals for rail reopening or route extensions and some continuing proposals for major road schemes and local roads.

Conclusions

Neither HSR schemes nor major road schemes should be seen in isolation from the need for multi-modal corridor and city region evaluations prior to selection of schemes gaining priority in phased 5-year programmes to the early 2030s for inter-regional and international transport, complementing city region development and broadband communication. Preferred schemes should offer high and early benefits relative to costs with good prospects to follow of higher and wider benefits.

Transport programmes will have to be compatible with what may be seen by government, business and the public as higher priorities outwith transport for the growth of a low carbon economy and rises in productivity and well-being. Conventional rail improvement and HSR can be part of this approach but not over-hyped with new HSR route taking up an excessive portion of restricted resources. The two most favourable factors assisting rail prospects are better control of infrastructure costs and the 20 years of evidence that rail usage and related earnings have been rising more quickly than operating costs and contributing significant, and added, benefits in terms of shifts in modal share from road use and from domestic aviation. The must be taken fully into account in new, but carefully phased, strategies for transport in Scotland, across Britain and to and from international origins and destinations.

Tom Hart is a former Lecturer in Economic History, a member of the Scottish Association for Public Transport and an appointed member of Strathclyde Partnership for Transport

Section 1: May to June

Unintended Consequences: The Reform Scotland report in a wider context

– Dr Jim Scott

Originally posted 24 May 2016

As well as adopting the title of my 2014 doctoral thesis[1], the Reform Scotland report on National 4s and 5s helpfully retraces and reinforces some of the major findings of my 2015 OECD evidence paper[2], concentrating on Fourth Year (S4) curricular structures and the consequences, intended or otherwise, of local authority/school choices in this context.

Covering over 300 schools, it finds almost a half of schools offering 6 courses, a third 7, a sixth 8 and a few offering 5 or 9. My larger, slightly more recent sample of 350 schools suggests the percentages are:

5 courses: 1.5%;

6: 44.5%;

7: 34%;

8: 20% and

9: 0% although this remains worryingly fluid 6 years after the launch of “Curriculum for Excellence” (CfE).

Reform Scotland examines the resulting disparity of pupil opportunity, suggesting – as I did – that it has the potential to inhibit attempts to “close the gap” in attainment, whether between ablest and weakest or richest and poorest. My findings on S4 CfE results demonstrate that lesser ability pupils are the greatest victims – not necessarily of CfE itself, but certainly of how it has been implemented – although the more able have also experienced problems.

Unfortunately, Reform Scotland lacks data to illustrate its concerns about *how* the curriculum has narrowed in schools offering 6 (or, worse, 5) courses. Although there are (thankfully) diminishing numbers offering 5 courses, it is important to be aware that a “6-course curriculum” may mean several things. Some schools are offering a 6-5-4 curriculum with 6 courses in S4 followed by 5 in S5 and 4 in S6, others are (at least theoretically) offering a 6-6-6 curriculum, presumably driven by timetabling efficiency rather than pupil needs, as this is most unlikely to generate 18 qualifications for either the most able or the least able. Others, however, are offering a 0-6-6 curriculum with no qualifications taken during S4, generating *at most* 12 qualifications – but only if teaching, quality assurance and performance tracking are all of the highest level. Analysis of HMI reports does not suggest that they find any 5 or 6-course models to shine in comparison to schools effectively offering seven (or possibly eight).

Perhaps the bigger issue is not curricular narrowing but curricular distortion. My figures above for 5-8 course S4 structures would cause a drop of 16% in attainment this year against the 2013 pre-CfE figures. Last year the structurally generated drop from 2013 was 13%, but the drop in enrollments for S4 courses was 17% and in attainment a worrying 24% (almost twice the drop caused by curricular narrowing). There are two issues:

1. Some subjects have fared *much* worse than the 13% structural drop e.g. French and German attainment have dropped by 50% since 2013 – twice the already very worrying average 24% attainment drop – and the government’s flagship Gaelic (Learners) by over 60%. There are significant declines elsewhere e.g. Computing (75%), Art & Design (35%) and Geography (31%). Even Chemistry and Physics have dropped by 27% and 20% respectively. Some subjects are thus in a perilous state.

2. Greatest declines have occurred amongst the least able. Although some learners have clearly moved up from Level 3 to 4 or 4 to 5, this does not balance the disappearance of two-thirds of pre-CfE level 3 attainment or a quarter of level 4. Only at National 5 does the decline in attainment match the overall decline in enrolments. What has happened to the missing 87,000 attainments at Levels 3 and 4?

If the situation is to be improved, several questions must be addressed:

1. Is an attainment collapse of 24% in 3 years publicly acceptable?
2. What has caused the second half of this collapse (and do we accept the structural cause of the first half)?
3. Are the national expectations for progress by pupils by the end of S3 sufficiently challenging?
4. Do the “middle layer” (OECD, 2015) of local authorities and headteachers have the capacity/capability to lead the challenging but potentially game-changing CfE programme (and why has this been eroded)?
5. Do all teachers understand what is required of them in CfE?
6. Are schools, headteachers and teachers consistently presenting pupils at the appropriate level?
7. Is CfE (as currently framed) a satisfactory curricular basis? (Both OECD and I suggested not.)
8. Does the extended 3-year BGE bring identifiable benefits that outweigh the collapse in S4 attainment?
9. Is 6 courses in S4 (or 5, 6-6-6, 0-6-6 or 9) a desirable curricular offer to pupils of *any* ability?
10. Is it appropriate that a child will be much more likely to take 6 courses if they live in an authority in the first half of the alphabet?

If the answer to a few of these is “no”, then Scotland has a problem; if the answer to many/all of these is “no” then we *may* have a national educational crisis. In either case, this is not merely an issue for headteachers and directors of education (where the latter still exist).

Dr. Jim Scott is an educational researched

[1] Unintended Consequences? The Politico-Educational Governance of Modern Foreign Languages in Scotland 1962-2014. Dundee: University of Dundee.

[2] Available at: http://www.academia.edu/20171586/OECD_Evidence_Paper_2015

An open letter to John Swinney from Upstart Scotland – Sue Palmer

Originally posted 1 June 2016

Dear John Swinney,

I'm sure you're only too aware that there's no magic bullet for closing the attainment gap. It's ingrained in the social and economic circumstances in which Scottish children are born, raised and educated. It's not only a symptom of inequality but a cause of continuing inequality. It's wrong and shameful and it must be addressed ... but significant change will require concerted, coherent action by all sectors of Scottish society over many years, possibly decades.

So I'm writing on behalf of one group of people – Upstart Scotland – who desperately want to help make that change – people who have looked carefully at the evidence about child development and concluded that, for historical and cultural reasons, Scotland is actually perpetuating disadvantage by the structure of our education system.

When children start school at the age of four or five, those from disadvantaged backgrounds are on average thirteen months behind their luckier peers in terms of language and problem-solving skills. Yet we expect all children to achieve the same outcomes in literacy and numeracy. Not surprisingly, the disadvantaged kids fall behind, many lose heart, and despite the best efforts of their teachers, fail to thrive in our education system ... and so the cycle of disadvantage continues.

Scotland is quite rightly attempting to reduce that thirteen month deficit by investing millions in improving the life chances of disadvantaged children from the moment they're born, and Upstart Scotland desperately hopes this investment will continue. But we also know that any progress made in children's first three years will soon be lost unless it is followed through in the next three, when they enter the educational system.

The quality of early years education is therefore of critical importance. It must be coherent and well-resourced. It must take account of every aspect of children's physical, social, emotional and cognitive development, and of nurturing personal qualities that will help them flourish at school, rather than focusing too early on developmentally-inappropriate academic targets. A year or so in under-resourced childcare, followed by transfer at four or five to a formal school environment where the emphasis is on literacy and numeracy outcomes, is not the answer.

It's no coincidence that the three western countries that currently score highest in the OECD educational charts don't send children to school till they are seven. Before then, children are expected to learn in kindergartens, through the medium of play, at their own rate, and with the support of adults specially trained in the science of child development.

This kindergarten stage allows a few years for all children to enjoy learning in an active, age-appropriate way without the pressure of adult-imposed targets. And, crucially, for those children who arrive at a developmental disadvantage, it gives time to catch up in terms of language, problem-solving and self-regulation skills – qualities upon which success in formal schooling depends. Several years of play-based education, supported by caring well-informed adults, is the best way of creating a truly level playing field for all children's educational achievement.

Upstart Scotland believes that our country's extremely early school starting age, combined with an increasingly early focus on the three Rs, therefore compounds educational disadvantage and is far more likely to widen the attainment gap than to close it. We are therefore campaigning for the introduction of a kindergarten stage in Scotland for children between the ages of three and seven. It should have a recognisably different ethos from formal schooling, and be based on rapidly-growing scientific evidence about the importance of play in child development.

Research now shows that play – especially outdoor, active, social, self-directed play – enhances self-regulation, emotional resilience and cognitive development. Yet, over recent decades this sort of play has practically disappeared from many children's out-of-school lives. The 'real play' through which evolution designed young children to learn has been replaced by an indoor lifestyle, largely centred on sedentary, solitary, screen-based activity. These recent cultural changes make it even more important that our education system provides time, space and support for play-based learning in the early years.

Upstart Scotland has been formed in response to all the concerns described above. It is a very new campaign – launched earlier the month – but already has the support of many hundreds of professionals from childcare and education, health, psychology, social justice, the play sector and children's rights, as well as parents and organisations such as the Scottish Parent Teacher Council. All these Upstart supporters have concluded that radical change to early years education is now essential – not only to close the attainment gap, but also to tackle the alarming rise in mental health problems among children and young people (a development which is almost certainly connected with the same social, cultural and educational issues).

I have therefore written directly to you, the Minister for Childcare and Early Years, the Minister for Public Health and Sport and the Minister for Mental Health asking you to meet with representatives of Upstart in order to hear our case before finalising your plans to close the attainment gap. Please listen to Upstart's arguments, Mr Swinney. We're not suggesting that the introduction of a play-based kindergarten stage is a magic bullet. But we do have evidence that it could give all Scottish children – especially those from disadvantaged backgrounds – a vastly improved chance of becoming successful learners, confident individuals, responsible citizens and effective contributors.

Yours sincerely,
Sue Palmer,
Chair, Upstart Scotland

Leave or Remain – Tom Harris and Siobhan Mathers

Two members of our Advisory Board set out their different personal views on the EU referendum.

Originally posted 22 June 2016

Leave by Tom Harris

I did not expect to be voting to leave the EU in the referendum, let alone running the Leave campaign in Scotland.

As a self-confessed Blairite, I count as friends and political allies many of the people who are making the strongest case for Remain. Blair himself is at his most passionate when defending Britain's role in the EU.

Nevertheless, my scepticism started at an early age. I opposed the euro (in those days it was known as the Single European Currency), yet found few backers when I spoke against it at my local Labour Party. As a newly-elected MP I joined with colleagues to demand that the Labour government avoid membership of a project that was more political than economic, a project that was doomed to fail.

And yet now that no-one seriously thinks it would have been a good idea for Britain to ditch the pound and join the euro, I'm struck by how many of the arguments used by supporters of the euro in 2000 are being deployed today to scare us into voting to remain in the EU.

A decade and a half ago we were warned by the CBI and many others that staying outside the euro zone would be disastrous for our exports and for our economy. We would pay the price in international influence as well as in jobs and trade. Those are arguments which we can now unequivocally dismiss as rot – scare-mongering of the worst kind. We stayed outside the euro and thank God we did!

Nevertheless, I assumed that, so long as David Cameron achieved what he said he wanted to achieve – a fundamental renegotiation of Britain's relationship with the EU – then I would, albeit without much enthusiasm, vote to Remain in the referendum he had promised.

Alas, and as we all know now, the so-called deal was nothing of the sort. There will be no treaty change, but why should there be? It would hardly be worth the effort of calling a Euro-summit for leaders to rubber stamp what basically amounts to a few minor changes of emphasis on the fringes of EU policy. No increase in the ability of nation states to control their borders against unmanageable immigration, no changes to the principle that EU immigrants can claim child benefit for children not actually living here, and no serious restrictions on in-work benefits for immigrants. UK law remains subservient to EU law, and UK Ministers will continue to be defeated by the combined votes of Ministers representing the Eurozone countries.

In this referendum campaign, the Leave campaign has been accused of all sorts of crimes, ranging from extremism to... well, extremism. It's extremist, apparently, not to want an open-door immigration policy at a time when Europe's borders themselves are proving so porous. Never mind the fact that every government ever elected in this country has maintained the right to limit immigration to one degree or another; now that an exit from the EU is a real possibility, such views are beyond the pale, apparently.

We already have a chronic housing shortage; yet many, many more homes will have to be built if we're to continue to welcome every EU citizen who wants to come to our shores, whether or not they have the skills our economy needs.

Immigration is a good thing, provided it's managed. But while we remain a member of the EU, that simply cannot happen.

A journalist recently asked me why it seemed that the Vote Leave message had yet to resonate in Scotland in the way it has in the rest of the UK. The question made me consider the problem, probably for the first time.

Part of the answer lies, I think, in the fact that for the best part of the last 50 years, "constitutional reform" in Scotland has basically meant Scottish independence. It's certainly been hard to gain much traction for any other issue given the prominence and the intensity of the debate in the run up to, and the aftermath of, the 2014 referendum.

So Scots' minds are only now turning to the vexed issue of the EU.

If our elected representatives are anything to go by, Scotland is 99 per cent committed to EU membership. All the main parties and the vast majority of MSPs (and every MP) support remaining in the EU.

Yet even here in supposedly pro-EU Scotland, up to 40 per cent – maybe more – of voters have already decided to vote Leave.

The fact – and it's an uncomfortable one for those who prefer the black/white binary choice of modern politics – is that there are valid arguments on each side of this debate. I just happen to believe that Britain – and Scotland – could be so much better off outside the EU. When Britain first joined what was then the Common Market, we were in decline. We had no confidence about our place in the world, a weak economy and a lacklustre industrial base. It was felt by our politicians that we needed the shelter of the Common Market to protect us against the outside world.

That may well have been true back in the '70s, during the three-day week, the Cold War, the Opec oil embargo and the Winter of Discontent. But it's not true today. Britain is more confident, more prosperous and, I hope, more courageous.

If we leave, trade will suffer, we're warned. But will it? Switzerland – famously not an EU member – trades more with the EU than Britain does. That's because it has goods that customers in the EU want to buy. Are we really so lacking in confidence in the products and services we produce that we think we can only sell them because of our EU membership? If we make quality goods, people will buy them. We're not in a political union with the United States but we're not prevented from selling our goods there – or anywhere else in the world outside the EU.

The fact is that whether we're an EU member or not, Britain will still be a member of the European free trade zone, which stretches from Iceland (also not an EU member) to Russia. More importantly, at a time of austerity and public spending cuts, do we really think that sending a net £10 billion (due to spike at £11.5 billion next year) to the EU every year counts

as a good use of your money? Just think what we could do with it if it wasn't being used to maintain an unmanageable and unaccountable bureaucracy in Brussels.

What has Scotland to gain from leaving the EU alongside the rest of the UK? More powers for the Scottish Parliament (agriculture, fishing, and important environmental and social policy powers currently wielded by Brussels), a budget boost of £1.5 billion a year and control over our borders. It would also provide an opportunity to Scottish ministers, post-referendum, to argue for control of a Scottish work visa programme which would help Scottish companies recruit and retain foreign workers to fill our skills gap.

If Scotland is prepared to listen to the arguments on both sides, the Remain camp has a right to be worried.

Remain by Siobhan Mathers

The UK has always been an uneasy member of the EU, and the EEC/Common Market before that. Criticisms have rained in throughout the history of our membership, sometimes from the left and sometimes from the right. Some of the critical comment has been an insult to the intelligence, but one has to admit that some criticisms have been fair. The EU is, like most human endeavours, not perfect. And yet even in the dark days of dominant Tory Eurosceptics we have gritted our teeth and stayed in. Why? Because it's very much in our best interests to do so. We live in an increasingly inter-connected world. The binary Cold War power structure is gone, replaced by a complex and unstable world in which even medium sized states are buffeted by the economic and military power of the United States, China, Russia and India at one end and disruptive non-state factors like war, climate change and millenarian religious ideology at the other. Our voice is stronger as part of a big, prosperous bloc which in trade and diplomacy often speaks with a distinctly British accent.

The UK came late to the European project. When we joined in 1973 the original 6 members – France, Germany, Italy and the Benelux countries – had already been working closely together for over a decade. The 1973 enlargement of the UK, Ireland and Denmark brought about not just the challenge of a greater number of players but different priorities. Successive enlargements have complicated matters further each time but have also brought strengths and successes.

Most Brexiteers acknowledge the need for the UK to have thriving trading relationships. Yet they suffer from a deluded world view which exaggerates the importance of the UK in the world. “We could be like Norway or Switzerland” I hear them cry. Yet Norway and Switzerland warn against EU membership with a bilateral trading relationship. If we want to trade with EU countries (and it represents 44% of our international trade) we still have to comply with the vast majority of EU legislation and renegotiating trade deals would stretch the capacity of the Foreign and Commonwealth Office. Better to remain on the inside and influence the formation of legislation.

“But the cost!” Well let's look at what we put in. And what we get out. If you listen to the Leave Campaign you'd think that we were gratuitously throwing money down the sink in Brussels on a daily basis. To put it in context, the UK contribution to the EU budget comprises less than 1% of our budgets. And out of that we get security and solidarity. If only it were as simple as £350 million a week for the NHS.

Britain does make a net contribution in terms of the EU budget – because we are one of the most affluent member states. But we still get a large rebate back, which poorer member states do not like but they put up with out of solidarity. We also get a lot back in tangible funding for things like research, infrastructure and training. Our young people can study in European universities, our older citizens can enjoy the warmth of the Spanish sun. The price of admission to the EU also gives access to huge opportunities, which the trading, outward-looking British have seized. The Single Market – which underlies all those tedious myths about straight bananas and the like – is a British invention. The EU gives Britain diplomatic support from the rest of the world and creates a zone of stability and security around us in western and central Europe. Britain's inevitable entanglements in the old Europe of conflict between empires or nation states came at a much higher cost of money and human life than the subscription for staying in Europe.

For those who think that leaving the EU would remove red tape and mean less and cheaper government, I very much doubt it. Most European legislation relates to standards for trade; without compliance with standards, no trade. So I can't see us dancing round bonfires of tyrannical European legislation. Instead we'd need an army of British bureaucrats unpicking a messy situation redrafting legislation often to do the same thing, renegotiating trade agreements almost certainly on worse terms.

The EU is an imperfect entity; it always has been. Born out of the detritus of post-WWII Europe, European nation states have put in long hours and years of negotiation and working together for the common good. They have built a strange creature, alien to those familiar only with the workings of sovereign nation states, which necessitates much compromise, lengthy decision-making and a fair bit of bureaucracy. Yet, despite shrill cries to the contrary, it is democratic. The bogeyman European Commission proposes legislation but it is the Nation States in the Council of Ministers and the directly elected MEPs in the European Parliament who make the decisions.

The world won't fall apart if we leave the EU. I won't follow the Project Fear approach of painting apocalyptic pictures of an impoverished shrunken state. But there is no doubt that jobs will be lost, trading relationships damaged and all manner of unknown and unstable consequences will unfold. One can remove a foundation stone of a building and perhaps it will be OK, that the stone will be intact and the building won't fall down, but it is not something many architects would recommend.

We could emerge the other side with a different Britain. But it's not one I want. I feel strongly that we're strengthened by working, trading and travelling to our European neighbours. For me, Britain would be immeasurably poorer without it.

Britain in 2016 feels like it is in a state of crisis and flux. People/citizens/voters don't trust politicians or bureaucrats or anyone with power over them. And why should they? It feels like many in this country have been badly served by those who claim they want to protect them and make their lives better. We see increasingly outpourings of alienation and rage. But ditching one layer of seemingly remote government will not solve this. We need to work on how Britain is governed regardless of the outcome of the EU referendum. Does anyone seriously believe that more powers being exercised by the creaking, unaccountable, complacent, unbalanced Westminster and Whitehall machine amounts to 'you' taking control?

I often hear the allegation that the EU is beyond reform. I think that precisely because it has proven itself so adaptable over the decades, it is eminently capable of reform. But the right way to do that is not marching in to meeting rooms arrogantly demanding unilateral concessions without having built up political capital before. There is no doubt that David Cameron did not make a good fist of his supposed renegotiation while in the run up to Maastricht John Major put in the work and managed to achieve his principal aims of opting-out from the single currency and, less helpfully, the social chapter. A new, more diplomatically inclined approach at the negotiation table would find much common cause and listening ears from other member states about how the EU can be made to work better for decades to come. To coin a phrase, renegotiation is a process, not an event, and even Cameron's deal shows that reform and change is possible even in an ungainly alliance of 28 countries. Our future peace and prosperity depends on making the imperfect work for us as well as our European partners.

Section 1: July to December

School Education in Scotland: Research, Governance and Culture

– Frank Lennon

Originally posted 20 July 2016

School Education in Scotland: Research, Governance and Culture Reflections in the light of 3 recent documents

Three documents have been published in the last 8 months which have the potential to make a significant difference to school education in Scotland:

- Improving Schools in Scotland: An OECD Perspective (OECD 2015)
- National Improvement Framework for Scottish Education Achieving Excellence and Equity (NIF 2016)
- Delivering Excellence and Equity in Scottish Education A Delivery Plan for Scotland (DEESE 2016)
-

Leaving aside the obvious semantic issue that the respective titles of the latter two documents raise when the first refers to “achieving” excellence and equity and the second to “delivering” excellence and equity, it is worth reflecting on where we are in Scottish education in the light of their publication.

There is general agreement that the OECD report of 2015 is highly significant. It is the second such report on Scottish education. In 2006, the then Scottish Executive asked the OECD to “...examine the performance of its school system” with a view to receiving advice about the adequacy of recent reforms. The report, ‘Reviews of National Policies for Education: Quality and Equity of Schooling in Scotland (OECD 2007)’, was published by the OECD in December 2007.

The 2015 OECD report is once again a policy review specifically of “...the direction of the *Curriculum for Excellence* (CfE) and emerging impacts seen in quality and equity in Scottish schooling.” It focuses on the Broad General Education (BGE). As its remit suggests, it provides little in the way of analysis largely because, as it regularly points out, hard evidence is simply not available. Indeed, in Chapter 5 the report says:

“There does not appear to be any large scale research or evaluation projects by either the universities or independent agencies with specific responsibility to provide advice to Education Scotland on what is working well in the years of the Broad General Education and what areas need to be addressed.” (OECD 2015 p151)

The absence of any such evidence on a policy that originated fully 14 years ago in the National Debate of 2002 and which was implemented over 6 years ago (from the start of the 2010-11 school session) is truly remarkable. This explains why what the OECD report has to offer on CfE is predominantly a narrative[1] largely derived from Scottish Government sources and civil servants albeit supplemented by periodic and often insightful, observations and reflections. Rather helpfully, it does make some sharp observations on CfE. For example, from Chapter 1 in the section headed ‘Curriculum Principles’ (p44), after finding that in CfE there are:

- Four capacities, covering 12 attributes and 24 capabilities across the four – 40 in all;
- Five levels, from early to senior, of which four are covered by Broad General Education;
- Seven principles, six entitlements and ten aims;
- Eight curriculum areas and three inter-disciplinary areas;

- 1 820 Experiences and Outcomes statements (1 488 in the 8 curriculum areas and 332 in the 3 inter-disciplinary areas);
- Four contexts for learning;
- “Significant aspects” of learning;

it observes that

“... the complexity of the layers and dimensions, when all are put together, raises its own questions about how comprehensible is the Curriculum for Excellence”. (OECD 2015 p44)

Later in Chapter 3 (p94) the report summarises what it calls the recent “intense activity” in Scottish education including:

- 16 Education Scotland CfE briefings published in 2012 and 2013;
- the Tackling Bureaucracy Group’s interim report (2012) and final report (2013), follow-up guidelines and research (2014), and further follow-up report (2015);
- extensive professional learning events organised throughout Scotland.
- the establishment of the National Parents Forum (2011)
- the Donaldson Report ‘Teaching Scotland’s Future’ (2011);
- the General Teaching Council for Scotland (GTCS)’s revised Professional Standards (2013);
- the Wood Commission Report’s 39 recommendations (2014);
- the establishment of the Scottish College for Educational Leadership (2014);
- the Scottish Attainment Challenge (2015)
- the National Improvement Framework for Scottish Education (2015)

To this list we must now add Delivering Excellence and Equity in Scottish Education (June 2016).

Although the report notes that the array of actions is impressive, there is nothing in the above “intense activity” about research. Indeed, only one piece of significant research in Scotland into CfE is referenced in the entire report (by Sarah Minty and Mark Priestley[2]) and to date, only two research studies (both on the draft Experiences and Outcomes from 2008 and 2009) are listed on Education Scotland’s website under ‘Key Documents – Research’[3]. The OECD authors are surely right to ask about *“...the strategic threads running through the many different programmes and policies so as to avoid a scattergun approach and to ensure that these many different actions are working efficiently and being effective”*(OECD 2015 p77)

The alacrity of the Scottish Government’s response to the OECD report (published in December 2015) evident in the publication of the NIF (January 2016) and DEESE (published in June 2016) documents might be welcome but such “intense activity” might further concerns about “a scattergun approach”.

The OECD report was also right to question the adequacy of *“...the research and evaluation being conducted to provide an evidence base to inform strategic direction for the different actions”* (OECD 2015 p77).

Their proposal that there should be a “research consortium” which would bring together *“...Scottish university research centres, Education Scotland as a research body Scottish Government research, representatives of research units in local government and in teacher unions, the learned societies (e.g. RSE (Royal Society of Edinburgh)) and possibly one or two invited international members”* (OECD 2015 p104)

is greatly to be welcomed. However, this proposed new remit for Education Scotland opens up the question of Education Scotland's role. An additional and new research responsibility for Education Scotland might be consistent with the call for more "boldness" in Chapter 3 (p100), but it sits uneasily with what could be argued, are ES's existing but conflicting responsibilities for, on the one hand, preparing and issuing guidelines and resources to schools to implement CfE and on the other, ES's responsibility to evaluate and monitor the effectiveness of schools in using the said guidelines and resources to do the actual implementation. Far from being an example of a new "boldness" this might just as easily be seen as a reinforcement of the culture of compliance that is an inevitable consequence of such a dual role.

In spite of its lack of access to hard evidence, the OECD report makes insightful observations and useful recommendations. This is especially true in Chapter 3 'Decision-making and Governance for the Curriculum for Excellence' where the report calls for more leadership rather than management, more research and more clarity by "simplifying the simplification process" (p104-05). However, in common with almost every document on Scottish education published in recent years the report fails to make any explicit observations on, far less give any consideration to, two areas that could be of crucial importance both to CfE and to efforts to deliver excellence and equity in Scottish education namely school governance and school culture. By contrast, the Delivery Plan document just published, in spite of omitting any reference to school governance and school culture in what it calls the "*...impressive track record of improvements and reforms which have been driven forward across education and children's services in recent years*" (DEESE 2016 p2), does go on to raise the prospect of real change here in the near future. Firstly in the section headed 'What we will do to deliver' (DEESE p4) it states that from the financial year 2017-18 (i.e. after the 2017 local authority elections):

"... the additional £100 million per annum that will be raised each year from our Council Tax reforms will be allocated directly to schools." (DEESE p5)

This will be allocated based on the numbers of children in primary school and S1-3 in secondary school who meet the eligibility criteria for free school meals and will not be allocated via local authorities. The precise mechanism for transferring such cash from central Government to individual school budgets (entirely under the control of local authorities) remains unclear, but the intention is clear enough: more control for individual schools. For schools, the devil will be in the detail so we shall have to wait for that. In a welcome, albeit indirect, acknowledgement of the OECD's criticism about lack of research evidence in evaluating policy in Scottish education, schools will be provided with "*...a new framework of fully evidenced and proven educational interventions and strategies to improve attainment in December 2016*" (DEESE p5)

Why we have to wait until December is not clear since precisely such a resource has been available from the Education Endowment Foundation for years and whose Chief Executive Sir Kevan Collins, recently provided an impressive overview of the latest research at a conference in London in February of this year. In any event, providing access to "*fully evidenced*" interventions is one thing – making them effective in schools is quite another. Getting the right balance between providing schools with access to "proven educational interventions" on the one hand and requiring them to follow particular interventions on the other, will be crucial. This tension between centrally driven and mandated improvement strategies and increased local autonomy, needs to be handled very carefully and has recently surfaced in the appointment by Education Scotland, of Attainment Advisors to work

alongside local authorities as part of the Scottish Attainment Challenge. Quite apart from the bafflement of some Head Teachers and local authority personnel at what they see as the lack of credible ‘raising attainment’ expertise in some of these appointments, there is the question of quite how the Delivery Plan’s stated intention of extending the “reach and impact” of such Attainment Advisors under the control of a new “Chief Advisor” (DEESE p6) sits with the “clear objective” stated in the section headed ‘What we will do to deliver’

“... to devolve decision making and funding to schools and communities” ? (DEESE p10)

This objective was prominent in the recommendations of the Commission on School Reform’s report ‘By Diverse Means’ (2013) which strongly argued for more diversity in Scottish education and specifically for greater autonomy for schools. However, those who welcomed that suggestion and who might otherwise be delighted to see the launch of a “Governance Review” which will:

“...examine the system changes required to deliver our commitments to empower schools, decentralise management and the support through the encouragement of school clusters and creation of new educational regions” (DEESE p10) might worry about tensions arising between the various current proposals. The success of the new range of reforms will require an explicit understanding of and focus on, the development of an appropriate professional culture neither of which is evident in the two recent Scottish Government documents. The importance of the development of an appropriate culture both within individual schools and clusters and across the system as a whole, is not even referred to never mind recognised. The nearest the OECD report comes to dealing with this is in one of the three recommendations at the end of Chapter 4: *“Develop a coherent strategy for building teacher and leadership social capital”*. Under this recommendation the report refers to the “cultures” in which teachers work, stating that those who

“... work in cultures of professional collaboration have a stronger impact on student achievement, are more open to change and improvement, and develop a greater sense of self-efficacy than teachers who work in cultures of individualism and isolation.” (OECD 2015 p139)

Here the importance of the “cultures” in which teachers work is at least recognised. It sets *“cultures of professional collaboration”* against *“cultures of individualism and isolation”* but provides no explicit detailed discussion – before or after this reference – of the importance of professional culture. Moreover, it is very difficult to find published research on this issue anywhere in the educational research literature. This is disappointing because surely we would do well to be mindful of the maxim often attributed to Peter Drucker, former Professor of Management at New York University that *“Culture eats strategy for breakfast”* as we seek to deliver “excellence and equity” in Scottish education. This requires transformation not improvement. Thus, management *strategies* whether centrally or locally devised and driven, may “improve” but they do not “transform” – culture change is required for transformation. That is much more complex and therefore much more difficult to achieve. For that reason, we need to spend more time focusing on it.

Currently Scottish education is dominated by a culture of compliance in which schools appear to be seen as mere instruments of “delivery”. This is in spite of the fact that Scottish schools enjoy, in theory at least, considerably more latitude than is commonly understood. Scotland has no national curriculum. Obligations and prohibitions contained in statute are remarkably few. Scotland does have a national examination board but there is no obligation on schools or local authorities to make use of it[4]. Some requirements are contained in regulations issued by the General Teaching Council for Scotland and others are contained in agreements relating to teachers’ terms of employment. Overall however, Scotland’s schools

are much less fettered by legal requirements than, for example, those south of the border. To a degree, Curriculum for Excellence is itself a policy designed to empower teachers and encourage them to innovate in their own ways. In the early years it was portrayed in this light and many teachers did, indeed, see it as liberating and creating an opportunity to be creative at a local level. However, many in the profession have been reluctant to grasp the opportunities offered. Demand for more detailed prescription came not from the Government and its agencies but from a significant proportion of the teaching profession. If the development of CfE has become increasingly directed from the centre, it could be argued that it is in response to demands from practitioners. Yet, in spite of some recent research (by Jim Scott) highlighted by Reform Scotland highlighting variations in the number of subjects offered in S4, diversity is not a characteristic of Scottish school education. Why should this be? Why are Scotland's schools, including the most effective among them, apparently reluctant to use the discretion that is available to them? It is important to understand how this state of affairs has arisen since the reluctance of schools to exercise their current potential for autonomy and therefore for creativity as they attempt to rise to the attainment and other challenges, is likely to dampen their enthusiasm for innovation in the future.

The key to this understanding lies in the professional culture of Scottish education. The emphasis on school improvement began in the 1960s with a system change from selective to comprehensive schools but it did not usher in any change in school governance. In fact, as well as moving from a selective to a comprehensive system, we have changed everything else in Scottish education in the last 40 years. We have changed the terms and conditions of teachers (several times), the curriculum (several times), the internal management structures in schools (several times) and the examination system (several times). We have introduced national strategies for school improvement, literacy, numeracy, Modern Languages, STEM subjects and most recently for improving positive destinations. Yet throughout all of these laudable developments the culture has barely changed. Indeed, like school governance, changing the culture is barely spoken about. As a result schools, now expected to lead on addressing social injustice, continue to work in a culture of conformity and compliance that inhibits their capacity to discharge that responsibility. There exists, in the education community, a lack of debate about what the core business of schools should be given this recently re-defined role. The traditional and almost universally accepted current view is that the core business of schools is learning and teaching. On the face of it this seems like common sense – of course schools are about learning and teaching; but it could be argued this has led to a pre-occupation with 'what goes on in the classroom', with learning and teaching, with pedagogy, with the curriculum and assessment. A consequence (albeit unintended) of this may have been to bolster culture in which teachers see their professional identity primarily as 'curriculum deliverers' whose pedagogical expertise is paramount. It is little wonder that the professional identity of secondary teachers in particular, continues to be dominated by their GTCS validated subject expertise. Put bluntly, when the professional culture focuses nationally and so exclusively, as it has done recently on the 'delivery' of a curriculum and a subject-dominated assessment system, no one should be surprised if consideration of individual social context, emotional and psychological wellbeing – the very things likely to have most influence on the life chances of the least advantaged – suffers. It is striking that *'Happy Safe and Achieving their Potential – a standard of support for children and young people in Scottish schools'* (published in 2004 the same year as the Curriculum Review Group's 'A Curriculum for Excellence') has received virtually no national attention over this period presumably on the grounds that the curriculum and assessment have been seen as more important. If we are serious about:

“... making demonstrable progress in closing the attainment gap during the lifetime of this Parliament and to substantially eliminate it in the next decade” (DEESE 2016 p4)

as the Delivery Plan acknowledges, we will have to involve not only the full efforts of all those involved in education but our efforts will have to extend

“...beyond the classroom and across our communities and wider public services”.

This, which the Delivery Plan does not explicitly acknowledge, will require culture change. Specifically, we need to re-define, extend and resource what we consider to be the core business of our schools. We will then need to empower them to proceed. If schools continue to have to work in an environment where seemingly everything has been up for debate and subject to change except the way they as institutions are governed, the chances of real transformation will be limited. We need Scottish education to become much more of a school-led system: the persistence of a uniform system of school governance across Scotland is not only surprising given the scale of change everywhere else in education over the past few decades but may now be the single biggest obstacle to releasing the energy, creativity and commitment needed to tackle the challenges that we have given them. Freeing up schools by offering those who wish it, a change of governance, may be the single most important action we can take to empower them to be more innovative and more dynamic in responding to the individual circumstances of their young people.

Frank Lennon recently retired as headteacher at Dunblane High School

[1] Ironically the report devotes a section to ‘Developing a new narrative’ (p106) for CfE.

[2] Minty, S., and M. Priestley, (2012). Developing Curriculum for Excellence: Summary of research findings from a Scottish local authority. Stirling: University of Stirling.

[3](See:<http://www.educationscotland.gov.uk/learningandteaching/thecurriculum/whatiscurriculumforexcellence/keydocs/research.asp>)

[4] Indeed, there was a period before the Standard Grade Development Programme got seriously under way when a significant number of Scottish schools made use of the Certificate of Secondary Education (CSE) qualification run by English examination boards.

Levelling the playing field

– Sarah Atkin

Originally posted 22 September 2016

For many young Scots, the University Open Day season is now in full swing. It's a time when, to the objective observer, the wealth of opportunities out there for the gifted, able and appropriately high achieving is literally jaw dropping. For this observer, the experience has crystallised a great deal.

First, subject choices **matter**. To paraphrase Professor Lindsay Paterson of Edinburgh University, all Highers are equal but some are more equal than others. Get the combination right and so much more will be available to you. So, the bright pupil capable of A grades but lacking a science or modern language at even National 5 level will have erected barriers even before the fingers hit the keyboard for the personal statement or UCAS form.

Second, grades matter. A decent showing of A's will give you a wider choice than B's, and so on. Again, fairly obvious but it's not until you begin to look at what's out there that this becomes **so** stark.

Third, despite the 'senior phase' rhetoric it's likely that 5 Highers in one sitting is going to give you the edge at most top institutions in what is an increasingly competitive scramble for places.

More Scots-educated state school pupils need to gain entry to our top Universities – from all backgrounds. It matters for the talented pupils who miss out, but it also matters because those who attend our elite Universities are more likely to become the country's future leaders in most areas of endeavour. Elite Universities should not be citadels of social privilege.

With this in mind should we look at the culture and educational philosophy driving the state school system **before** Universities lower entry rates to secure entry to more pupils from disadvantaged backgrounds?

First, who is best served by the culture of 'pupil choice' that dominates the state system? Plainly not bright pupils from backgrounds lacking the 'cultural capital' or nous of how the system really operates. It's a perverse form of egalitarianism. Likewise, narrowing to just 6 subjects so early in a school career disadvantages the vast majority. To limit opportunity in this way flies in the face of social justice and economic common sense. The old system guaranteed a decent academic 'core' with practical or personal interest subjects added to the mix. A broader spread of attainment at National 5 level – over 2 years – allows for wiser choices at Higher, greater flexibility to pick up subjects later on and more time to embed learning and grow confidence. This would serve all our young people far better than what we now have. It's time to admit this and allow schools the freedom to change back.

Second, there's plainly merit in encouraging pupils to self-motivate and take responsibility for their learning. However, if this is an embedded culture then what it's actually saying is pupils determine the next stage of their life. A utopian ideal. We're talking about teenagers. A hugely complex and messy phase of life. The cream rarely rises to the top without help. Even the best will require more than a 'nudge' to get them where they need to be. Those without support or educational ambition at home require a whole lot more. **All** require guidance and support.

With resources directed towards supporting greater numbers of pupils right across the ability spectrum **within school** – placing Support for Learning and Guidance at the epicentre of school life rather than an adjunct to it – then I believe more with potential could access top Universities as well as everybody being ‘lifted’. A few one-to-one sessions can move any pupil up a grade or level (ask any parent who pays for tutoring or PSA working in a school.) Likewise, an informal conversation with a pupil about their dreams, ambitions and what they need to get there can literally change their view of themselves. Somebody giving a damn does make a difference.

Finally, I do wonder whether enough young people from state schools generally see themselves as **good enough** for our elite institutions. Are these ‘places for us’? Is our school culture one of ‘how do you see yourself’ instead of ‘how far can you go?’ I attended an Open Day at UCL (University College London) a couple of weeks ago. Subsequent to the presentation, I privately asked this question of one of the Programme Directors. He said it’s a source of perennial professional frustration that so many state school pupils – from all backgrounds – simply don’t see themselves fitting into a global top 10 University like UCL despite having the necessary academic profile. If that’s true down there then it’s likely as true up here. We have to do better. Let’s look at our school system as it applies to **all** pupils and level the playing field by raising attainment and expectations rather than lowering entry requirements.

Sarah Atkin is a member of the Commission on School Reform and a Labour Party Member.

Governance Review

– Frank Lennon

This is the first in a series of three blog posts which consider two recent government documents: the Statement for Practitioners from HMCIE (August 2016) and ‘Empowering teachers, parents and communities to achieve excellence and equity in education: A Governance Review’ announced in the Deputy First Minister’s (DFM) speech to Parliament (13 September 2016) launching a consultation on school governance.

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The full significance of the Scottish Government’s governance review, which could usher in a historic transformation in Scottish school education, can only be seen in its historical context so it is worth reflecting on this at the outset.

Although by the end of the 16th century Scotland already had four universities it was not until the 17th century that the Scottish Parliament began passing Acts which led to the establishment of schools. It was the School Act of 1696 which established the world’s first truly national education system. Crucially, this Act not only provided for the establishment of a school in every parish, it also made financial arrangements to cover the costs of a salaried teacher. Thus the issue of how Scottish schools were to be established and run – school governance – has been a national concern for as long as we have had a national education system. Over the centuries since, schools have been established, funded and run by churches, by the larger towns, by societies and by individuals, with the level of government intervention varying. For over a century after the union of parliaments in 1707 for example, major Government intervention in the national education system was severely curtailed, until in 1840, the first inspectors of schools for Scotland were appointed. By 1864 a national review of Scottish education was felt necessary and the Argyll Commission was set up. This led directly to one of the seminal pieces of legislation in the history of education in Scotland, the Education (Scotland) Act of 1872 passed by the UK Parliament. This created a ‘Board of Education’ for Scotland, established the responsibility of parents to see that all children between the ages of 5 and 13 received education and provided for the funding of education from local taxes. The 1872 Act thus took the governance of schools out of the hands of churches and societies and made it the responsibility of local elected bodies known as School Boards.

By the end of the nineteenth century the Scottish Education Department, created in 1885 and until 1945 Westminster-based, was beginning to take Scottish education in a different direction from that in England and Wales. The most striking development from then until the end of the Second World War in governance terms, was the creation in 1918, of 36 local education authorities to replace what had become an unwieldy system of nearly 1,000 School Boards.[1] In addition, schools which were still owned and run by the Catholic Church came into the state education system and accepted the same governance arrangements on condition that they be allowed to retain their denominational character. School governance thereafter effectively ceased being of national concern even when, in 1936, the Education (Scotland) Act was passed, the only significance of which lay in its definition of Scottish primary education as covering the seven years from age 5 to age 12 and the clear separation of the primary and secondary stage.

The period after 1945 saw a series of major reports reviewing primary and secondary education none of which made any reference to school governance. The major policy focus from then was on providing educational opportunities for all pupils, although many of the

recommendations were not put in place until the 1960s. In the case of primary schools change focused on the curriculum: for example, 'Primary Education in Scotland' (often referred to as 'The Primary Memorandum') was published in 1965. In secondary education, there was structural change with the removal of selection for secondary education at age 12 and the introduction of comprehensives. However major these changes appeared, they were not accompanied by new governance arrangements and schools continued to be run by the same local authorities. At this same time, changes were introduced to the public examination system which made national qualifications accessible to a wider range and larger number of pupils and this, once again, was accompanied by changes to the curriculum.

Throughout the 1970s and 1980s changes to secondary education continued to focus almost exclusively on the curriculum and assessment systems. The publication in 1977 of *The Curriculum in the Third and Fourth Years of the Scottish Secondary School* (The Munn Report) and *Assessment for All* (The Dunning Report) furthered the process of providing a secondary education that was suitable for all and continued the long tradition of reform in the system ignoring school governance. Currently, the legislation regulating Scottish education is derived from an education act of this period: the Education (Scotland) Act 1980 as amended in 1981 and by subsequent legislation notably by the Standards in Scotland's Schools etc Act (2000) one of the first Acts passed by the new Scottish Parliament. This Act significantly moved the legislative focus away from the duties and responsibilities of local authorities to provide education, to a focus on a child's *right* to an education in a "mainstream school". And although it made several specific requirements of schools (eg the requirement to publish annually a Standards and Quality Report and Handbook for parents and a Developments Plan), it made none in relation to how schools were to be run. This attention to the entitlement of parents, followed amendments in 1981 to the 1980 Act, which had given parents the right to choose a school for their children and made far-reaching changes in the provision for children with additional support needs by establishing the Record of Needs. Official Reports published subsequently in the 1980s continued the focus on curriculum and assessment: 'Teaching and Learning in the Senior Stages of the Scottish Secondary School' (1983) dealt with the failure of the post-fourth year curricular and examination structure to cater for the increasing number of students continuing in school beyond the statutory leaving age; and the Scottish Education Department's '16-18s in Scotland: An Action Plan' (1983) which dealt with the curriculum for non-advanced vocational education for the many students in S5 who were struggling to cope with Highers and who had little prospect of achieving usable qualifications.

Thus, throughout this entire period the changes in Scottish education were largely confined to the curriculum and assessment systems and even when their reach was wider, it never touched on school governance. Moreover change tended to be government inspired and introduced in a 'lockstep' fashion with every school being required to implement with the same change at the same time. Thus in spite of developments which permitted a degree of teacher influence – for example on the Scottish Examination Board (now the Scottish Qualifications Authority) and on the Scottish Consultative Council on the Curriculum[2] (now Education Scotland)[3], at no point in the history of change in Scottish education were schools seen as having any decision-making or policy-making roles either individually or collectively: schools, in large part because of their lack of autonomy, have never been encouraged to act as initiators, far less leaders, of any policy change. On the contrary, the role of schools has been concerned with the efficient "delivery" (to use one of the government's current favourite terms) of policies conceived and composed elsewhere and handed down from above. The role of Head Teachers therefore, has been principally

concerned, not with *leading* change but with the efficient management of change. Scotland has not had a school-led system of education far from it: rather, the system has required schools to be implementers not creators and their leaders to be compliant with the prevailing policies. Thus evidence of any serious systematic attempts to devolve decision-making powers to schools, far less to develop their capacity to become dynamic creative leaders, is almost impossible to find. Indeed, it was not until the passing of the School Boards (Scotland) Act of 1988 that there was any systematic attempt to change any of the prevailing governance arrangements in Scottish schools. This legislation however, far from empowering individual Head Teachers and their schools, effectively empowered parents at their expense by ‘devolving’ to parents additional powers and casting them in the role of change agents by giving them statutory powers to influence the appointment of senior staff (including the appointment of Head Teachers themselves) and to approve the Head Teacher’s proposals for spending the school budget. The publication of the Parents’ Charter in 1991 (revised in 1995), if anything, bolstered this devolution of power to parents rather than to schools.

Such developments were nevertheless rare and with the publication in 1992 of the Howie Report and the Higher Still programme in 1994, Scottish educational reform reverted to its default position of being preoccupied with reviewing the curriculum and assessment systems. In 1996 the possibility to break with this preoccupation presented itself with the wholesale reorganisation of Scottish local government. A complete tier of administration was removed with the abolition of regions and the creation of 32 local authorities (a throw-back, in numbers at least, to the 1918 position). This might have been an opportunity for a more diverse range of models to emerge but, unsurprisingly, there was no change in the governance arrangements for schools. Since devolution in 1999, the change agenda has continued to be dominated, as in virtually every previous period, by curriculum and assessment: Curriculum for Excellence and the new National Qualifications are but the latest manifestations of this tradition, albeit in their reach and scale, perhaps the most all-encompassing to date.

Frank Lennon recently retired as headteacher at Dunblane High School

[1] More than 200 new secondary schools were founded between 1900 and 1918)

[2] The Scottish Consultative Council on the Curriculum (SCCC) and the Scottish Council for Educational Technology (SCET) were merged in 2000 to form Learning & Teaching Scotland.

[3] Established in 2011 by the merger Learning and Teaching Scotland (LTS), HM Inspectorate of Education (HMIE), the National CPD Team and the Scottish Government’s Positive Behaviour Team

Governance review (2) – Frank Lennon

This is the second in a series of three blog posts which consider two recent government documents: the Statement for Practitioners from HMCIE (August 2016) and ‘Empowering teachers, parents and communities to achieve excellence and equity in education: A Governance Review’ announced in the Deputy First Minister’s (DFM) speech to Parliament (13 September 2016) launching a consultation on school governance.

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Against the historic background set out in the first blog post the transformational potential of the Governance Review should be clear. This is especially so as it is being explicitly tied to a compelling moral purpose: to eradicate the injustice of the least advantaged of Scottish children having the least chance of success. This, the greatest of the challenges facing Scottish education – perhaps Scottish society – is a challenge which decades of pedagogical, curricular and assessment reform have singularly failed. The DFM’s speech of 13 September 2016 and the Governance Review could herald a historic turning point in Scottish educational reform by inspiring schools to become leaders in tackling this social injustice. In fact there has been in recent years, a growing consensus that effective educational change requires that: *“Decisions should be taken at school level.”* [1]

This view has been reflected in, for example, the stated positions of School Leaders Scotland (SLS) and the Association of Headteachers and Deputies of Scotland (AHDS). It is consistent with the positions previously set out by COSLA in the ‘Devolved School Management Review’ (2012) published by the Scottish Government – although it has to be said the support at that time was decidedly lukewarm as is clear from the fact that every time devolving decision-making powers to schools was mentioned it was immediately hedged by statements about a council’s need to:

“...protect its schools from unacceptable levels of risk”. [2]

This document repeatedly stressed the role of local authority policies and procedures as moderating influences on any innovative approaches that head teachers might adopt. Against this background it should come as no surprise therefore that recently, the current President of COSLA and its current Education Spokesperson issued a cross-party joint press release, expressing their opposition to the government’s plans to give funding directly to schools.[3] The impact of such attitudes on the professional and operational culture in Scottish education should not be underestimated. Indeed these most recent statements by COSLA indicate the scale of the impediment to greater school autonomy and therefore greater innovation, that persists. This is not only surprising but disappointing, especially in the light of the decades-long failure of schools, under the unreformed system of local authority governance, to make any appreciable difference to the narrowing of attainment (and other) gaps between the least and most advantaged children. Thus, since the creation of the current 32 local authorities in 1996, a combination of national policy initiatives and Education Scotland-led, COSLA (and often ADES)-backed, management strategies have conspired to create a risk-averse culture of conformity in which schools continue to operate. To many head teachers, the main function of local authority officers has often (and particularly recently) appeared to be to monitor their management of CfE implementation. While it is difficult to blame local authorities for continuing to carry out what has long since been an operational hallmark of their function in the Scottish education system, schools were promised something different under CfE – transformation no less – and this has simply not materialised. In fact mixed messages – of which is this but one example – have become part and parcel of the recent culture of Scottish school education. Schools have been encouraged

to be creative and to innovate while simultaneously being burdened by seemingly endless and often obfuscatory, curricular ‘advice’ from ES and by a plethora of compliance demands from the SQA. In such a climate it should surprise no one if in schools, the watchwords have been caution and conformity. This serves only to reinforce the need, explicitly made in both the OECD Reports of 2007 and 2015 and perhaps most forcibly in ‘By Diverse Means’ (2013) the report of the Commission on School Reform (set up by Reform Scotland and the Centre for Scottish Public Policy), for greater autonomy for schools. In fact the OECD (2007) report had called for:

“...greater school autonomy in a local government framework” (my emphasis) clearly indicating a role for local authorities. The DFM did seem to echo this in his speech when he said that *“...local authorities will continue to exercise democratic control over Scottish education at a local level”*.

If by continued “democratic control” the DFM is signalling that the Governance Review will not result in any significant changes to school governance, then this might offer some reassurance to COSLA but it is likely to be seen by schools as yet another mixed message because it sets up some tensions in the proposals, two of which are potentially contradictory:

1. how will this continued “democratic control” by local authorities over schools sit in practice with the “presumption” that “decisions should be taken at school level”? Who will have the deciding voice – head teachers or the newly appointed (and statutory) Chief Education Officers?
2. how will it sit with the creation of “...new educational regions to ensure good practice is shared across education” Who will have the deciding voice here – head teachers or the new educational regions?

Moreover it seems likely, if not inevitable, that the creation of “new educational regions” charged with the responsibility to “ensure good practice is shared across education”, will have serious implications for Education Scotland’s role, if not its continued existence.

Following the publication of the Delivery Plan, there are already signs of tensions with existing authorities. In the section headed ‘What we will do to deliver’[4] it states that from the financial year 2017-18 (i.e. after the 2017 local authority elections):

“... the additional £100 million per annum that will be raised each year from our Council Tax reforms will be allocated directly to schools.” (DEESE p5)

The precise mechanism for transferring such cash from central Government to individual school budgets (entirely under the control of local authorities) remains unclear and may require new legislation, but the intention is clear enough: more control for individual schools. The opposition from COSLA is also clear enough. COSLA values what it sees as the “...clear and honourable link” between taxes raised from local householders being spent on local services. In its view the Scottish Government’s allocation of money directly to schools

“... will destroy that link with their plans to use council tax money for a national policy. Let’s be clear – this does mean that money raised in one community will be spent in another.”[5]

However there is little evidence of such a “clear and honourable link”, existing as it has for decades, of ever achieving more positive outcomes for children and young people living in poverty and deprivation as compared with their more affluent peers. Moreover the assumption in another part of the same COSLA joint statement, that allocating funding

directly to schools would lead to schools “acting alone or in silos”[6] is misplaced. The DFM went out of his way in his statement to signal up the importance of “school clusters” and of collaboration:

“...systematic collaborative engagement at every level of education is what builds capacity and delivers the best outcomes for children and young people. School clusters are a way in which schools can work together and we want to hear how this type of collaboration and others can be encouraged so that it is supported and sustained.”[7]

The clarity on this point is greatly to be welcomed. One would simply hope that the term “school clusters” here refers to more than what is commonly understood by a school “cluster” (ie a secondary school and its associated primaries): there is surely benefit in encouraging other types of school partnership and collaboration.

Furthermore the DFM made it clear in his speech that, although the “presumption...at the heart of the [Governance] review” will be that “Decisions should be taken at school level”, there will be no “divisive academy model” and “no policy of selection or Grammar Schools”[8] in Scotland. In spite of this, COSLA’s reaction might be a result of lack of clarity about where the government’s current thinking on school governance is going. Lack of clarity is one thing but mixed and contradictory messages at the launch of such a potentially historic policy are quite another: not only are key aspects of the government’s thinking unclear but the tensions arising from the DFM’s recent speech, have the potential to seriously confuse matters. On the other hand the consultation has just started so we will just have to wait and hope that these matters will be addressed and progress made on school autonomy.. We might ask nevertheless if there are any pointers to the direction that greater autonomy for Scottish schools might take? Although there are to be no divisive academies, no selection and no reforms based on “right wing ideological dogma”, we might still want to look to other countries (notably England, New Zealand, Sweden, the United States and the Netherlands) which have held high profile national debates about school autonomy which have led to the establishment of a range of alternative forms of governance – charter schools in the United States, independent schools in Sweden and Academies (and more recently Free Schools) in England. This is not to suggest that there is some ideal form of school governance to be found in these countries but their experience ought to be part of the review especially if, as in the case of the London Challenge in England, significant improvements in the attainment of children in severely deprived areas have been made. In fact the Scottish Parliament Information Centre (SPICe) in a paper of 2010, attempted a comparison of school autonomy across Europe and produced the following table[9] which purported to show the balance of ‘autonomy’ with ‘no autonomy’ in areas of “operational decision making” in schools in each country.

Table 1 The number of areas in each country where the school has full/relative, limited or no autonomy

	Full /relative	Limited	None	Discretion
Belgium (fr)	9	0	15	0
Belgium (fr) -	23	0	0	0
Belgium (de) 1	6	0	15	0
Belgium (de) 2	23	0	1	0
Belgium (nl)	24	0	0	0
Bulgaria	10	1	13	0
Czech Republic	12	2	10	0
Denmark	5	0	17	3
Germany	2	1	22	0
Estonia	16	0	7	0
Greece	0	3	13	0
Ireland	0	0	2	0
Spain	4	4	16	0
France	0	0	6	0
Italy	11	3	11	0
Cyprus	0	0	25	0
Latvia	19	0	6	0
Lithuania	14	4	7	0
Luxembourg	0	0	15	0
Hungary	8	8	5	0
Malta	3	2	18	0
Netherlands	0	0	0	25
Austria	5	1	17	0
Poland	11	7	7	0
Portugal	6	1	17	0
Romania	8	3	12	0
Slovenia	14	6	2	0
Slovakia	10	5	6	0
Finland	0	0	10	11
Sweden	17	0	3	0
UK Eng/Wales	23	2	0	0
UK NI	20	4	1	0
UK Scotland	11	1	10	0
Iceland	7	4	5	
Liechtenstein	2	1	20	0
Norway	9	3	10	0

The above findings show that Scottish schools have ‘full or relative’ autonomy over 11 areas of operational management and no autonomy over 10 such areas. The UK findings are interesting in that they suggest, for example, that whereas in England and Wales the clear trend is towards granting schools more autonomy, in Scotland the position is different with schools continuing to enjoy rather less than half the number of areas of full autonomy enjoyed by schools in England and Wales. We might want to focus more closely on the situation in England since it has a significantly wider range of school governance. Table 2 below[10] shows the range of English schools by statutory type and graphically illustrates the current contrast between Scotland and England as far as school governance is concerned:

Table 2 English schools by statutory type

	Funding	Governance	Admissions Authority	National Curriculum	Who employs teachers?	Who owns land and buildings?	Support services	Number Jan 2010
Maintained:								
Community schools	Local authority	Governing body	Local authority	Yes	Local authority	Local authority	Local authority	12,024
Voluntary controlled	Local authority	Governing body (charitable status)	Local authority	Yes	Local authority	Charity, often a church (playing fields often with LA)	Local authority	2,618
Voluntary aided	Local authority/governing body/charity	Governing body (charitable status)	Governing body	Yes	Governing body	Charity, often a church	Local Authority	4,246
Foundation schools and Trusts	Local authority	Governing body (charitable status)	Governing body	Yes	Governing body	Charity (the foundation or trust)/ governing body	Bought in and administered by governing body	1,210
Non maintained:								
Independent	Pupil fees and trusts/ private sponsorship	Charitable company	Head teacher /governing body	Not required	Proprietor	Charitable company	Bought in and administered by head teacher	2,376
Academies	Central government and some private sponsorship	Charitable company under agreement with central government	Governing body	core subjects only	Governing body	Charitable company	Bought in and administered by governing body	203
City Technology Colleges	Central government and some private sponsorship	Charitable company under agreement with central government	Governing body	Focus on particular subjects	Governing body	Charitable company	Bought in and administered by governing body	3

The policy in England has clearly been to encourage school autonomy with the consequential changes in governance, as a means of driving change and improvement. The situation in Scotland which has, until now, entertained no such possibilities, might be seen as oddly conservative, even reactionary by contrast.

Whatever the position of Scottish schools relative to those in the rest of the UK or Europe, there exist in Scotland at present, few *legal* impediments to greater school autonomy. It might be part of the government's plans, though as yet unstated, simply to remind local authorities of this and to encourage schools to take advantage of the autonomy that exists. This is unlikely to prove successful. In the first place, the absence of a legal impediment is not the same thing as a power delegated to school level. Even where no rule exists, it is frequently unclear who in the system has the authority to make relevant decisions. The default "presumption" until now, has been that the decision making power lies at local authority rather than at school level. If, as promised, the DFM changes this "presumption" it could herald a significant change in the culture of Scottish education but it is difficult to see how such a change could come about without a change in school governance. Any ambiguity on this – such as that referred to earlier in relation to local authorities continuing to exercise "democratic control" over schools – could be fatal to the chances of genuine transformational change. No local authority, as far as can be ascertained, has ever introduced a policy of increasing devolved decision making to its schools beyond that which was deemed nationally acceptable and endorsed by COSLA. This culture of conformity has persisted unchallenged in Scottish education for decades and has resulted in a system which not only lacks diversity but which, as a result of the consequential lack of innovation, seems incapable of addressing the problems of educational and social injustice. Arguably it has been this culture of conformity characterized over the years by a plethora of accountability measures (fundamentally founded on mistrust of schools), that has reduced schools' capacity for innovation. For individual schools this cultural impediment to school autonomy remains a crucial deterrent to innovation which the publication of 5 papers and a new Education Act in the last 10 months is unlikely in itself, to assuage. Indeed the simultaneous consultation on school governance, the review of the Scottish Schools (Parental Involvement) Act 2006 and the launching of the consultation on statutory guidance for Part 1 of the Education (Scotland) Act 2016 – which makes it a legal requirement for local authorities (and therefore schools) to have regard to the need to reduce the inequalities of educational outcome created by socio-economic disadvantage – might just as easily exacerbate the current situation. On the other hand, the opportunity for real transformational change in Scottish education undoubtedly exists but it must be handled with greater care and with greater clarity than has so far been evident.

Frank Lennon recently retired as headteacher of Dunblane High School

[1] Deputy First Minister, John Swinney Statement to Parliament 13 September, 2016. Accessed at <http://news.scotland.gov.uk/Speeches-Briefings/Empowering-teachers-parents-and-communities-to-achieve-excellence-and-equity-A-governance-review-2ae0.aspx>

[2] Devolved School Management (DSM) Guidelines (2012) p12

[3] <http://www.cosla.gov.uk/news/2016/08/media-lines-education-executive-group-thursday-11th-august>

[4] Delivering Excellence and Equity in Scottish Education A Delivery Plan for Scotland (2016) p.4

[5] David O'Neill COSLA President. Accessed at <http://www.cosla.gov.uk/news/2016/08/media-lines-education-executive-group-thursday-11th-august>

- [6] Stephanie Primrose COSLA Education Spokesperson. Accessed at <http://www.cosla.gov.uk/news/2016/08/media-lines-education-executive-group-thursday-11th-august>
- [7] Deputy First Minister, John Swinney Statement to Parliament 13 September, 2016. Accessed at <http://news.scotland.gov.uk/Speeches-Briefings/Empowering-teachers-parents-and-communities-to-achieve-excellence-and-equity-A-governance-review-2ae0.aspx>
- [8] Deputy First Minister, John Swinney Statement to Parliament 13 September, 2016. Accessed at <http://news.scotland.gov.uk/Speeches-Briefings/Empowering-teachers-parents-and-communities-to-achieve-excellence-and-equity-A-governance-review-2ae0.aspx>
- [9] ‘Administration of School Education: International Comparison’ SPICe Briefing Paper 10/50 (September 2010) p31
- [10] ‘Administration of School Education: International Comparison’ SPICe Briefing Paper 10/50 (September 2010) p14

Governance Review (3) – Frank Lennon

This is the third and final post in a series of three blog posts which consider two recent government documents: the Statement for Practitioners from HMCIE (August 2016) and ‘Empowering teachers, parents and communities to achieve excellence and equity in education: A Governance Review’ announced in the Deputy First Minister’s (DFM) speech to Parliament (13 September 2016) launching a consultation on school governance. Originally posted 15 October 2016

In his letter accompanying the CfE ‘Statement for Practitioners’ from HMCIE, the DFM explained that this was to be the start of the ‘*new narrative*’ on CfE as recommended in last December’s OECD Report. There, addressing “*teachers and practitioners across Scotland*” directly, he gave a personal undertaking:

“...to give absolute clarity about what is and what is not required of you. It is intended to place you in a position to know without doubt what you should and should not be asked to do. It is clear and simple and is the definitive piece of guidance which you should use.”[1]

However welcome teachers and practitioners might find this refreshing plain speaking, they might be forgiven for being more than a little sceptical about “*absolute clarity about what is and what is not required*” of them arriving any time soon. It seems the “*absolute clarity*” is to be delivered by the very organisation that many practitioners hold responsible for the “*increased workload, confusion and duplication*” that the DFM rightly accepted has been created over the implementation years. Some practitioners are already seeing the document as an attempt to exonerate Education Scotland (ES) for what they see as its cack-handed handling of CfE implementation from the outset. Others, like former Professor of Education Walter Humes are already pouring scorn on the idea that:

“...the body which has been responsible for creating the problem is now being charged with providing the solution.”[2]

One senior school leader put it as follows: “We are still waiting to hear what the key messages for ES will be – what it is ‘to do’ and what it is ‘to avoid’”.

Nevertheless whatever its claims are on providing “*absolute clarity*”, there is some evidence in the statement from HMCIE that the OECD’s exhortation for Scotland to be “bold” in its CfE reforms is being heeded. The advice of Professor Mark Priestly to abolish the Es and Os altogether might have been too much to have hoped for in such a statement, but we did see something of a return to the philosophy of CfE in such statements as:

“Teachers should be empowered to use the flexibility that CfE provides to organise learning for children and young people in ways that best meets learners’ needs” (p1)

Taken together with the launching of the Governance Review, this might well be welcomed as a “bold” re-statement of the empowerment of teachers once lauded as a major tenet of CfE. The “key message” to practitioners that:

“All planning must focus directly on enhancing the learner journey. When asked to complete paperwork which does not directly relate to improving the learner journey, challenge this with your colleagues” (p2)

is certainly bold. However, the question of whether it is helpful or legitimate for HMCIE to be by-passing local authorities, who remain the employers of the vast majority of practitioners in Scotland, with such a direct decontextualized instruction to their workforce is potentially as contentious as by-passing them to give £100m directly to schools. Some local authorities might be concerned at such an explicit exhortation to their employees from an

outside body, albeit with the DFM's approval, to "challenge" other colleagues especially if these colleagues have been completing paperwork introduced by local authorities only because they were encouraged to do so by the very body that is now encouraging practitioners to challenge it. Leaving aside the politics of this for the moment, it reads as a refreshing reminder of what one of the great strengths of CfE was intended to be: teacher empowerment. Nonetheless, it is difficult to decide which is the "bolder" assertion here: the open acceptance that the current state of affairs, where teachers have been effectively disempowered by the scale of unnecessary bureaucracy required of them in the name of CfE implementation or the fact that the point has been reached where it is deemed necessary for ES to direct teachers and practitioners across Scotland to challenge what their employers have been asking them to do.

Furthermore, the mixed message in the same document of instructing individual practitioners to challenge CfE bureaucracy on the one hand, whilst holding out the prospect of the publication, "*by the end of 2016*," of a suite of "*definitive*" Benchmark documents on other curricular areas which they will be required to read and digest on the other, will worry but not surprise experienced CfE practitioners. Presently, with only the Benchmark documents on '*Literacy and English*'[3] and '*Numeracy and Mathematics*'[4] to go on – running respectively to 49 and 43 pages^[5] – practitioners may well feel that the only "absolute clarity" here is that that they will be facing additional bureaucratic tasks. Given that (with Health and Wellbeing) they form one of the two newly defined "*key priorities for CfE*", practitioners may well feel it important to ask if HMCIE envisages these being read/consulted by all practitioners in addition to the promised curricular documents (perhaps of a similar length) on each curricular area? One of the "*Key Messages*" for all practitioners is:

"Do not lose a clear focus on helping all children and young people to progress at an appropriate pace and achieve the highest standards in literacy, numeracy and health and wellbeing." (p2)

which certainly seems to imply this. But in truth, there is little that could be described as providing "*absolute clarity*" in the '*Key Messages – What to do/What to avoid*' columns, either on this particular point or on the prospects for reducing bureaucracy in general. Indeed, somewhat confusingly, both the '*Literacy and English*' and '*Numeracy and Mathematics*' documents carry the subtitle '*Draft, August 2016*' suggesting that each will be subject to review (though by whom is not made clear) before, presumably, 'final' documents are published (at a date later in the session that is also unclear). Are teachers and practitioners to assume that the new Benchmark documents on "*other curricular areas*" will also be 'drafts'? If so this suggests a further wait for "definitive" versions to be published. It would appear therefore that the draft documents on '*Literacy and English*' and '*Numeracy and Mathematics*' just published, are to be followed by an unspecified number of draft documents on other curricular areas at an unspecified date in the future. These will then be followed by definitive documents at an unspecified date further in the future. Whether all of this will help

"... to provide clear, practical advice for teachers and practitioners on planning learning, teaching and assessment"

remains to be seen. Quite apart from what it aims "to do", namely to streamline the bureaucracy and improve the comprehensibility of CfE, the HMCIE statement for practitioners is notable for what it "avoids": it avoids identifying which current advice and/or documentation is to be cut. The avoidance of specifying any such information suggests that all previous advice and documentation still stands. This leaves practitioners in the confusing position of having to start this session by either guessing from the most recent "*key*

messages”precisely which aspects of previous CfE advice or which previous documents are no longer to be followed, or, monitoring the ES website carefully to see which, if any, pages or links disappear. Furthermore, the statement also avoids offering any “*key messages*” on “*what to do*” or “*what to avoid*” with SIMD and other sets of data now widely available in schools and the focus, often at the behest of ES, of much recent professional development activity. Over the past couple of years local authorities and schools have invested a great deal of professional development time and energy on training senior leaders and others in how to access such data using Insight the new benchmarking tool. Whilst significant benefits may well accrue through such activity, there is no doubting the additional bureaucracy involved especially for primary schools. Given that the document stresses to all teachers and practitioners on page 1 that the two key priorities for CfE are now

“...ensuring the best possible progression in literacy, numeracy and health and wellbeing for every child and young person and closing the attainment gap”

one might have expected some advice on “*what to do*” and “*what to avoid*” in using such data in the ‘*Key Messages*’ columns. One would be disappointed. On the other hand this may well be judicious restraint: for HMCIE to be issuing decontextualized ‘Govian’ instructions on how to use such highly context-sensitive local information might have been unwise. Thus, though the ‘Statement for Practitioners’ can certainly be applauded for its bold intention:

“... to significantly streamline all our support and guidance materials for the curriculum. This statement and the benchmarks to be published this session are key to this streamlined approach,” [6]

there may be some scepticism amongst practitioners born of previous experience, about whether it is possible to streamline bureaucracy by publishing yet another set of documents. In fact it is now possible to see the publication of ‘*Curriculum for Excellence A Statement for Practitioners*’ as a continuation, in the same vein, of the process highlighted in the OECD (2015) report: after listing a series of ‘bureaucratic’ attempts at reducing CfE bureaucracy – Tackling Bureaucracy Group’s interim report (2012), final report (2013), follow-up guidelines and research (2014), and further follow-up report (2015) – the OECD called for “*simplifying the simplification process*” (p104-05). Streamlining the “streamlined approach” might also now be needed. Any action to “*significantly streamline*” the whole process is nevertheless, long overdue and greatly to be welcomed. Thus, like Professor Mark Priestly we can be “*...heartened to see a reinforcement of the message that bureaucracy should be reduced*”[7] in HMCIE’s statement. That it has been felt necessary for this to be openly acknowledged only now, four years after the publication of the Tackling Bureaucracy Group’s ‘Interim Report’ (2012), is in itself a statement which will not be lost on practitioners. The need for streamlining CfE guidance and support materials seems to have been occasioned by one of the most telling comments in the OECD Report which was on the comprehensibility of Curriculum for Excellence (CfE). The OECD Report said:

“... the complexity of the layers and dimensions, when all are put together, raises its own questions about how comprehensible is the Curriculum for Excellence”.[8] (OECD 2015 p44)

It is certainly reassuring that the issue of CfE’s “comprehensibility” is explicitly recognised, both in the DFM’s letter and in the HMCIE statement itself, as having been of particular concern to practitioners. Ironically perhaps, neither comprehensibility nor clarity arose as specific issues during the phase when the values and purposes of CfE were being framed. However, as the OECD report amply demonstrates and the DFM’s letter openly accepts, they have grown as issues throughout the CfE implementation process. Practitioners, burdened by a seemingly ever increasing bureaucracy, were asking about the comprehensibility of CfE

long before the OECD. Although the intention about providing “*absolute clarity*” is admirable enough, it is doubtful that it is achieved by the publication of this latest document. The problem is indeed “... the *complexity of the layers and dimensions*” but it has taken this exegesis by the OECD in 2015 to prompt the current action:

- “• *Four capacities, covering 12 attributes and 24 capabilities across the four – 40 in all;*
- *Five levels, from early to senior, of which four are covered by Broad General Education;*
- *Seven principles, six entitlements and ten aims;*
- *Eight curriculum areas and three inter-disciplinary areas;*
- *1,820 Experiences and Outcomes statements (1,488 in the 8 curriculum areas + 332 in the 3 inter-disciplinary areas);*
- *Four contexts for learning;*
- *[Numerous] ‘Significant aspects’ of learning.” (OECD 2015 p44)*

Yet, far from streamlining the above to give “*absolute clarity*” to practitioners, the HMCIE statement begins by seeming to add to it with new definitions of “...the two key priorities for CfE” which are:

- “• *ensuring the best possible progression in literacy, numeracy and health and wellbeing for every child and young person; and*
- *closing the attainment gap.” (p1)*
-

It then goes on to identify the “*two key resources*” which teachers should use as “*Experiences and Outcomes*” and “*Benchmarks*” (p1). Professor Priestly is surely right to ask whether, by adding the “*Benchmarks*”, we are not creating “... a *spiral of specification*” [9] as described by Alison Wolf (1995). He points to an unintended and potentially dangerous, consequence here namely, that although these might be initially welcomed by teachers because they could provide if not “*absolute*”, then at least a degree of clarity, currently unavailable from the Es and Os, they might in fact encourage “*bureaucratic box-ticking and convergent approaches to learning*” [10] and even increase teacher workload.

Conclusion

The two latest Scottish Government documents at least continue to give education the highest profile. Of the two, the Governance Review is by far the more significant offering the realistic prospect of transformational change which, even in “...the lifetime of this Parliament” could improve the life chances of some of the most disadvantaged of our young people. The Statement for Practitioners though on an entirely different level, shares with the Governance Review, the strong tendency for official announcements and publications on education however well-intentioned, to send out mixed messages. In this sense whether the claim to be providing “*absolute clarity*” will be seen as either justified or as folly, remains to be seen but, as we have seen above, the persistence of haziness and even contradiction, could have a negative impact in spite of the consultation. The continued acceptance by the profession of the overall philosophy and purpose of CfE, should not be taken for granted and may be put in jeopardy if unnecessary mixed messages which bedevilled CfE’s implementation from the start, continue. If the Statement for Practitioners’ 18 ‘*What to do*’ and 17 ‘*What to avoid*’ “*KEY MESSAGES*” remain without any modification to existing CfE advice about what is to be “*avoided*” or repealed, practitioners may simply see these – 35 in all – as additional burdens emanating from a remote and out-of-touch bureaucracy which continues to imply that it is they, the teachers and practitioners across Scotland and their approaches to the implementation of CfE, that have been the problem all along.

Frank Lennon recently retired as headteacher of Dunblane High School

- [1] Letter from DFM and Cabinet Secretary for Education and Skills to Teachers and Practitioners across Scotland, 29 August 2016
- [2] <http://www.scottishreview.net/WalterHumes77a.html>
- [3] <https://education.gov.scot/improvement/Documents/LiteracyEnglishBenchmarks.pdf>
- [4] <https://education.gov.scot/improvement/Documents/NumeracyMathematicsBenchmarks.pdf>
- [5] It is salutary to note that the original CfE paper of November 2004 was barely twelve pages long.
- [6] <https://education.gov.scot/improvement/Documents/cfestatement.pdf>
- [7] <https://mrpriestley.wordpress.com/2016/08/30/a-statement-for-practitioners-how-useful-is-the-new-cfe-guidance/>
- [8] <http://www.oecd.org/edu/school/improving-schools-in-scotland.htm>
- [9] Wolf, A. (1995). *Competence-Based Assessment*. Buckingham: Open University Press
- [10] <https://mrpriestley.wordpress.com/2016/08/30/a-statement-for-practitioners-how-useful-is-the-new-cfe-guidance/>

Decentralised energy – taking control

– Stephanie Clark

Originally posted 25 October 2016

The global scientific consensus on the need to tackle climate change, and the most recent international agreement agreed in Paris last year, means we *must* decarbonise.

In the generation of electricity that process is already well underway.

But heat and transport (sectors which make up almost 80% of our total energy demand) lag significantly behind.

The need to reduce the CO₂ emissions which is the main contributor to climate change isn't just shaping how energy is produced – it's changing the way it's used.

Already local authorities, housing associations and, to a lesser extent, the private sector are decentralising their energy supplies.

This means, according to the Carbon Trust, generating “off the main grid”, either in electricity or in heating and cooling.

This often involves re-examining the traditional generator-supplier-consumer model the energy market has been based on for many years and, in some cases, removing those distinctions altogether.

It can refer to sourcing energy from waste plants, hydro, wind, biomass, geothermal, or solar energy, among others.

Schemes can serve a single building or a whole community (through district heating), and be built out across entire cities.

The Scottish Government's new energy strategy, currently being drafted, will focus more closely on opportunities for decentralised systems – reflecting the benefits they bring.

Already, the Scotland Heat Map shows where opportunities for heat networks exist, the heat density of particular areas and the proximity to heat sources like factories, from which waste heat could be harnessed.

When it comes to taking control of their own energy use, Europe is ahead of the UK.

In Copenhagen, 98% of homes are connected by district heating networks, where shared boilers heat water which is circulated through properties.

The carbon savings of this approach, rather than individual homes burning fossil fuels, are significant.

In Norway, heat-pump technology built in Glasgow provides 85% of all the hot water needed by the city of Drammen (which is larger than Livingston) by extracting thermal energy from a chilly fjord and circulating it round a district heating network.

And there's another side to decentralising, too: increased competition helping to drive down consumer energy bills.

Local authorities in Nottingham and Bristol have now set up their own energy companies, which they say can save customers up to £250 a year on energy bills.

Since September, when Nottingham City Council launched Robin Hood Energy, the region has moved from seventh to first place in terms of price competitiveness in England.

In Enfield, the local authority is to create a company to pipe hot water from an energy-from-waste facility to a new £1.5 billion social housing development.

Now both London Mayor Sadiq Khan and the Scottish Government are giving consideration to setting up Energy Services Companies, or ESCos.

These are moves which could have big impacts on the way we purchase our heat and electricity.

There are challenges, however, and so far progress in Scotland has been slower than preferred.

Glasgow City Council has been planning an ESCo – and a city centre district heating network similar to Enfield's – for six years, while the subject was under discussion in Edinburgh in 2013, with the ESCo recruiting a Board of Directors only earlier this year.

These delays, according to Richard Bellingham, director of the Institute for Future Cities at Strathclyde University, are largely down to cost.

Analysis conducted by consultancy firm Jacobs on behalf of the Scottish Cities Alliance last year suggested Scotland's seven cities are “on the right path” in terms of actions being prioritised to deliver a low-carbon economy – “albeit the scale and pace of application needs to be raised substantially”.

The benefits of increasing that pace and scale – in terms of lowering energy costs for consumers and cutting carbon emissions – are substantial.

Government, industry and academia all have a responsibility to ensure we stay on the right path, and Scottish Renewables will be doing all it can to keep the momentum going.

However, what is certain is that the decentralised energy market of the future will look very different to today's.

Stephanie Clark is a Policy Manager for Scottish Renewables

State of the State 2016: Brexit blues and sci-fi services

– Angela Mitchell

Originally posted 8 November 2016

The public sector is going through unprecedented change – a trend we’ve looked to capture in our annual *State of the State* reports, which have analysed the many ways this is happening: from digital transformation and people power, to the challenges of productivity and citizen engagement.

This year, though, the rate of change went up several notches, helped on its way by the inexorable rise of technology and the UK’s decision to leave the European Union (EU): the two main themes in our 2016/2017 edition of *State of the State*. The consequences of both of these developments could be huge for our public services, presenting many opportunities and challenges to be overcome.

The headlines speak for themselves: our research, with academics from Oxford University, suggests that around 88,000 Scottish public sector jobs could be lost to automation over the course of the next 14 years – equivalent to one in six positions, mainly in administrative and operative functions.

While this won’t happen overnight and technology will create new jobs too, it’s a big change – and one we expect to see reflected throughout the economy. Automation will complement rather than replace many other roles. For those in interactive frontline positions, like nurses and police officers, automation will reduce admin and allow people to focus on the human side of their jobs; while those in highly-skilled cognitive roles will use data analytics to inform decision making.

Take, for example, a hospital. Sensing technology is being used to monitor patients’ vital signs, with all the relevant information transferred to a device held by doctors and nurses. This helps medical professionals cut out some administrative tasks, freeing them up to spend more time with patients in the greatest need. Another example would be further use of driverless vehicles on publicly-owned transport networks, currently deployed on London’s DLR.

Realising the potential of automation will require a rethink of how we deliver existing services and the skills to exploit it, as well as the technology to make it happen. Our recommendation is that governments foster digital skills from school age onwards and develop leadership capability in transformation. Equally, digital shouldn’t be seen as the sole domain of the IT department and public services need to be careful not to fall into the trap of digitising existing processes.

Brexit was the other major change this year and, to capture the mood of the nation, we surveyed more than 1,000 people across the UK – 92 of which were in Scotland – to find out what they thought this historic vote would mean for public services. The results were illuminating, revealing a general feeling of trepidation about its impact, albeit with some regional contrasts.

Included in its findings, our survey showed that Scots were among the most pessimistic about Brexit’s impact and more likely than residents of any other part of the UK to think that it will

result in tax rises. And, while expecting tax rises, Scottish people were more likely than their counterparts in the rest of the country to support public spending rises.

Furthermore, Scotland was also more supportive of the public sector, businesses, and charities working together to improve cost effectiveness, and more likely to feel public services don't include them in decisions or offer them a personalised service.

Above all else, this poll highlighted the big challenges currently facing government: while Brexit is high on the political agenda, the public is keen that it doesn't overshadow the delivery of the services they rely on day-to-day, with the NHS and public transport seen as the most important.

The number of people who believed the government should extend public services, even if that means tax rises, has gone up over the austerity years. But, as other elements of our survey showed, they still expect value for money and accountability.

What's emerged in clear terms is that our public services need to be re-shaped for the future – some important steps have been taken, but there is still a way to go. Brexit and the rise of automation have brought that fact even further into focus this year. They present significant opportunities, though fraught with challenges, to rethink and rework how we deliver for the 64 million people in the UK.

Angela Mitchell is Head of local public services at Deloitte

The potential of storage technology

– Hannah Smith

Originally published 17 November 2016

Renewable energy technologies like solar, wind and hydro are Scotland's largest source of electricity. They provide more of our power than coal, gas and nuclear, and displace the equivalent of the emissions from every car, van, bus and train in our country every year. But they could do so much more.

Demand for energy has always fluctuated throughout the day, month and year, and meeting those demands while using clean energy technologies to help tackle climate change means asking more and more of an energy system with its roots in the 1930s.

To add additional complexity, our energy system is changing.

We generate and consume energy differently. There are more players involved in our energy markets. Technology is making things smarter.

The challenge, then, is to create a more 'flexible' energy system, a shift which could be worth as much as £1.4 – 2.4bn per year by 2030.

Energy storage is just one source of flexibility that can help us. It involves using technologies to capture electricity or heat, when it's generated, and release it when it's needed.

Neither storage nor renewables are perfect on their own, but both can work together to produce a result far more powerful than the sum of their parts.

Imagine a scenario where solar power can be used at night, and where energy captured on a windy but mild day can heat our homes when the weather is calm and cold.

At a local level, household batteries like Tesla's Powerwall can provide energy solutions for homes and businesses – for example storing daytime energy from solar panels to be used during dark winter evenings, when demand is highest, saving money on electricity which has to be bought in from the grid.

Not only does this mean renewables are used to their full potential; it also gives consumers better control and flexibility over how they manage their energy.

Large-scale battery storage could quickly become business-as-usual on our electricity grid, while more established technology, like hydro pumped storage, is eyeing a new future.

The Scottish Government's Energy Strategy, currently being drafted, is likely to recognise the importance of energy storage.

And while Holyrood ponders the future, so does Westminster.

Energy regulator Ofgem and the Department of Business, Energy and Industrial Strategy opened a consultation on a 'Smart, Flexible Energy System' this month, and will now take time to look at how energy generation and storage will interact with developments like smart meters and electric vehicles.

The document contains almost 300 references to energy storage, and seeks to make sure policy and regulation make sure we get the most out of these technologies.

They include issues like connecting the technology to the network, charging owners for its use and how planning regulations will affect its spread (currently, the UK Government and devolved administrations “agree that a storage facility is a form of electricity generating station”, but that could change).

Scottish Renewables’ own analysis has highlighted areas which must be reformed if we are to make the most of the storage revolution.

A Scottish Renewables paper produced by consultancy Everoze in July highlighted more barriers to storage’s roll-out – and crucially suggested some fixes which could see them overcome.

The report makes a series of far-reaching recommendations to level the playing field for rapidly-developing energy storage technologies – some of which are locked out of current market arrangements.

And it tackles the primary risk holding back the roll-out of energy storage: securing a bankable revenue stream.

Recommendations include:

- Ensuring contracts from National Grid for support services such as frequency response and fast reserve are provided over a longer period – which could encourage banks to get involved;
- Unlocking new revenue opportunities within the distribution network, and;
- Exploring the introduction of a ‘cap and floor’ mechanism for storage assets with long lifetimes including pumped storage hydropower.

Like much else in the energy system, the regulations which will allow energy storage to thrive must attempt to keep pace with the rapid advance of technology.

But while storage faces challenges, much is being done to ensure that it can play a fundamental role in our future energy system.

Hannah Smith is a Policy Manager at Scottish Renewables

