

# Cross-Party Politics:

A Holyrood Manifesto for 2021

April 21 reformscotland.com

# **About Reform Scotland**

Reform Scotland, a charity registered in Scotland, is a public policy institute which works to promote increased economic prosperity, opportunity for all, and more effective public services. 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 Chris Deerin and Alison Payne is the Research Director. Both work closely with the Trustee Board, chaired by Alan McFarlane, which meets regularly to review the research and policy programme.

# **Reform Scotland's Trustee Board**

- Alan McFarlane (Chairman)
- Sinclair Dunlop
- Geraldine Gammell
- Isobel d'Inverno

- Sandy Kennedy
- Siobhan Mathers
- Kevin Pringle



## **Foreword**

Holyrood was supposed to be better than this. In the heady early days of its creation there was both the sense and the intention that the Scottish Parliament would work differently to Westminster. There would be less of the two-swords-length approach to politics, more constructive working across party lines, perhaps even a longer-term view of the national interest.

Apart from a few rare occasions, it hasn't worked out like that. The drawbridges have been hiked up and the parties have fought one another every bit as intensely as their equivalents do at Westminster. Committees have broken down along party lines, bad faith has usually been assumed, and the familiar witch-hunts have been undertaken, the usual resignations demanded.

Perhaps this was all predictable, but it hasn't done Scotland much good. That's why Reform Scotland has decided to publish a manifesto ahead of May's election that explicitly proposes policies that might garner cross-party support.

We believe each of our suggestions would improve the state of the nation a little, and taken together would do a great deal of good – some in the longer term, some with immediate effect. Across the economy, education, healthcare, transport, local government and justice, our reforms are presented in good faith, and we trust they will be taken that way. Each of them is true to the values that underpin Reform Scotland:

- Increasing prosperity
- A positive climate for entrepreneurs and innovators
- Reform and modernisation of public services
- Widening opportunity for all
- Compassion for those who slip through the cracks
- Greater courage and appetite for risk among policy-makers.

Our recent report and event on directly-elected mayors showed that agreement is possible – the idea was supported by politicians from Labour, the Conservatives and the SNP. Our country would be better-served if this behaviour was more common than it is.

The next few weeks before the election, and then the years that follow, promise to be definitive for Scotland's future prospects. There will be a lot of talk about the constitution, but there is much more to politics and policy than that. We humbly offer these proposals for your consideration, whichever party you support.

Chris Deerin Director Reform Scotland April 2021



## **ECONOMY**

**Devolve VAT & Corporation Tax to Holyrood:** The current financial settlement has left Holyrood hugely reliant on a single income stream with NSND income tax accounting for 65% of all devolved revenue. Following the UK's departure from the EU, VAT should be devolved to Holyrood. Corporation Tax should also be devolved and the opportunity taken to design a tax policy that attracts more entrepreneurs and incentivises the creation and development of new businesses.

<u>Unfinished Business</u>; <u>Growing Up: A Corporation Tax for Scotland</u>

Improved partnership with the private sector: The Advisory Group on Economic Recovery called for "urgent action to develop a stronger relationship between business and government on the strategy for Scotland's economic recovery" and this has to be a priority. The business community needs to be involved at the heart of decision making – they are where new jobs are to be found and where economic recovery can take place.

Back on Track: Retraining in the Covid era

Create Scottish Government Investments and Equiscot: Scottish Government Investments would be an active shareholder of publicly-held assets, staffed by experienced industry personnel while the creation of Equiscot would act as the asset management arm of the Scottish National Investment Bank, based on Singapore's Temasek model. This should be accompanied by a decluttering of the state economic development structure.

<u>Investing for Recovery: Creating 'Scottish Government Investments' & 'EquiScot'</u>

Adapting for the lockdown generation: The pandemic has led to many aspects of work shifting online, and this is likely to continue to a significant extent. There are advantages in embracing technology but there also needs to be a recognition that the shift online risks placing some at a disadvantage. The government should explore partnerships to ensure those who need access to data, devices and private space are able to do so.

Back on Track: Retraining in the Covid era

Create a new Land Use strategy for Scotland: Following Scotland's departure from the CAP there needs to be a wide-ranging national conversation about rural land use and about what works and what doesn't in the 21st century, including how best to direct taxpayers' money in ways that benefit the environment, population and economy. Land of Opportunity: Towards a new land use strategy for Scotland

Improved data: To fully understand where we are as a nation, politicians and wider society require good data. The UK and Scottish Governments need to provide more detailed statistics broken down by country/region/council area to allow for more meaningful comparisons. We would also call on the Scottish Government to make a commitment to maximise the amount of objective data that is available in relation to the performance of Scotland's education system including re-joining TIMSS and PIRLS. Submission to the Economic Data Inquiry; CSR Challenge Paper – Reliable data



#### **TRANSPORT**

Creation of a Scottish Rail Infrastructure Commission to transform the rail network by 2050: We need a forward-looking Scottish Rail Infrastructure Commission which would examine what transformational change is needed to help to improve connectivity and grow our economy. Such a commission should look at rail links to city regions, local networks and rural and scenic areas. Do we really want to be in a situation where it could take less time to travel from Edinburgh to London by rail than it would to travel to Inverness? A report from the UK National Infrastructure Commission about the north of England highlighted problems with connectivity and looked to find innovative solutions to them. Similar ambition and long-term thinking is required for Scotland.

On the Right Track

**Feasibility study looking at a pay-as-you-drive Road Pricing scheme:** The way we currently charge drivers is bad for the environment, promotes congestion and is unfair on low-mileage motorists and those in more remote areas or with poor access to public transport. Both governments are committed to phasing out the sale of new petrol and diesel cars. This means, regardless of who controls the tax, Fuel Duty is living on borrowed time, while Vehicle Excise Duty punishes those who drive infrequently.

Singapore has been using an Electronic Road Pricing (ERP) scheme since 1998. The scheme can charge different prices for the use of different roads and at different times of the days. Cars have an in-vehicle unit with a smart card and when a card passes through one of 93 ERP gantries the system automatically deducts the fee.

Prior to the scheme's introduction the government tested prototype systems and gathered feedback to help develop the final policy. Similar work could and should be trialled in Scotland.

Pay-as-you-drive: The road to a better future



# **LOCAL GOVERNMENT**

Introduce directly-elected mayors: Mayors can provide strong, effective and accountable leadership, and be drivers of economic development and progress. They can also be a lightning rod for local debate and raise awareness of local government activity. They can provide an important voice to rural and suburban areas which are often overlooked. Each mayor should be directly elected by the public across the whole council area, and perform the executive role while being scrutinised by ward councillors. This would give Scottish local government the spark it is currently missing.

Local Heroes: Why Scotland needs Directly-Elected Mayors

Devolve business rates & council tax to local authorities: Scotland's "local" taxes are local in name only and properly devolving them to councils would allow them to vary how and to whom the taxes apply based on their own circumstances. An increase in local financial autonomy and accountability is more likely to give councils an incentive to design taxation policies and broader local economic development strategies to support the growth of local businesses, encourage start-ups and attract businesses to invest. Councils would be able to retain, reform or replace Council Tax with another form of local taxation. Devolving these taxes would enable decisions about local tax to be made by a local authority for its local area, taking into account local circumstances and priorities. Local Heroes: Why Scotland needs Directly-Elected Mayors

Planning: The planning system in Scotland is too often an inhibitor of economic growth due to the length of time it takes for planning permission to be granted. The problems of the planning system in Scotland stem from the lack of the appropriate incentives to ensure that a balance is struck between the need for economic development and the public's desire to preserve and enhance the quality of the environment. Local communities have even less incentive to support development as they invariably lose out due to a reduction in environmental amenity.

Improving Scotland's Business Environment



# **EDUCATION & SKILLS**

Allow all children the chance of studying eight National 5s: All pupils should once again be able to sit up to eight exams in S4. Reform Scotland's research, first conducted in 2016 and repeated in 2019, highlighted a postcode lottery where some schools have ignored government guidance and still allow pupils to study National 5s over two years, meaning their pupils can sit up to eight exams. However, others move from the BGE at the end of S3, and pupils are only able to sit six exams. This has created a huge difference in opportunity based purely on where a child goes to school.

#### A Test of Fairness

**Develop online educational content:** Prior to the pandemic the number of children missing considerable amounts of school was increasing. While pupils missing school for isolation or safety purposes are separate from those struggling to attend for other reasons, the pandemic offers an opportunity to test different ways to stay in touch with pupils and their families and deliver education to those who otherwise struggle to attend school. The Government must develop online educational content backed up by tutors. Doing something now can potentially help all school children as they navigate the aftermath of the pandemic, but it also has the potential to create a legacy that could help pupils struggling with nonattendance in the future.

## **Scotland's Lost Pupils**

**Early Years Childcare:** There should be a single start date for early-years provision, just as there is for primary school. This would ensure that every child had access to the same basic provision before starting school and would contribute towards the Scottish Government's aim of equality by ensuring equity in entitlement.

#### The Early Years Lottery

**Ensure colleges and universities have a level playing field:** College should be seen as a different, not a lesser choice to university. It is also a vital path for many pupils from more disadvantaged backgrounds, either onto higher education or into training and work. Colleges are public bodies, yet universities are autonomous charities. Colleges must be set free of government and become autonomous charities.

**Improving Scotland's Business Environment** 

Major expansion of Individual Training Accounts: As a result of the damage Covid has done to the economy and the jobs market, the Scottish Government should open up Individual Training Accounts well beyond the 28,000 that were allowed for in the 20/21 scheme. This would also allow people to retrain in the growth industries of the future. Back on Track: Retraining in the Covid era

Reform Scotland's Commission on School Reform will be publishing its own manifesto and having a discussion event on its contents on 22 April 2021.

<sup>1</sup> https://www.skillsdevelopmentscotland.co.uk/for-training-providers/sds-individual-training-accounts/individual-training-accounts-fags/. Our earlier report noted the original 14,000, this was subsequently increased by the Crottish Government to 28,000



## **HEALTH & WELFARE**

Pilot schemes to devolve health to local authority control: The 14 health boards in Scotland are quangos, with little direct accountability to their populations. Councils should take over their responsibilities and be able decide how best to meet the healthcare needs of their local population. It would also ensure better cohesion between social care and health care. This could easily be piloted in areas such as Fife, Dumfries & Galloway, and Highlands and the Islands where councils and health boards are coterminous.

## **Examining Access**

**Expansion of Minor Ailments:** Having called for the birth control pill to be on the list of products available on prescription directly from pharmacists during the pandemic, Reform Scotland welcomed Alison Johnstone's amendment to emergency Coronavirus legislation in 2020 which would have enabled this to happen. Despite initial cross-party support, the measure was voted down. However, Government minister Michael Russell told the committee that an "on-going scoping exercise has the potential to deliver change". We would urge the Scottish Government to complete that work and deliver the change. On the Pill: Contraception & Coronavirus

Improved post-caring support: Together with Sue Ryder & Marie Curie, we are calling for greater recognition and support for unpaid carers once the person they are caring for dies. Specifically we are calling for: A new Carers (Bereavement Support) (Scotland) Bill early in the next Parliament to provide information and a plan to support carers following the end of their caring role; A new fund to support training and education for carers returning to work/seeking employment; A new Post-Caring Support Payment, linked to the length of time caring, to help carers struggling financially following the end of their caring role; and to extend eligibility for the Carer's Allowance and Carer's Allowance Supplement for up to 6 months after the person's caring role comes to an end (from the current 8 weeks).

#### **Life After Death Briefing Note for Members Business**

Basic Income Guarantee: The introduction of a Basic Income would provide some financial certainty to the many people who have been thrown into a sudden and catastrophic loss of employment or reduced hours as a result of the pandemic. However, it also offers a long-term solution to many problems within our welfare system and could help to create the right long-term environment as we rebuild our lives and our economy. Reform Scotland believes that the majority of benefits should be devolved to the Scottish Parliament - It makes sense to bring together the policy areas associated with alleviating poverty, such as social inclusion and housing, with benefit provision that currently remains reserved. However, reform could also be enacted in partnership with the UK Government, whether as a policy just for Scotland, as a pilot for the whole of the UK, or as part of reform across the whole of the UK.

One for all: The Case for a Basic Income Guarantee



## **JUSTICE**

Reinjecting localism back in to Police Scotland: Reform Scotland believes that there are two ways that localism, with clearer lines of local accountability, can be re-injected into policing in Scotland – through funding and governance. He who pays the piper calls the tune, and on that principle we believe that local authorities should again be responsible for funding 50% of policing, with the Scottish Government continuing to fund the other 50%. We also believe that each local authority should be able to nominate a member of the Scottish Police Authority to ensure that local priorities are adequately represented. This is an issue that could fall under the remit of directly-elected mayors.

**Reinventing Local Policing** 

Ban short prison sentences: Prisons are not just there to punish and protect the public. They also need to rehabilitate and to work with prisoners to help prevent reoffending and offer training to help prisoners find employment once released. People make mistakes and we need to help ensure that such mistakes are not repeated. Not just because of the emotional and financial cost of crime to victims, families and society, but because of the loss of human potential. However, the Scottish Prison Service has admitted that there are very limited opportunities for rehabilitation and training for those individuals serving sentences of less than six months. Furthermore, the disruption of a short sentence, including loss of income and employment, and problems with childcare and family relationships, often makes the sentences disproportionate to the crime. Reform Scotland believes a presumption against short sentences does not go far enough and only an outright ban on their use will lead to a change.

**Reforming Prison**