



OFFICIAL REPORT
AITHISG OIFIGEIL

Rural Economy and Connectivity Committee

Wednesday 14 December 2016

Session 5



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CONTENTS

	Col.
FORTH REPLACEMENT CROSSING (PROJECT TEAM UPDATE)	1
MAJOR TRANSPORT INFRASTRUCTURE PROJECTS (UPDATE)	19
PUBLIC PETITIONS	45
A90/A937 (Safety Improvements) (PE1236)	45
Protecting Wild Salmonids (PE1598)	46

RURAL ECONOMY AND CONNECTIVITY COMMITTEE
14th Meeting 2016, Session 5

CONVENER

*Edward Mountain (Highlands and Islands) (Con)

DEPUTY CONVENER

*Gail Ross (Caithness, Sutherland and Ross) (SNP)

COMMITTEE MEMBERS

*Peter Chapman (North East Scotland) (Con)
*Mairi Evans (Angus North and Mearns) (SNP)
*John Finnie (Highlands and Islands) (Green)
*Rhoda Grant (Highlands and Islands) (Lab)
*Jamie Greene (West Scotland) (Con)
*Richard Lyle (Uddingston and Bellshill) (SNP)
*John Mason (Glasgow Shettleston) (SNP)
*Mike Rumbles (North East Scotland) (LD)
*Stewart Stevenson (Banffshire and Buchan Coast) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Keith Brown (Cabinet Secretary for Economy, Jobs and Fair Work)
David Climie (Transport Scotland)
Michelle Rennie (Transport Scotland, Scottish Government)
Lawrence Shackman (Transport Scotland)

CLERK TO THE COMMITTEE

Steve Farrell

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Rural Economy and Connectivity Committee

Wednesday 14 December 2016

[The Convener opened the meeting at 10:00]

Forth Replacement Crossing (Project Team Update)

The Convener (Edward Mountain): Good morning and welcome, everyone, to the 14th meeting in session 5 of the Rural Economy and Connectivity Committee. I remind everyone present to switch off their phones. No apologies have been received.

Agenda item 1 is evidence from the Forth replacement crossing project team on progress and developments in relation to the new crossing. I welcome David Climie and Lawrence Shackman, and invite David Climie to make an opening statement.

David Climie (Transport Scotland): Thank you very much. Good morning.

We are very pleased to be here to update the committee on progress that has been made since our previous appearance at the committee on 7 September and the committee's site visit on 31 October.

I can confirm that the date for opening to traffic for the Queensferry crossing continues to be May 2017 and that the project outturn cost range remains at £1.325 billion to £1.35 billion.

The weather has continued to be challenging, but the Forth crossing bridge constructors—FCBC—consortium, which is the contractor, has generally been successful in mitigating that.

In the past 12 months, the site workforce has averaged 1,242, with a peak of more than 1,400 during the summer and the autumn. Following the committee's visit to the site at the end of October, I am sure that committee members will have an appreciation of the size and scale of the works that are being undertaken and the skill and dedication that are required from the site workforce to complete this outstanding project.

I will focus specifically on progress on the principal contract.

On the south side, the road works are substantially complete. Final landscaping and planting works are currently in progress.

On the Queensferry crossing, 107 of 110 deck units have been lifted into place. One more deck unit is to be lifted in the next few days, and the final two are to be lifted in the new year. In October, the centre tower deck fan achieved the milestone of being the longest free-standing balanced cantilever structure in the world. Guinness World Records has verified and recognised that. However, the record existed for only about three weeks, as the closure units at either end were lifted and connected to form a continuous structure all the way from the north abutment to pier S2, leaving a gap of only 36m.

The installation of the concrete deck on the south approach viaduct is progressing northwards from the south abutment, and 36 out of the total of 42 concrete pours that are required have been completed. On the north side, all 12 concrete deck pours that are required have been completed and the travelling formwork that was used to construct them has been dismantled and removed. Installation of the large expansion joints at the south end of the bridge has just started.

On the north-side road works, the wind-shielding barrier has been installed on the west side of the Ferrytoll viaduct. That provides a good indication of how the finished Queensferry crossing will look. The new Ferrytoll junction is now in use, and traffic is passing under the new overbridges. Traffic on the A90 was recently transferred on to the new south-bound carriageway between the Admiralty and Ferrytoll junctions. Work on the reconfigured park-and-ride facility at Ferrytoll is nearing completion, and the new turning circle for buses is currently being completed.

With the completion of deck lifting in January, the focus will shift on to the deck-finishing activities, which include the installation of the crossing stay cables, erecting the wind-shielding and vehicle-restraint barriers, fitting motorway gantries at the towers, waterproofing the concrete deck and the road surfacing. In addition, the three tower cranes, which have been a landmark on the skyline for so long, will be dismantled, and the temporary trestles, platforms, cofferdam and caissons at each tower will be cut up and removed.

Those activities are the more visible ones to the public, but inside the towers, piers, abutment buildings and deck structures, work is progressing on the installation, testing and commissioning of the mechanical, electrical and plumbing systems as well as the extensive structural health monitoring system, which is very important to modern bridge structures.

Community relations continue to be extremely good, with the north and south community forums having been combined into a single entity for the November meeting and for the future. More than

68,000 people have now attended events relating to the FRC, nearly all of them being held in the contact and education centre. Among them, more than 19,000 pupils from schools all over Scotland have attended science, technology, engineering and maths-related activities.

The level of interest and excitement around the opening of the bridge is continuing to increase, and we are continuing to develop the plans for that, on which we expect to be able to make an announcement in the new year.

The Convener: Thank you very much. I am sure that the committee will want me to reiterate our thanks for the visit to the site, which we all found extremely informative. It is probably not until we get there and get on to the bridge that we realise the enormity of the project. I pass on our thanks to you.

Mike Rumbles (North East Scotland) (LD): Thank you, Mr Climie, for your letter, which was sent to the committee on 20 September. I found it very helpful. I have been trying to drill down into the finance of the whole project. I wonder if you could follow me through and confirm these figures.

As you said in your letter, the budget at the moment is £1.35 billion. When the tendering process came out, it went up to a maximum of £1.6 billion.

David Climie: Correct.

Mike Rumbles: You said in your letter that there has therefore been a “reduction”—a saving—of £245 million. You said that a

“£245 million reduction in the budget has been delivered due to lower than expected inflation, robust risk management and strong project governance”.

The very next day, Keith Brown, the cabinet secretary, confirmed in an answer to a parliamentary question that I asked that he had actually allocated £529 million to inflation, with an estimate of inflation of an average of 5.3 per cent per year. The actual inflation over the five years that Keith Brown referred to is not 5.3 per cent but 1.9 per cent. In fact, £300 million, which in theory was allocated to inflation, has not needed to be spent. You are quite correct when you refer to £245 million, but there is actually a bigger figure, on average inflation, which should be closer to £300 million.

My point is this: although you may not have said this, I know that MSPs have said in the Parliament that the project is consistently coming in under budget. However, it has not come in under budget; in fact, if you take the actual inflation figure rather than the forecast figure, it looks as though it is coming in over budget. Do you have any comments on that?

David Climie: Yes, I have. I think you have a slight misinterpretation of the figures and the way in which they have developed.

Mike Rumbles: Okay. Put me right.

David Climie: I would be happy to clarify the position. The budget has gone through several phases. Initially, when the project was first talked about in 2007 and it was thought that the Forth road bridge was going to be closed completely, a number was put out that suggested that the crossing could cost £3.2 billion to £4.2 billion. Then the further analysis of the Forth road bridge was undertaken, as a result of which the Forth road bridge could continue to be used, based on a better prognosis for the cables. Therefore, the managed crossing strategy was developed, which meant that the Forth road bridge would continue to be used, and the width of the Queensferry crossing could therefore be reduced.

At that point, when the financial memorandum was introduced to Parliament—it was tied to the bill process—the number for the budget came down to £1.7 billion to £2.3 billion. The £529 million, which was quoted in the written answer to your question, relates to that £1.7 billion to £2.3 billion. In the financial memorandum from 2009, that number is clearly identified.

Throughout the project, the rates of inflation that have been used on the numbers have been consistent. In all the predictions, the lower-end inflation has always been 2 per cent per year; the median inflation has always been 5 per cent per year; and the high-end inflation has always been 8 per cent per year.

Subsequently, after the budget came down to £1.7 billion to £2.3 billion, we went through the procurement process, and we got the bids in at a significantly lower level than we expected them to come in at. That is the point at which the £1.45 billion to £1.6 billion budget was put in place. The £529 million came down accordingly, because that figure related to the £2 billion median of the £1.7 billion to £2.3 billion. Therefore, the actual number on inflation was somewhere around £200 million, so the £245 million that is now being quoted is inflation plus the other activities.

Mike Rumbles: Right. I do not want to confuse people with figures—I want to ensure that I have understood you correctly. You are saying that the £529 million was not allocated at the point when the contract was tendered.

David Climie: Correct.

Mike Rumbles: It was the previous figure.

David Climie: That was the previous set of figures.

Mike Rumbles: But even when we take the £1.6 billion tendered figure, which I am focusing on because I am looking at how much the process has cost since the tender was accepted, it appears that at least £200 million—if not more—of the £245 million reduction comes from inflation.

I cannot get my head round that issue. If it was a fixed-budget contract, how could it come in under budget? The only reason why some might say it is under budget would be if the inflation figure was used. A fixed-budget contract cannot come in under budget, so that is the only reason. Basically, that figure is the inflation reduction, is it not?

David Climie: No—it is partly the inflation reduction. Again, I make it clear that there is a difference between the element that is the fixed-price contract, which is the principal contract—

Mike Rumbles: Which is the £790 million.

David Climie: It is the £790 million—that is the fixed-price principal contract. The entire project budget, which is everything from the start of the project in 2007 through to the end of the defects liability period in 2022, is £1.35 billion. That covers everything that is associated with the project.

Mike Rumbles: I ask for the convener's forbearance on this, because it is a really important issue that we need to get right if we are looking at the budget.

I request that you provide in writing to the convener, if you can, the following information, which would be very helpful. I would like to know—as I am sure the committee would—how much of the £245 million reduction is the result of a lower-than-average inflation level and how much is the result of other factors. Can you identify those other factors? I suspect that the vast majority—about 90-odd per cent—of the £245 million is inflation, but I would like to know the exact figure and what the other factors are. Once we get that information, we can judge the effectiveness of the contract in monetary terms.

David Climie: That information would be helpful to everybody, and I am more than happy to provide it.

The Convener: That would be helpful, not least to enable us to see the information on paper so we can look at it slowly. John Mason wants to comment on finance—or do you want to ask the next question?

John Mason (Glasgow Shettleston) (SNP): I want to ask the next question.

The Convener: Okay. If no one else wants to ask about finance, John Mason will move to the next question.

John Mason: I will first make one comment on finance. I just think that it is exciting that we started at £3 billion and we are now at wherever we are—under £2 billion, anyway. That is just fabulous.

David Climie mentioned that the weather had been challenging and I ask him to expand on that. We have had quite a lot of rain and wind, and at one point there were some fairly low temperatures. Have there been any real problems with the weather?

David Climie: As I said in my opening statement, the weather has continued to be challenging, as it always will be out on the Forth.

It is important to note that we are beginning to move into a new phase of the project. Over the past 12 months, we have focused very much on the deck lifting and everything that is associated with that. Therefore, there is an impact from wind in particular, as we have discussed previously and as you will have seen when you visited the site. Throughout that period, we have had a disadvantage, in that we must have discrete work fronts—we can lift only in a particular place at a particular time, and we cannot create a new work front.

Once the deck lifting is completed in the new year, that will open up the whole bridge structure to us, which means that the process will become more resource driven. We can waterproof and put wind shielding up in multiple areas of the bridge at one time—that does not have to be done in a specific sequence. In addition, a lot of the work is inside the deck itself and inside the towers and piers. Work such as waterproofing and deck surfacing is particularly sensitive to rain, as one cannot waterproof on a damp surface, and to low temperatures, because there is a minimum temperature at which asphalt can be put in place. There is therefore a change in the challenges that are coming up, but, overall, given the progress that we have made to date, we are generally where we wanted to be.

We still have two deck units to lift in the new year, both at the south end of the bridge. The weather downtime has been fairly significant over the period since the new programme was put in place, but we have continued to challenge FCBC and its designers to find alternative ways to do things and to mitigate the weather effects, and we have been particularly successful in that respect.

10:15

John Mason: If it was very wet and cold every day from now until May—which I suppose might happen—would there be delays?

David Climie: Of course—I cannot say that there would not be. I hope that January and February will not be a mass of snow and ice, because that would obviously not be helpful. However, the May date is still realistic. There are weather constraints, and we are very aware of those. We will keep the committee advised as to how those develop over the next few months.

John Mason: What are the key things between now and May? Are they the things that you have mentioned—the waterproofing, the asphalt and all that kind of stuff?

David Climie: Yes. Those are the key things left to deal with.

The Convener: Stewart Stevenson wants to come in with a quick question.

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): It is a brief supplementary question. Could the staff who are engaged in weather-dependent things on the bridge—asphalt laying, for example—work on other activities that are not so weather dependent, such as work inside the towers or the bridge?

David Climie: No, they could not. The activities that we are talking about, particularly road surfacing, are very specialist. We want to ensure that the surface is put down by qualified people who know exactly what they are doing. The last thing that we want is any problem with the road surfacing on the bridge. Waterproofing is similar—very specialist subcontractors do that.

The Convener: Richard Lyle has a question to follow up on that, I think.

Richard Lyle (Uddingston and Bellshill) (SNP): Good morning, Mr Climie. I know that you have been heavily involved in building the bridge, which is an iconic structure that I am sure will become one of the wonders of the world. In your opening statement, you said that you will plan in the new year for how to celebrate the opening. Will you expand on that? We hope that the bridge will open in May, depending on the weather, but when will we celebrate the opening and who might open the bridge?

David Climie: It probably will not surprise you to know that we have had a huge amount of input from people relating to potential opening events. We have had input on what might be done, who might be involved and what has been done previously on similar projects. We are gathering all of that to put together an effective package that will satisfy as many people as possible. Obviously, there is huge public interest in the project. We are fully aware of that through the engagement that we have at our contact and education centre. Every time that I go out to do a talk, the first question that I am asked is, “When is the opening

ceremony going to be and how can we come to it?” We are taking all that into account.

We are also looking at how the opening might be tied in with charitable fundraising, as it is an excellent opportunity to do that. We want to be as inclusive as possible in how we deal with it. Lawrence Shackman is leading the committee that we have formed to pull all that information together and make recommendations. As I mentioned, we expect to be able to make more detailed announcements on the matter in the new year.

Richard Lyle: I have a picture in my mind of fireworks displays and so on, although I am sure that you will not be putting any on the bridge—

The Convener: I might try to spare David Climie’s blushes, because I think he is telling us that something substantial is planned and, when there is an announcement, we will get to hear about it.

Richard Lyle: That is what I was leading to. At the end of the day, thousands of people will want to come and see it. I am sure that you will plan it on a day that is suitable for most people.

The Convener: Before Gail Ross comes in, I have a question that links back to John Mason’s points. Mr Climie, you suggested that, weather willing—I think that that was the description you used—everything will happen by May. Can you confirm that you are satisfied that you have enough contingency time in the project to make May a reasonable option if things do not go quite as planned as far as the weather is concerned?

David Climie: As I said, the programme is realistic and achievable, based on everything that we have experienced in the past and looking at the activities that need to be done in the future. We continue to engage with FCBC and its designers to ensure that, if things happen that have a greater impact than expected, we try to find workarounds. We are by no means sitting back and saying, “This is what it is going to be, and it will be what it will be.” There will be continued challenge on that. I continue to say that the May date is realistic, although there is always the weather risk attached to that.

The Convener: It would be helpful for Parliament to know whether key targets are missed prior to May. You will have thought about your exact timeframe and I suggest that you will be down to days rather than weeks. How will you make Parliament aware of missed deadlines as and when they occur? It would be unacceptable if we did not know about a missed deadline a week before the planned opening of the bridge.

David Climie: That is perfectly fair. As soon as anything happened that jeopardised that date, we would immediately inform the committee.

Gail Ross (Caithness, Sutherland and Ross) (SNP): I, too, thank you for letting us view the bridge. It was great to be part of that visit.

The last time you were here, I asked about your interaction with school kids, and about education and learning opportunities. Since then, you have had a world record. Even if it was only for a few weeks, it was still a record, which is a fantastic achievement.

In October, I visited Glasgow science centre, which has a lot of interactive exhibits and fun things for kids to do. You have mentioned your education centre. Are there any plans to make it permanent or to have something like the science centre? Kids are learning a lot about how the bridge has been built and how it works. Are there permanent ways that you could continue to provide that learning?

David Climie: The simple answer is yes—we are keen to do that. Our contact and education centre was originally put in place for the duration of the construction period. It is intended that it will be used for longer—at least a year beyond that—because we want to be able to tell the whole story of the project. It has been a developing story until now; from May onwards, we can tell the complete story.

We have contributed a lot of our material to a pop-up exhibition that is being put on around Fife. We engage a lot with the Institution of Civil Engineers and we have contributed information about the bridge and progress on it to a major exhibition that is currently on in London. Lawrence Shackman might want to say a bit more about that.

Lawrence Shackman (Transport Scotland): I visited the exhibition in the Institution of Civil Engineers on Friday, so I can vouch that it exists and is serving a purpose. In fact, from what I was told, the new bridge is the most popular part of the exhibition.

As David Climie said, we are keen to keep the contact and education centre function going until at least 2018. We need to discuss what will happen to the building after that. My personal view is that it would be great to keep the centre going, not just to provide reflection for us all but to ensure that we encourage children into engineering.

Peter Chapman (North East Scotland) (Con): Good morning, gentlemen. Concerns have been raised that some contractors that are working on the bridge may not be meeting acceptable employment standards. There are concerns about things including undercutting of joiners' and other workers' pay, and failure to meet health and safety standards. More specifically, will you explain how seven workers who are suspected of immigration offences were found to be working on the project?

David Climie: Certainly. I am glad to have the opportunity to address those points. Obviously, we take very seriously any allegations regarding low pay, health and safety conditions or immigration concerns such as you have mentioned.

I will deal first with the immigration issue. FCBC, the contractor, was contacted by the Home Office, which said that it had allegations against a specific company, and that seven named individuals of that company could be working illegally. The company in question was a second-tier subcontractor to FCBC. The Home Office made it very clear that FCBC was not the subject of the investigation and was not at all involved in the investigation. However, the Home Office requested assistance from FCBC to interview the employees of the contractor. The interviews by Home Office officials and Police Scotland happened on Monday 21 November. As a result, the seven named individuals who were suspected were taken away and have, I believe, subsequently been charged. The matter is now with the Home Office for further investigation.

I should also mention that the obligation to check people's eligibility for employment always rests with the immediate employer—that is where the legal responsibility lies. In this case, we are talking about a second-tier subcontractor to FCBC. As I mentioned earlier, the Home Office made no investigation into FCBC itself. FCBC checks all its directly employed employees to ensure that they are employed legally. The Home Office has mentioned that situations such as we are discussing are, unfortunately, not irregular occurrences, especially on construction sites. The Home Office gets a large number of tip-offs; it occasionally finds on investigation that there is truth in those tip-offs. It is true that there were seven illegal workers. They have been removed from the site, and the process is on-going.

The other allegations that have been made are being thoroughly investigated. On the health and safety criteria, everyone who comes to the site receives an induction on the site. In the United Kingdom construction industry, people have construction skills certification scheme cards. That scheme assesses the safety capability of individuals and is very much targeted at the particular trade that the individual works in. All contractors are required to have that card or an equivalent. Foreign contractors who do not have a CSCS card are required to have a signed statement from the sponsor or employer saying that they meet all the safety requirements. In parallel with that, FCBC has its own on-site training facility, where it provides a lot of safety training. More than 500 individuals have gone through the training, as part of the project. Obviously, individual supervisors on the project carefully check the capabilities of their employees

and, if there is any question whatsoever about those capabilities, the employees are either given further training or removed from the site.

On low pay, allegations were made specifically about a Portuguese subcontractor that has 29 people working on the site. When the union wrote to FCBC with allegations, FCBC immediately contacted the company and the company supplied a letter confirming that it has paid people fully in accordance with the rates and with the rules and regulations. That information was sent back to the union in a letter on 1 December. The union subsequently wrote to the Cabinet Secretary for Economy, Jobs and Fair Work to ask him to investigate further. As a result of that, FCBC has taken payslips from some of the individuals who are involved in order to check what they are being paid. All the investigations have shown that the rates of pay are at or above the correct rates, and that no incorrect deductions are being made. FCBC decided to widen that process and selected another five subcontractors at random, wrote to them all and asked them to produce evidence. That evidence is still being gathered. However, to date, absolutely nothing has been found to back up the allegations regarding low pay.

Peter Chapman: Thank you for that full and clear answer.

The Convener: I think that John Finnie wants to drill down into this issue a wee bit more.

John Finnie (Highlands and Islands) (Green): You have given a comprehensive response, and you will be aware of the publicity that there has been about the issues, including the comments of the regional secretary of the Union of Construction, Allied Trades and Technicians. I will not repeat those comments in full, but they refer to the benefit of having an on-site union convener. I would certainly concur with the view that a unionised workforce is a benefit to the employer, particularly with regard to health and safety. Can you comment on the lack of an on-site union convener and say what the implications of that might be?

David Climie: The main union on the site is UCATT. It has had an agreement with FCBC on the site since the commencement of the project. In September this year, the convener approached the FCBC project director to say that he was going to be promoted within the UCATT organisation but would continue to support the workforce fully on the site, which he felt was adequate in terms of representing the workforce. That arrangement continues. The former convener, who has been with us all the way through, is still regularly on the site, and FCBC has retained an office for him on the site. There is an on-going redundancy consultation because, obviously, some parts of the project are concluding. The former convener is

fully engaged when UCATT members are involved in that process. I have seen him in the office four times in the past fortnight. Although there is not a recognised convener as such, the function is absolutely still being fulfilled on the site.

John Finnie: I presume that that role is diluted by the additional duties that the individual now has.

How do you characterise the relationship between Transport Scotland, the principal contractor and the trade unions?

10:30

David Climie: Relations are good. I am not aware of any problematic issues on the site. Transport Scotland does not have a direct relationship with UCATT—the direct relationship on the site is between FCBC and UCATT. As I have said, the convener has an office in the same building as us. There is a very positive relationship.

UCATT has been fully engaged in all the processes on the site. For example, five UCATT members were sent for safety training and did a 10-day training course over 10 weeks. They are active members of the “Bridging the Forth safely” on-site safety committee. There is active and detailed engagement between UCATT and FCBC. That is helpful and we fully support it. That is why we were surprised, to a degree, by the statements that have been made.

John Finnie: The problem might be what people understand by different terms. Let me phrase the question another way. Would you prefer the previous situation, in which the individual was on site all the time and not splitting duties and being elsewhere, albeit that that might be outwith your control? Would that situation be better?

David Climie: I have no personal preference on the subject.

John Finnie: Okey-dokey.

Rhoda Grant (Highlands and Islands) (Lab): I am pleased that you are investigating the allegations and carrying out spot checks on other contractors. What are the contractual obligations between Transport Scotland and the Scottish Government with regard to pay, safety issues and employment practices? How do you pass the obligations on to subcontractors and their subcontractors? What controls does the Scottish Government have over Transport Scotland and how do you implement them?

David Climie: As I said, we take the matter very seriously. If you will excuse me for giving a long answer, I can give you the specifics.

In the main contract between the Scottish ministers and FCBC—the Scottish ministers are the client and I represent the Scottish ministers—the specific requirement is as follows:

“The Contractor shall pay rates of wages, and observe conditions of labour, which are not lower than those established for the trade or industry where the work is carried out. If no established rates or conditions are applicable, the Contractor shall pay rates of wages and observe conditions which are not lower than the general level of wages and conditions observed locally by employers whose trade or industry is similar to that of the Contractor, and shall comply with the National Minimum Wage Act 1998.”

That is the specific requirement in respect of wages. FCBC has various subcontracts and the requirement flows down through those. The FCBC subcontracts specifically require the following:

“The Subcontractor shall pay rates of wages, and observe conditions of labour, which are not lower than those established for the trade or industry where the work is carried out. If no established rates or conditions are applicable, the Subcontractor shall pay rates of wages and observe conditions which are not lower than the general level of wages and conditions observed locally by employers whose trade or industry is similar to that of the Subcontractor.

The Subcontractor shall bear the social security contributions applicable to the Subcontract Works. Social security payments for the Subcontractor’s and his subcontractors’ (if any) employees shall be made by the Subcontractor and his subcontractors on time and the Subcontractor shall supply the Contractor with written evidence of such payments on a monthly basis, or when requested by the Contractor to do so.”

Those are the specific main contract and subcontract requirements with regard to the payment of wages.

Rhoda Grant: If a subcontractor was paying lower rates than those that are recognised by the industry, would that be a breach of contract that would mean that the subcontractor could be taken off the site?

David Climie: Absolutely—the subcontractor could be taken off the site.

The Convener: If Rhoda Grant is happy with that response, Jamie Greene will ask the next question.

Jamie Greene (West Scotland) (Con): I was going to ask a supplementary question, but Rhoda Grant has covered the subject.

The Convener: I thought that you intended to ask the next question.

Jamie Greene: Oh, yes. The question is about community engagement, which we talked a little bit about when you last visited the committee.

I echo other members’ comment that we thoroughly enjoyed the visit to the bridge. To see the scale of the work that is being done really

brought it home to us and it was a fascinating experience. Thank you for your hospitality.

On community engagement, you mentioned that you have merged the north and south community forums. What will happen over the next few months on community engagement? Have any substantial issues been raised by members of the community since your last update that you might want to share with the committee? Once the bridge has opened, will there be ongoing community engagement?

Lawrence Shackman: I am happy to take that question.

The community forums have been going for a long time. We have got to know the local communities very well through the five years of construction and our communication with them before we started on site. It is pleasing that all the forums have finally joined together to make one forum, which met on 30 November.

At the forum meetings, we look back over the three months since the previous meeting and forward to the next three months in order to give communities a heads-up on the activities that are likely to happen. The forums have also visited the site, as the committee did, so that they have a good experience of what the bridge and connecting roads look like.

The issues that were raised at the last forum meeting were about the local roads and the final construction works around the Ferrymuir roundabout, which the forum would like to be completed as soon as possible. The contractor is making every effort to get the work completed by Christmas.

We have not had many complaints over the duration of the project—we have had an average of seven a month across the five-year period, which I am pleased to say is quite low. There were some issues about noise—occasional banging sounds when work has been going on on the south approach viaduct late at night, which is a very rare occurrence. Generally, the noise that has been complained of has turned out not to be attributable to the works. Complaints are fully investigated.

As we mentioned previously, the communities are interested to know what will happen with the opening. To try to engage with the communities as much as possible, we have produced a users’ guide, which we will publish in the new year. I can give the committee a copy of the draft, if that would be helpful. The guide summarises how all road users will be able to use the two bridges. We discussed that bridge users’ guide at some length and we consulted the community forum members as well as the statutory stakeholders to get their input to the document. The document is ready to

go and will help to inform people—for example, learner drivers and motorcycle users—where they can and cannot go. It is hoped that people will find the guide informative. Those are the kinds of things on which we have been engaging with the communities.

Jamie Greene's other question was whether we would keep engagement going after the opening. We intend to have a handover to the bridge-operating company, which is currently Amey—we will make sure that there is a smooth transition to the maintenance and operations stages of the project. We intend to keep the forums going well into 2017, as a minimum.

Jamie Greene: That is very helpful.

On paper, some of the changes to the road network at both ends look quite complex. My recollection of driving out from the site and trying to navigate my way back across to Edinburgh was that it was rather confusing. Will there be any dry runs of the process for different modes of transport in advance of the opening?

Lawrence Shackman: The road network connections should be self-explanatory and should not need a big education process. The guide will show clearly which roads users can and cannot go on, how to connect to the motorway as it will be, what the new junction numbers are and so on.

We had our most recent public transport working group meeting on Wednesday 7 December. All the bus operating companies came to that meeting, including Stagecoach, which sends its buses across the Forth. We have offered the operators a training session so that they can understand the nuances of the operation of the Forth road bridge and the Queensferry crossing. We have built in features to allow buses to be routed to use the Queensferry crossing's hard shoulders should wind affect the use of buses on the Forth road bridge, which will not have wind shielding.

Richard Lyle: I have a small question. I know that buses will use the Forth road bridge. From time to time, unusually heavy loads must cross. Are they to be directed to the old bridge or the new bridge?

Lawrence Shackman: Such loads will use the new bridge, which is designed to meet fully the load requirements in modern design standards, unlike the Forth road bridge. Exceptionally, a very wide but not heavy load might go on to the Forth road bridge with special permissions. Generally, all such traffic will go on the new Queensferry crossing.

Richard Lyle: I take it that, if there were an unusually heavy load, the operator would have to

contact the local police to be directed to the bridge that they should use?

Lawrence Shackman: Yes. An abnormally heavy or wide load has to be reported to the relevant authorities, which provide guidance on where it can and cannot go.

Mairi Evans (Angus North and Mearns) (SNP): Your written update states that the findings from the A8 and A89 corridor study were passed to the Transport Scotland officials who are looking at the second strategic transport projects review. Could you share the results of that study with the committee and indicate when the measures in it will be implemented?

Lawrence Shackman: That was very briefly discussed at last week's public transport working group meeting. I believe that the City of Edinburgh Council is to do further work to inform the outcomes of the study and will report back to Transport Scotland. The City of Edinburgh Council was not present at the meeting so, unfortunately, I cannot tell the committee much more. My colleagues who are looking at the wider STPR have indicated that implementation of the results of the corridor study is the sort of project that would be considered in that review. Aside from that, I cannot comment further.

Mairi Evans: So you cannot share any of the information that is in the corridor study report?

Lawrence Shackman: No. The initial report, which I saw in January 2016, considered the potential for bus lanes along the corridor and enhanced public transport to and through the Newbridge junction from the Gogar roundabout and the west side of the junction. There were a lot of considerations, and there is a need for further traffic modelling to realise the benefits and explore concerns.

The Convener: We may have to wait for Transport Scotland to give us that information, but it was appropriate to ask about it now.

Rhoda Grant: You told us previously that you were encouraging and developing use of trainees and apprentices. Could you give us an update on the numbers involved, or provide it in writing if you do not have figures?

David Climie: The numbers have not changed significantly in the three months since we last spoke to the committee. We currently have 99 people on Scottish vocational qualification training, and 558 have been trained on the project to date. Eight modern apprentices are progressing through their training. Currently, 14 people are undergoing professional training as chartered engineers and such professions, and the total number to date is 71. The annual average on the project is 32, compared to a contractual target of 21.

I will also touch on long-term unemployed people, which we regularly report on. There are currently 53 people employed with us who were unemployed for at least 25 weeks prior to joining the project. Throughout the duration of the project, 166 people in that category have been employed and the cumulative annual average is 50, compared to a minimum contractual requirement of 46.

10:45

Rhoda Grant: It occurs to me that some people will still be in training when the project finishes. Obviously, you will no longer be responsible for that, but are there plans to allow them to complete their training and get the qualifications?

David Climie: Yes, there are. FCBC is particularly keen to do that, if possible. It is made up of four companies, only one of which—Morrison Construction—regularly works in Scotland. However, I know that the project director, Michael Martin, is keen to try to retain the people and ensure that they complete their apprenticeships even after the job is completed.

Rhoda Grant: That is good.

We have asked previously about blacklisting, and you gave assurances that you were keeping an eye out for it. Is that still the case? You said that you do spot checks to ensure that people are being paid the same. What are you doing to ensure that subcontractors and their subcontractors are not blacklisting?

David Climie: I can give the same assurance that I gave you three months ago and that I gave to previous committees. Every time I come to a committee, I speak to Michael Martin in advance and specifically ask him that question, and he categorically says that FCBC and its companies have never been involved in blacklisting—they do not blacklist and they will not blacklist. That is the assurance that I can give you. We certainly have not been made aware of any specific allegations. If we were, we would investigate those thoroughly.

Rhoda Grant: So nobody has ever come to you and said that they feel that they have been blacklisted.

David Climie: Absolutely not.

Rhoda Grant: If someone felt that that was the case, could they come to you and have that investigated?

David Climie: Yes—they could expect a fair investigation.

The Convener: We have no more questions. Before I summarise a few things, would you like to make us aware of anything in a closing statement from one or both of you?

David Climie: There is nothing that I wish to add. Members have covered the various issues that have arisen over the past three months thoroughly in their questioning.

The Convener: Okay. I thank you for attending.

Lawrence Shackman has offered us a draft user's guide in the new year so that we can look at it before it goes out. David Climie has undertaken to write us a letter covering the financial aspects of the project that we can look at and scrutinise. He has also undertaken to give us a list of milestones or key events that we should be watching for so that we know that we are on target for the May opening. It would be appropriate for the committee to ask you to return in the early spring—the clerks will liaise with you on the date—to ensure that there are no surprises, even if they are weather related, before the opening in May.

That covers the outstanding points. I thank you again on behalf of the committee for attending and I wish you and your team on the bridge a happy Christmas. We look forward to seeing you in the spring.

I suspend the meeting briefly for a changeover of witnesses.

10:48

Meeting suspended.

10:53

On resuming—

Major Transport Infrastructure Projects (Update)

The Convener: The second agenda item is an evidence session with the Cabinet Secretary for Economy, Jobs and Fair Work, in which he will provide an update on major transport infrastructure projects, initiatives and developments within his portfolio. I welcome the cabinet secretary to the meeting. I also welcome Michelle Rennie, director of major transport infrastructure projects at Transport Scotland, and Graham Porteous, head of special projects at Transport Scotland.

I invite the cabinet secretary to make an opening statement.

The Cabinet Secretary for Economy, Jobs and Fair Work (Keith Brown): I thank the committee for the chance to give it an update on the major transport projects portfolio.

It has been a busy time for those projects, including the Queensferry crossing, in recent months, with significant works undertaken in all the projects. As you have heard, the Queensferry crossing is on schedule to open in May 2017, the usual caveat having been given about weather. Significant milestones have already been reached, including the closure of the south and north decks in October and November respectively. Construction of the north and south approach roads is nearing completion, and the centre tower deck fan was recognised as the longest free-standing balanced cantilever structure in the world by Guinness World Records. That record lasted for a few days—the bridge lost that accolade after it was connected up.

I will update the committee with more detail on the other major transport projects that are under way. Design work is well under way on the 11 road schemes that make up the 80 miles of the A9 dualling project, which is one of the biggest transport infrastructure projects in Scotland's history. We have already invested more than £89.4 million in a £3 billion programme of work; £3 billion is the figure that we have used, although as the project comprises 11 different schemes that can only be an estimate at this stage. It is important that I get that on the record. That is what we anticipate will be the ballpark figure for the cost of the project. Work has taken place since the announcement of the project in December 2011, including recent ground investigation work, which is critical in helping to inform the design process.

Residents of the villages of Kindallachan, Guay and Dowally have been campaigning against the

proposed options for dualling, on the grounds that it will have negative impacts on the villages and on their properties. Online and offline options have been thoroughly considered and strong public opinion has been expressed about both. The preferred route was made public this week—the online option was chosen—and Transport Scotland has written to the online and offline campaign groups to inform them of the decision and has published the assessment reports online. Residents in Dunkeld are currently in discussion with Transport Scotland about a co-creative process to capture community input in the route options assessment.

Construction is also well under way on the £35 million A9 dualling Kincaig to Dalraddy project, which is on schedule to open in summer 2017. Traffic is already using the southbound carriageway and work is under way to upgrade the existing road.

The dualling of the A96 between Scotland's most northern cities is a significant undertaking that requires careful in-depth planning and design to ensure that we deliver the right scheme—one that helps to tackle congestion while providing better journey time reliability and road safety for all. The dualling will help to tackle congestion in towns along the route, reduce journey times, improve journey time reliability and improve road safety for all users. I am sure that the committee is aware of the particular challenge on the existing route, which is the different categories of traffic that use the route and the conflicts that arise.

The packages of preliminary engineering and strategic environmental assessment work that we have completed are the first step in developing a robust plan to improve connectivity between Inverness and Aberdeen and demonstrate our commitment to investing in that strategically important route. In May 2015, the outcome of the preliminary work was presented to more than 2,000 members of the public at a series of exhibitions along the A96 corridor between Forres and Aberdeen. The next design phase—east of Nairn to Aberdeen—is split into three sections: the western, central and eastern sections. More detailed route options assessment work is now under way on the western section between Hardmuir and east of Fochabers.

Transport Scotland has also completed the development and assessment of the preferred option for the 31km A96 dualling Inverness to Nairn project, including the Nairn bypass section. On 29 November, it published draft orders on the scheme for formal comment. The objection period runs for nine weeks—it was extended from six weeks to account for the festive holidays, and ends on 31 January. Further progress on the scheme will depend on the level and nature of

comments—and objections, if any are received—on the draft orders.

The contract for the M8/M73/M74 motorway improvements projects was awarded to the Scottish Roads Partnership on 20 February 2014 and the main contract works commenced immediately thereafter. The new and improved roads are scheduled to open during spring 2017. As we move into the final stages of that project, the focus is shifting to completing structures, particularly the Raith underpass. It is necessary to connect the new offline infrastructure, which is now complete, with the existing online route network. Although a significant amount of traffic management has already been implemented across the project, more is planned, and there will inevitably be some delay and disruption, as there has been already, as the project progresses to completion.

I have heard some of the comments of committee members in relation to the committee's visit to the Queensferry crossing. The M8 bundle is equally impressive. I have not discussed this with officials, but if the committee wanted one, I am sure that a visit could be arranged. I am going up in a plane on Friday to have an aerial look at the project. It is a light plane—there is not a lot of expense involved—and we will post the pictures that will be taken from the plane.

There is a huge amount of interest in the project. It is an extremely impressive project that includes the achievement that, for the first time, the main road between Edinburgh and Glasgow will be motorway for its entire length. There will also be a completely new Raith junction. It is entirely up to the committee if it wishes to take up my offer.

11:00

We are continuing to progress with the design and development of a number of schemes including the A90/A937 Laurencekirk junction improvement, in which I know Mr Rumbles has a particular interest. I am happy to answer questions on that. There is also the A90/A96 Haudagain junction improvement.

Following completion of the statutory process for the A737 Dalry bypass, in July four bidders were invited to participate in the competition for the main works. Work is scheduled to commence before the end of the delivery 2016-17 financial year .

The Aberdeen western peripheral route/Balmedie to Tipperty project is the largest road project in the UK currently. It has been more than 50 years in coming; we actually started work on the route almost exactly two years ago, on 12 December 2014. Good progress has been made

during 2016 on the 58km site as a whole. Phase 1 of the project, at Aberdeen airport, opened in August this year, ahead of the contractor's planned autumn target, and is already bringing benefits to the local area.

As I am sure a number of members will be aware, road users are seeing a lot of activity on existing trunk roads, particularly on the A90, where new traffic management measures have recently been put in place at Charlestown. I visited the site at the end of last month, and was generally pleased to see good progress being made, with sections of the new road already having been laid.

The majority of the project's earthworks have been completed, with the exception of some key local sections, particularly on the Balmedie to Tipperty section. As I indicated in my letter to the committee, some issues have arisen with the delivery of the Balmedie to Tipperty section of the project. I will say a bit more about that.

Following the positive Supreme Court ruling in October 2012, the Scottish Government indicated an outline programme for the whole project to be delivered in spring 2018. The main project contractor, Aberdeen Roads Ltd, subsequently proposed opening the Balmedie to Tipperty section in spring 2017. It also proposed opening the Craibstone junction in autumn 2016; as I have said, that was completed ahead of schedule.

We consider that the proposal for Balmedie to Tipperty was challenging but achievable, and it would obviously have been welcome if it had been realised. However, last month, the contractor confirmed to Transport Scotland that it was no longer planning or able to open the Balmedie to Tipperty section in spring 2017. The timescale is no longer considered viable because the contractor has not completed key earthworks in the area whose completion was expected prior to the current winter period. Committee members will appreciate that certain construction processes are sequential, as you will have heard in relation to the Queensferry crossing, and that various critical works—such as drainage works, road foundation works and the realignment of some local roads—are dependent on the completion of earthworks before they can be undertaken.

The intended completion of certain key earthworks on the Balmedie to Tipperty section after winter has a consequential impact on the overall programme for that section. Committee members will appreciate that undertaking earthworks during the winter period can give rise to certain risks, including, in particular, environmental risks around the control of run-off from the site and risks to weather-susceptible materials. Indeed, as the committee will recall, members raised a number of concerns last year about some of the contractor's activities during the

winter period. Those concerns were primarily about water run-off from the site and the impact on water quality and local watercourses.

It is worth highlighting that, following the concerns that were raised by committee members—including you, convener—the contractor undertook positive mitigation work with other key agencies throughout 2016. That included the introduction of temporary measures such as the use of water treatment apparatus and ponds.

In order to mitigate the effects of winter working this year, the contractor plans to keep earthworks to a minimum. The contractor had been undertaking extensive earthworks across the site into October this year, but that was scaled back with the onset of the winter season.

As part of the Scottish Government's continuing scrutiny of the AWPR/Balmedie to Tippetty project, I have put in place detailed governance arrangements, which are overseen at the top level by a project board involving Transport Scotland, the Scottish Futures Trust and the funding partners at Aberdeen City Council and Aberdeenshire Council.

On a day-to-day level, Transport Scotland closely monitors the project through a set of well-established and robust project management procedures that have stood the test of time. They include regular attendance on site by Transport Scotland officials and detailed reporting from the contractor to Transport Scotland's project technical advisers and on-site representatives.

Since I received the Balmedie to Tippetty notification in November, my officials and their technical advisers have interrogated the contractor's explanation of its position, taking into account its working methods and stated assessment of the current position, particularly in respect of earthworks. My officials and their advisers have confirmed that, in the circumstances, they concur with the view that the works on that section will not be complete by spring 2017.

I highlight for the committee's benefit that the project contractor does not receive payments for sections of the project until they are available and open to traffic. However, throughout 2017, road users will start to see the benefits of the project in addition to those at the Craibstone junction, as new local roads and slip roads begin to open to traffic.

As with all major projects, I will continue to monitor and scrutinise the project closely. I remain firmly committed its delivery, with all the benefits that that will bring. Notwithstanding the developments in relation to the Balmedie to Tippetty section, I expect the contractor—an

international consortium of construction companies with a great deal of experience—to deliver the project in winter 2017-18.

As committee members will appreciate, weather can be a factor that influences the programme for major civil engineering projects such as the AWPR. It is therefore difficult to give very specific dates. That being the case, I clarify that the roads are scheduled to open to traffic in winter 2017-18, when we will see the AWPR/Balmedie to Tippetty project provide significant benefits to the people of the north-east.

Again, I thank the committee for the opportunity to provide today's update. I will answer any questions that members may have.

The Convener: Thank you, cabinet secretary. I will struggle to get through the Conveners Group the costs of the committee going up in a light aircraft to view the M8 with you. We may have to decline that offer and use a more traditional form of transport. I am sure that the committee will consider that.

You have opened up a wide discussion covering areas of interest to various members. I urge members to keep their questions as short and focused as possible. I also ask you, cabinet secretary, to keep your answers as short and focused as possible.

Peter Chapman: My questions are about the delay to the Balmedie to Tippetty section, which is obviously very disappointing for the thousands of people who travel that road every day. I, too, travel that way very regularly. There may be some delay over the winter, but why has that resulted in a knock-on effect of the road being delayed by nine months to a year? I can understand that some delay might be caused if the earthworks cannot be done over winter, but why is that leading to almost a year of delay? That seems excessive.

Keith Brown: As I mentioned, we expected the work to finish within the terms of the main contract—as we set out, by the start of spring 2018. Then the contractor brought its bid forward and said that it could finish earlier. Of course we were delighted to hear that. I stick to the fact that the work is expected to finish by the end of the contract, but it is possible that the contractor will finish substantially before then.

The reason for the knock-on effect that you describe is the sequential nature of the works, particularly the earthworks. Those works will restart after winter. Michelle Rennie or Graham Porteous can advise the committee on the practical reasons for that, but if the earthworks in key areas have not been completed before winter, that sets the project back, because other things that would have been done during the winter period cannot be done.

Michelle Rennie (Transport Scotland, Scottish Government): As the cabinet secretary has said, the reason is that the operations are sequential. We need to get the earthworks out of the way before we can start the road construction and because the area is now not available until the earthworks are complete, there will be a period of about six months—depending on how quickly spring comes to that part of Scotland this year—before we can restart construction.

Peter Chapman: Have you absolutely ruled out any earthworks over winter? The weather conditions right now are not bad and soil conditions are reasonable. We might get an open winter and two or three weeks of hard frost, which would be ideal for earthworks. Have you ruled out taking a more pragmatic approach and working away as long as you can? I am not suggesting that people should be working in very poor conditions, which would create problems, but as long as conditions are okay, why are we not moving ahead?

Keith Brown: I agree that the weather is unexpectedly mild, but I am not sure how easy it is for the contractor to reverse the decision that it has taken and to be opportunistic in taking the weather into account. Michelle Rennie might be able to answer that.

Michelle Rennie: The contractor took the decision on the basis of its experience last winter, when it tried to undertake earthworks during the winter and had a number of difficulties that ended up causing environmental problems. The contractor has tried to take a responsible approach this year and has decided that delay is the best approach.

Peter Chapman: You were told by the contractor on 9 November that it was having issues with completing the project. Two of my colleagues were at the Public Audit and Post-legislative Scrutiny Committee on 24 November and specifically asked Transport Scotland officials whether there was any delay. They were told that everything was on track and on schedule. Suddenly, a couple of weeks later, we hear that we are facing a delay of nine to 12 months. What is going on? Why were my colleagues given the wrong information just a couple of weeks back?

Keith Brown: Perhaps Michelle Rennie can answer for the Transport Scotland officials but, as I laid out in my statement, the process that we follow—and this is true of many projects—is that if a contractor says to us that there is a timescale issue or some other issue, we do not simply accept it and, until we have agreed it, we do not go along with the contractor deciding what it intends to do. A substantial amount of interrogation was carried out on what the contractor said. Some of the issues that you have

raised were interrogated to determine whether it was still possible to achieve the timescale. There have been instances when we have managed to convince a contractor to alter its views, or when we have been able to provide it with further assistance. Therefore, until Transport Scotland agrees with the contractor that the project will not proceed as scheduled, the position is that it is on schedule.

I was not involved in the evidence session that you referred to. Perhaps Michelle Rennie has more to say.

Michelle Rennie: I think that it was stated at that meeting that, overall, the project was running to schedule. That was and remains the case. A section of the project is now running late—as Mr Brown said, we initially found that out on 9 November. Because it is a large and complex project, a lot of investigation had to take place into what impact that late running might have, whether we could bring any mitigations to bear and whether the contractor had taken the correct decision. We needed some time before we were in a position to tell you about the delay.

Peter Chapman: What impact will the delay have on the overall cost of the project? Who bears the cost of the delay: the taxpayer or the contractor?

Keith Brown: As I said in my opening statement, the contractor is paid only when the road is opened—that is how such contracts work. We do not pay anything until that point, so, for the period that elapses between the projected opening date of spring 2017, as notified by the contractor, and whenever the road opens, there will be no payments to the contractor for the road. The contractor that completed the Craibstone junction early has now received a payment because the road is being used. For the Balmedie to Tipperty section, which is a discrete section of the AWPR project, and for the overall project, payment is made only once people can use the roads. That means that the contractor is forgoing payment in the meantime.

Peter Chapman: When the road eventually opens, will there be an extra payment to the contractor because of the delay or will it fulfil the contract at the original price?

Keith Brown: The only payments that we make for the completion of the roads are those that are set out in the contract. I think that they are called unitary charge payments, and contractors are eligible to start receiving them only when a road is completed and in use.

11:15

Stewart Stevenson: There are obvious advantages for the purchaser—the Government—in having a fixed-price contract, but equally there can be disadvantages for the contractor, particularly if the Government applies pressure to speed things up against what the contractor wants to do. There might be additional costs associated with that for the contractor, which will be of no interest to the Government.

I wonder whether you have pressured the contractor—in a reasonable, proper way, because you have contractual timetables as well as contractual costs—in a way that has increased costs for it. Just how vigorous have we been with the contractor in making sure that it is living up to the timetable that it has suggested, which is much better than the one that the Government was originally looking for?

Keith Brown: If we go back into the history of the project, it is clear that people in the north-east have been waiting for elements of it for the best part of 50 years. There were protracted legal processes through different tiers of the legal system that provided further delay. As soon as the Supreme Court issued the final legal judgment, we undertook what is probably the fastest procurement process that has ever been undertaken for a project of this scale. I remind the committee that this is at present the largest roads project in the UK.

As you said, it was the contractor that came forward with the earlier date, so the pressure has come from the other side—the Government has not applied pressure in that respect. We said at the time that the completion date would be spring 2018. The contractor, in a competitive bidding process, came back with an earlier finish overall and with staged completion dates. If pressure has been put on the contract, it has come from the contractor itself. Yes, we have interrogated and pressured the contractor—to go back to the previous question—when we have been advised that it did not think that it could get one section completed by the date that it had given. However, the pressure that the contractor will feel in order to get the different elements of the project completed is a pressure that it has imposed on itself. It put that timescale into its bid—we had simply given it the overall date of spring 2018.

Stewart Stevenson: I would like to ask one other question. You might be rather disappointed—as I am—at the relatively short notice of what is a significant change to the contractor's original proposed date. In my experience of major projects in software—not in civil engineering—we always operated a rule of four. In other words, if you were delaying by a month, you had to give four months' notice. In this

case, we are looking at a delay of six months at least, and possibly more. Perhaps you will agree with me and have your officials speak to the contractor about giving much earlier notice, perhaps based on the rule of four, of any changes in the schedule. There is a reason for that rule. If you have that amount of scheduled notice of changes in the timetable, you have some options in how you reconstruct things. If you get close to the delay, you essentially have a take-it-or-leave-it situation, which is not generally very satisfactory behaviour on the part of the contractor.

Keith Brown: That is a very fair point. According to your rule of four, the contractor would have had to give us notice of a six-month delay on the day the contract started. I have tried to explain that the delay of six months—or longer, as committee members have pointed out—is a result of the sequential nature of the project and of the nature of the winter intervention that has prevented the work, but you make a fair point.

We want to have as much advance notice as possible, as we wanted for the Queensferry crossing. This contract has been taken forward remarkably quickly, and that produces its own pressures for the contractor, but it is a fair point and the officials have now heard it.

Mike Rumbles: You keep saying that the project is proceeding quickly. However, to go back along the timeline, in the second session of Parliament—I remember it well, because I was in Parliament at the time—Jack McConnell announced that the Scottish Executive was going ahead with the project. There was then a change of Government in 2007. There was, as you referred to, some legal action over the southern leg, but there was no legal action over the northern leg. The controversy was simply about whether the southern leg would go through Culter and Milltimber or Milltimber and Bielside—that was it. You could have proceeded immediately when the Government came into power, but you did not.

There are lots of reasons for delay, but I took the second last paragraph of your letter with a pinch of salt. It says:

“The Scottish Government has pursued the AWPR/B-T project with vigour throughout its development. It was a considerable success to be able to begin the construction phase in 2015.”

From my perspective, we should have started the project immediately in 2007. Why did the Government decide that it would not proceed until all the legal processes were finished with the southern leg?

The Convener: Before you answer, cabinet secretary, I remind members politely that a brief question will get a succinct answer. I very much

take the point that Mike Rumbles is making about history, but the shorter we keep things, the more I will be able to get everyone in. A lot of people with questions are stacking up.

Cabinet secretary, can you give us a brief response?

Keith Brown: There had been 50 years of waiting and eight years of a previous Administration during which the construction was not started.

I completely disagree with Mike Rumbles on the legal process. The legal process prevented the start of the project. We acted extremely quickly on the project and I am proud of the actions that the Scottish Government is undertaking. The project remains immensely popular. People see the work that is on-going and they anticipate the benefits. Of course, though, I regret that we are not able to get completion of one section as quickly as we would like.

I hope that that is brief enough, convener.

The Convener: Can you summarise something? I am a little confused. There was a briefing on 24 November that said that everything was on time and on budget. However, at that stage the Scottish Government knew that it would not be on time, because it had been warned on 9 November. There was also a briefing by the contractor to Aberdeen City Council on 2 November, saying that everything was on time and on budget, even though it knew that that was not the case. Was that a wise move?

Keith Brown: With respect, convener, perhaps that question goes back to the point that Peter Chapman raised. On 2 November, we had not been told by the contractor. I was not part of the Public Audit and Post-legislative Scrutiny Committee's evidence session, but I think that it is true to say that the point that was made there was that the overall contract was on—I do not know, because I was not there.

I will repeat what I said before. Until we have been notified and have interrogated the notification, we do not accept that the project will be delayed. That is why I have come before the committee to answer these questions at the earliest opportunity.

The Convener: I think that the difficulty that people will have is that the word "overall" slipped in when you talked about it. People are always more wary when it comes to delays.

Peter Chapman made a point about soil conditions. The contractor has had the ability to work on site and programme a visit. Brief investigations with the Met Office suggest that the rainfall in September was 36 per cent of the average total of the past 30 years. In October it

was 87 per cent, in November it was 75 per cent and in December it was 15 per cent. Those are all perfect earth-moving conditions, or at least nothing out of the ordinary. Has the contractor been as diligent as it could have been in undertaking the work when it was supposed to have been doing it?

Keith Brown: It is for the contractor to evidence those kinds of assertions about the weather. I point out, however, that storm Desmond happened during the construction of this part of the project, and that produced challenges across the UK. In addition, there were exceptional weather patterns prior to the ones that you mentioned.

I did not slip in the word "overall" and I qualified what I said by saying that I was not party to the evidence that was given. According to what Michelle Rennie said just now, the answer that was given to the committee was about the overall project. I am not saying that I know that; I am just saying that that is what I am hearing.

This is true of all projects: until we are notified, we do not simply accept that there will be a delay. We challenge such things, and that is what we have done in this instance.

The Convener: Richard Lyle has a small question.

Richard Lyle: Cabinet secretary, can you confirm that the M8, M73 and M74 project is a fixed-price contract?

I thank you for the work that you are currently carrying out and the help that you are giving me. I was invited by Humza Yousaf on a personal visit. I found it informative and I encourage other members to go along and see the work that is being carried out in that area in my constituency.

Keith Brown: Yes, it is a fixed-price contract.

For the convener's benefit, I should clarify that my invitation to committee member earlier was not to come up in the plane; it was simply to visit the project. As Richard Lyle has said, he was impressed by the work that is going on. He is not the only one—a number of other people who are affected by the project have also been impressed. If members of the committee want to visit, we will facilitate that.

The Convener: I am disappointed to hear about the aeroplane.

Rhoda Grant: I am not sure that I am that disappointed.

Cabinet secretary, earlier, you said that there would be no additional costs to the Scottish Government as a result of the delay to the AWPR. Is the contractor subject to any penalties in that regard?

Keith Brown: Not in that regard. The specific penalty is the fact that it will not receive any money because the road is not available for use.

Rhoda Grant: When will each stage of the project be ready and open for use? Will there be further delays to different stages, or is the delay that we are discussing the only one?

Keith Brown: The three deadlines that were specified in the contractor's bid concerned the Craibstone junction, which was scheduled to open in autumn 2016 but opened early, in August; the Balmedie to Tippetty route, which we have discussed; and, beyond that, the overall timescale for the contract. I have also mentioned the fact that different elements—perhaps smaller elements, such as certain slip roads and smaller junctions—that were not specified when the bid was made will also be available to the public in advance of the completion of the project. The overall completion of the project will be in the winter of 2017-18.

John Mason: The M8, M73 and M74 all go through my constituency. The project is hugely impressive. I know because I drive around the area, but I believe that committee members would be hugely impressed if they were to go and see it for themselves.

The financial aspects of the AWPR have been touched on already, but I would like further clarification. If the contractor is taking longer than it planned to, it will have equipment that will be sitting on site over the winter, wages that it did not expect to have to pay and so on. Do all those costs have to be met by the contractor?

Keith Brown: Yes, all this is done at the contractor's own risk. Of course, the contractor would have expected that plant and personnel to be on site in any event, but it would have expected them to be more productive than they are able to be over the winter period. The contractor would have expected to start receiving income for that section in the spring of next year. It will not now receive that income, but it still bears the costs of completing the work.

John Mason: I take your point that the cost is the delay in payment. However, as Rhoda Grant suggested, would it be worth having bonuses or fines if people are quicker or slower, or would that just complicate the contract?

Keith Brown: The professionals who are involved in the matter might be best placed to answer that question but, before I let Michelle Rennie do that, I will just say that there must be a balance and flexibility in every contract. If you seek to be more prescriptive, that can introduce more risks into the project.

Michelle Rennie: The contracts for the AWPR and the M8 are both non-profit-distributing contracts. The principles of those contracts are mandated across all Government projects. The contracts seek to balance the risks and the benefits of the projects. The intention of the procurement period was to try to get a better understanding of each bidder's apparent risks and to see where the risks were best placed and what costs were associated with them. The process of trying to understand that better went on for a considerable number of months, and we then invited contractors to submit a tender in which they identified dates by which we thought that they would be able to deliver at a cost that is proportionate to what they intended to deliver. In essence, applying additional penalties would be likely to increase the contractor's risk and have a potential value-for-money impact on the public purse.

11:30

John Mason: In effect, if the contractors thought that there was a 20 per cent risk of a penalty, they would add that on to the cost to cover themselves. Would there also be a danger that they would delay the completion date so that they would be more likely to meet it? I am talking about when they put in the tender.

Michelle Rennie: They would certainly try to cap off their risk. They will seek to take a responsible attitude to risk for their own organisation and will try to come up with something that is achievable. If there are penalties, there is always the potential that they will play it safe.

Rhoda Grant: It occurs to me that this delay might be a cost saving for the contractor. If, as Peter Chapman suggested, the contractor had people and machinery on site and went with the weather, there would be a cost if the weather changed and it was not able to use them. However, by stopping altogether, it does not have to pay people and it does not have the machinery hire costs. The way in which the contract has been written and the contractor's approach is saving the contractor money, rather than running the risk of accruing more costs if the weather is not helpful.

Michelle Rennie: We do not have an open-book form of contract, so we do not have access to what money is going in and out of the contractor's organisation. Nowadays, contractors operate a much more flexible approach. It is not as though they will hire someone who will come on site for six months regardless of what happens with the weather or other circumstances. In most cases, the contractor will be able to redeploy the majority of the resource to other activities elsewhere in the site. The situation is not one in

which there are a lot of people and plant, which the contractor is or is not paying for, standing there for six months.

Keith Brown: It is also true to say that the contractor will have taken on borrowing from various institutions and will have to service that. The income that contractors get from a road being open is extremely important to their financial wellbeing. The fact that they will not be paid is a major incentive. If they deliberately sought to extend the contract for other reasons, they would also be taking a reputational risk

The Convener: Rhoda Grant made an interesting point. If the contractor decides that it is going to delay and that is approved, it takes the equipment off hire so that it is not faced with any risk or costs, which means that it is dispersing its costs or putting them back to a later point in the project by delaying them. The benefit to the contractor of putting up its hands and saying that it is going to do the work later is that there does not seem to be a penalty from the Government and the risk to the contractor is minimised. It does not have the costs and it does not need the money until you pay it. That is the point that Rhoda Grant was making, but I do not think that Michelle Rennie has quite answered it. Do you want to come back on that?

Michelle Rennie: Not many contractors would tell you that they do not need the money that is likely to come as a result of completing a section of work. This is a big project, so we are talking about substantial moneys. The organisations are facing substantial risks and such decisions will not be taken lightly by anybody.

Our technical advisers have confirmed that the contractor worked well into October. There are only a few weeks of earthworks left to be done and, had that work been finished, the contractor would have been able to continue through the winter period. However, the contractor was just not able to complete the earthworks in time, despite its staff's best efforts. The contractor is also conscious of the environmental problems that it had last winter and did not want to get itself into that position again.

The Convener: Before Peter Chapman comes in again, I have an observation on that point, which is that because it is not an open-book contract, you do not know whether the contractor is paying the subcontractors on the completion of the job or piecemeal. The pressure on the main contractor will be less if it is piecemeal.

Peter Chapman: I still have not had a clear explanation why, if a couple of months' working time is lost over the winter—and we may not lose any—that puts the whole project back by almost a year. In theory, that should put it back by two

months. You said that there is a lot of consequential work, but, if we get the earthworks done, the contractor can get stuck into the consequential work, and that puts you back by two months. Where do the other nine, 10, 12 months come in? I just do not get it.

Keith Brown: First, I do not think it is inevitable that it will be nine, 10 or 12 months. The intention is that the contractor will crack on with work as soon as possible after any delay.

Secondly, it will not be a loss of two months over the winter; it will be longer than that and that adds to the time at the other end. The consequential works cannot be started until the winter period is finished and the earthworks are completed. Obviously, they cannot start the foundations for the road until the earthworks have been completed. That is the sequential nature of it.

I will come back to the point that you made, convener. If, when the contract was let, there had been an incentive for the contractor to down tools and stop working over a six-month period, the contract would not have included terms to allow it to complete sections of the road earlier. That is in the contract because the contractor can make money from early completion. That is its incentive.

As Michelle Rennie said, if we were to go to a different kind of contract, under which we were able to impose penalties, that would be factored into the bids.

Those are the checks and balances that we have in this type of contract. Do you want to add to that, Michelle?

The Convener: I will leave that point there, because I accept that contractors will hedge penalties in the overall price.

Gail Ross has a question on a slightly different issue.

Gail Ross: Cabinet secretary, you said that the project is being delivered by the NPD model. We have heard about the delay to the completion date, and Stewart Stevenson touched on the changes in scheduling. The challenges at the moment are particular to this project, but do they have wider implications for the management of projects being delivered through the NPD model, and what lessons can be learned?

Keith Brown: I will give two answers to that. First, the nature of the contracts that are let and how they can be improved should always be kept under review. The intention in relation to NPD is that the risk is transferred to the contractor; that is what we have sought to achieve. As has been suggested by members' questions, there are different models that can be followed.

Secondly, the NPD model itself has been brought into question by the new guidance that has been issued in the form of the European system of accounts 2010—ESA10—from Eurostat and the European Commission. That has meant that we have had to make changes. For example, this contract is now allocated to the public sector, where previously it was not. Further guidance is coming out from Eurostat, although that is partially bound up with whether we remain within the EU.

We regularly review the nature of the contracts and the contract model that we have. Work is on-going to make sure that we have the best available model. The NPD model was developed because we felt that the previous public-private partnership contracts had often given rise to unjustifiable profits and the NPD model seeks to cap those profits and share them among charities.

The Convener: Cabinet secretary, as there are no more specific questions on the delay, I will move on to slightly wider issues within your portfolio. Stewart Stevenson will start.

Stewart Stevenson: This is a broad question about how all our major projects inform our future decision making. What processes does Transport Scotland in particular and perhaps the minister, too, have for learning lessons so that every project we come to we do a little bit better than the previous one?

My project management guru is a guy called Fred P Brooks, who retired a few months ago, at the age of 85. He talks about making an omelette: you are promised it in two minutes; if it is not set in two minutes, you either eat it raw or you wait. There are lessons there about whether two minutes is the right answer. The same applies here. How do we deal with that?

Keith Brown: In general terms, we do try to learn lessons, which are different for each project. Some projects have been allocated to the public sector and have been undertaken in a different way. You will know as well as I do about the different nature of the Queensferry crossing contract and how that came about because of pressures of time. We do learn and we do review how we conduct projects. I mentioned one aspect in relation to NPD.

If you look around the north-east, there was the Bridge of Don project—it was not carried out by us but, from memory, was delayed by weather. We looked at what happened with that and other projects. A number of projects in the UK have been very substantially delayed, so we have looked at them in order to avoid the same pitfalls.

In general, we have a very good track record. When we get something right, we should learn from that, too. We learned lessons from the M74 project, which was hugely challenging in

engineering terms as it is largely an elevated motorway, and from the M80 project, which Stewart Stevenson was involved in. We even learn from railway projects such as the Airdrie to Bathgate line, the Borders line and the Stirling-Alloa-Kincardine rail link, which tend to be more challenging, although we have less direct control with those. The Stirling-Alloa-Kincardine project is a good example: it started off at a price of £6 million, at least for the Stirling to Alloa part, but it ended up at £83 million. That was before my time. That was largely to do with the background of a very fragmented rail industry, which caused all sorts of problems.

We seek to learn from what we have done before and work is always on-going to ensure that we do that for the finance side and for the project management side.

Stewart Stevenson: I will just make the observation that at one stage the cost for the Alloa line was £91 million, but we managed to claw it back.

What has delayed the AWPR, in particular, has been planning issues and getting the road orders through the process, even though, as minister, I split it into three bits because the objection was to one bit.

The Convener: I am mindful that the minister is pushed for time and that there are a lot of questions stacking up. I think that we have moved on from the AWPR. Do you have a specific question?

Stewart Stevenson: It is specific to that. I want to know whether there is any intention on the Government's part to look at how the planning operation works and how we can make decisions faster, while properly respecting the rights of objectors. The AWPR was three years in the system before we got a decision and that, to an observer, seems extraordinarily long.

Keith Brown: I can confirm that it is extremely frustrating but, at the same time, the different levels of judicial review are there to protect the rights of individuals. It was very frustrating for all the reasons that the member will know. We look at those things to see how we can ensure that the process is as quick as possible in the future, but they largely involve the protection of rights of groups or individuals, which we want to continue with.

The Convener: The committee will shortly look at a petition relating to the junction improvement at Laurencekirk and we now come to two questions on that work. Mike Rumbles will ask the first one and Mairi Evans the second. It would be particularly helpful to the committee to receive an undertaking from you regarding the junction; if you can work that into your answer to help us with the

petition, I am sure that the committee would be grateful.

Mike Rumbles: I understand about delays, the legal process and so on, but I was very disappointed by the letter of 24 November that the committee received from the Minister for Transport and the Islands in which he laid out the work programme and said that work will not begin until 2021 at the very earliest. The minister said that it will take three years for the Government to identify a preferred junction layout—that has nothing to do with protests or road orders—and another year to develop the preferred option. I cannot understand why the Government will be working on it for four years, which is before the two years that will be needed for the draft orders and everything else. People do not understand why it will take the Scottish Government so long—that is my main point.

Keith Brown: Once again, there is a long and protracted history to that, which Mike Rumbles will know well enough. It has fallen to this Government to undertake some of the mitigation works regarding the risks at the junction. We have undertaken those works and they have proved to be successful. However, for reasons that Mike Rumbles will be aware of, the campaigners feel that those works are insufficient.

We have looked at the issue over a number of years and it largely falls in the area of the transport minister, who is involved. The on-going design and assessment process is programmed to be completed in 2018—that is as specific a date as I have just now—and development of the detailed assessment of the preferred option will follow that, culminating in the publication of the draft orders in 2019.

Mike Russell will know even better than me the complications around that junction—the question of which end to place the grade-separated junction, for example. Further, for a number of years, the issue was bound up with issues relating to development, but I think that we have cut across that now by saying that we will go ahead with the project. However, these projects take time and, if you want to do them in the right way, especially with regard to a complicated junction, you must spend time at the early stages doing the necessary design work.

Michelle Rennie can say more about that.

11:45

The Convener: For the benefit of the *Official Report*, I note that the cabinet secretary meant to refer to Mike Rumbles, not Mike Russell.

Keith Brown: I apologise.

Michelle Rennie: Significant work is already under way on the Laurencekirk junction in terms of developing design options. We need to consider all the options before we get to a preferred route. In considering all the options, there is quite a lot of technical work, site investigations, consultation with various landowners and so on that must be gone through if we are to arrive at the correct conclusion. To ensure that we are able to get through the necessary statutory processes successfully, we need to ensure that we have been through all that in the proper way and have given everything due consideration. That will take us to 2018. At that point, we will be in a position to develop the preferred route, once that has been identified. The intention is that we will publish draft orders in 2019 and, subject to there being no objection to those orders, we can then start construction in 2021, at the earliest.

Mairi Evans: I will follow on from Mike Rumbles's question, because that information is not clear to people—I have certainly had a lot of constituents contact me about it since we had the information from the transport minister. It is important to outline the exact process and why the process takes the time that it does, because that is not understood by a lot of people. That is the information that we need to hear. We must have it all laid out.

The Convener: Do you feel that the cabinet secretary has laid out that information now?

Mairi Evans: I intend to ask the cabinet secretary about the issue later on this afternoon, too—I will just give you a heads up on that, cabinet secretary. It would be useful if the Government could write to the committee to set out the timeline between now and 2021 and outline the different timescales.

Mike Rumbles: I entirely agree. That would be very helpful, particularly with regard to the three-year period—this year, next year and 2018.

The Convener: Cabinet secretary, I will summarise what has been said by saying that it would be helpful to have that information in writing, because it would help us to consider the petition, which has been around in various guises for a considerable time. It is only fair that we get the petitioners the information that they desire and get some clear guidelines on when the project can be completed.

I would like to leave the issue of that particular junction at the moment. I have a question on the A9. Cabinet secretary, I think that you suggested that the overall costs, as programmed, were around £3 billion. You said that that was split into various sections. What percentage leeway, plus or minus, had you allowed within that £3 billion figure

for the overall costs? Will it be exactly £3 billion or less or more?

Keith Brown: The point that I was trying to make is that we are nine years away from the completion of the A9 and 14 years away from the completion of the A96. Those projects are broken down into discrete projects—I think that I mentioned that there are 11 projects in relation to the A9—and all that we have been able to do in response to requests for information about costs is give a ballpark figure of £3 billion. That is because we do not know what is going to happen to inflation or what will happen with regard to future projects. All that I am saying is that it is fair that we are clear about that at this stage, as I think that we have been. The cost will be determined by a series of contracts that are let.

On the AWPR, the M8 bundle and the Queensferry crossing, we received extremely keen prices. If we can have that again in future, that might well result in a reduction in the £3 billion figure. If that is not the case—because of Brexit or inflation, which we are beginning to see creep up—the situation could be different. The £3 billion figure is a guesstimate that we have had to make at the very start of the project to give some guidance to people.

The Convener: I understand your answer, cabinet secretary, but it is important for the committee to keep an eye on the costs and be informed as early as possible when you see things changing. The committee thinks that the Parliament is not thankful of receiving information that is then countermanded, perhaps as a result of an earlier meeting.

I have a further question on the A9. It is a long stretch of road across one of the most beautiful parts of Scotland—I would say that—and safety is an issue. What thoughts do you have about the fact that there are no on-road services—you have to turn off to reach them—on the A9? Is that a safety issue that should be considered as the development goes on or will you leave things as they are?

Keith Brown: We must always be open to such things. Representations have been made by heavy goods vehicle drivers' organisations in the past for on-road services. The services that have been introduced previously have been in response to local demand. It is also the case that, if drivers cannot access services on the road, they will go into the local community, which can be quite important to that community. We always consider those matters.

As you say, convener, it is a long road. You mentioned safety, but I am not sure whether the key reasons for the situation are safety reasons. I will check that out further and write back to the

committee. It is perfectly possible to have an online services junction, which can be very safe. That allows me to mention the fact that the average speed cameras have dramatically improved the road's safety record. Those cameras were bitterly opposed by a number of people, but they have had a major effect on the safety of the road. At the same time as introducing cameras on the single carriageway sections, we have increased the speed limit for HGVs, which has helped to reduce frustration. I would be happy to come back to you on the issue of services on line, convener, if that would be beneficial.

The Convener: It would also be helpful for the committee if you came back with the accident prevention figures relating to the cameras that you mentioned.

Jamie Greene: I heard the magic words “Dalry bypass” in your opening statement and although they might not be as exciting or interesting to other members, they caused me to say “Hallelujah!” to myself. The people of North Ayrshire have been waiting to hear those words for quite a while. Please feel free to respond to my question in writing if you do not have all the answers today, cabinet secretary, but can you tell us when that work will start, how long it will last, what the expected completion date is and what the overall cost of the project will be?

Keith Brown: I should say that I gave an undertaking to come back to the committee with answers to two previous points and those may come back from the transport minister, as this is really his project, too. Michelle Rennie can answer some of your questions just now, Mr Greene.

Michelle Rennie: The procurement of Dalry bypass is well under way and we hope to have that process finished in the spring. We will start work on site immediately thereafter. We have not yet finalised the construction period because that is something that we discuss with bidders through the procurement period. We are expecting it to be in the order of two years.

Jamie Greene: Can I confirm that you estimate work to start in spring 2017 for a period of two years?

Michelle Rennie: We will start some preparatory work in the spring and the main contract work will start in the summer.

Jamie Greene: Do you have an estimate of the overall value of that project?

Michelle Rennie: We will be able to finalise that once we award the contract.

The Convener: Are there any other questions?

John Finnie: We have been told that the road building programme is substantial, which I contrast

with the relatively modest rail improvements that are proposed for the north. Has any research been done on modal shift that you can share with the committee? At the moment, it is much more attractive to take the train between Aberdeen and Inverness, because it is much quicker than the road. There will be consequences down the line if that situation changes, and likewise with the Highland main line. I invite everyone to come and see the lengthy stretches of single track in the Highlands that greatly inhibit the use of public transport.

Has any work been done on modal shift, particularly to reduce goods vehicle numbers? There is a view that, rather than the A9 being dualled, dualling and electrifying the Highland main line could take 250 to 300 HGVs a day off the road. If the proposal to increase the speed limit to 50mph is implemented, road haulage will be given a further competitive advantage of half an hour over carriage by rail. I am interested to know whether work has been done on that and what the cumulative implications of all the significant road improvements and new roads are for our climate change targets.

Keith Brown: Work has been done, but it would perhaps be best if my colleague Humza Yousaf responded on the latest work. I do not want to pass the buck, but he is the transport minister.

By and large, the roads projects that I have described will achieve the objective of all of Scotland's cities being connected by either a dual carriageway or a motorway. Most modern developed economies would seek such a basic requirement.

On John Finnie's points, £180 million—in fact, it is now substantially more than that—has been committed to upgrading the Inverness to Aberdeen rail line, which potentially includes two new stations. A new station has been completed north of Inverness. There is the Airdrie to Bathgate line, and the Borders railway has taken trains into a new part of Scotland for them—or certainly one that has not seen them for 40 or 50 years. We have invested substantially. In fact, I think—I will confirm this in writing—that the amount that we are spending on rail exceeds what we are spending on roads.

On John Finnie's perfectly reasonable point about HGVs, we had a pilot of what was called the whisky train, which took whisky products from Moray to try to alleviate the pressure there. A lot of that work was done through the strategic transport projects review, which I am happy to furnish the committee with if it does not have that already. Perhaps I could ask my colleague Humza Yousaf to come back to the committee on the specific points that John Finnie raised, in addition to the answer that I have given.

John Finnie: That would be helpful. You mentioned a station north of Inverness, which I presume is Conon Bridge. A modest investment would improve the inefficient rail network north of Inverness—the far north line. Do you accept the perception that, with regard to major infrastructure, the rich get richer and the poor get poorer? We have heard from Audit Scotland that the road network is not being properly maintained. As you said, the upgrades that are taking place are concentrated on joining the cities, whereas little is happening in the north-west and the west Highlands. I have asked questions about the modal shift implications of that. There has been a modest upgrade of the A82. Do you accept that all the eggs seem to be in the basket of that triangle?

Keith Brown: No—not from the Government's point of view. The Government is responsible only for trunk roads, and some of the roads that you describe are local roads.

I am familiar with the rail line north of Inverness. My family are from Brora and lived right by the railway as it goes through the village. Local authorities are responsible for 94 or 95 per cent of all the roads in Scotland; we have just the trunk roads.

On the A82, we are providing improvements. We waited 30 years for the project at Pulpit rock, which has now been completed. That was a really challenging engineering project. Another project involves the stretch from Tarbet to Inverarnan. By mentioning those projects, I am straying into Humza Yousaf's territory, which, having been a transport minister, I do not want to do. Again, I would be happy to provide information or to ask Humza Yousaf to come back on the points that John Finnie raises.

Stewart Stevenson: The cabinet secretary will perhaps recall the opening of the new freight yard in Inverness, which took hundreds of goods vehicles off the A9. They were dry goods, but there is an equally large opportunity for fresh goods. Is the Government contemplating any work that might help to get fresh goods on to the railway network, too, and reduce further the freight on the trunk road network?

Keith Brown: Again, I will ask Humza Yousaf to come back to the committee on that point. John Finnie made a point about investing in the capacity and efficiency of the rail network. If we can achieve that, rail freight will become more attractive.

Stewart Stevenson will know that there are rolling stock challenges, which relate not to the locomotives but to the carriages. We cannot do everything at once, but the more we can improve the efficiency and speed of the railways, as we

have sought to do, the more chance there is for them to take on additional goods.

I will ask Humza Yousaf to add that to his growing list of things to come back to the committee on.

12:00

Peter Chapman: I will go straight to my point, which is about the relationship between the AWPR contractors and the local farmers whose land the road goes through. I wrote to you on the issue a few weeks ago and it has not gone away; indeed, it is getting worse. There was a wish for the road to be a success, but the good will between the farming community and the contractor is rapidly disappearing.

The contractor is taking access where it should not, and getting compensation seems to be a long and tortuous process. That seems to be souring relationships and you need to sort that out. It should be a far simpler process to get compensation when it is clearly due.

The Convener: Cabinet secretary, that is a constituency issue, and I encourage you to correspond directly with Peter Chapman on it. A general point and observation are that it would be helpful if the process could be looked at and simplified for contracts that are drawn up in the future.

I would like to leave the point there. Before we wrap up the session, would you like to add anything as a result of the discussion?

Keith Brown: Not really, other than to thank the committee for allowing me to come and give an update at relatively short notice. I will try to make sure that we do not miss anybody's points and will come back on the matters that relate to my portfolio or through Humza Yousaf.

I undertake to look again at the issue that Peter Chapman—and other members—have raised. I have one small point on compensation, which is that the processes are often statutory. They involve the payment of taxpayers' money, which we have to be careful about.

I know that there have been frustrations. I have visited businesses that are close to the new road and discussed similar issues. We will look into that again and come back to Peter Chapman.

The Convener: On the committee's behalf, I thank the cabinet secretary for his time and wish him well in his aeroplane next week. It would be more appropriate for an ex-marine to be on foot, but I take it that you will be in an aeroplane.

You have been asked to come back to the committee on a list of things. I add to that a request for you to provide a written update on the

completion of the A9, A96, M8, M73 and M74 improvement projects, so that we can predict the opening times and have information on any milestones that would help the committee to gauge progress, which will allow us to monitor whether the projects are being delivered within the timescale. The clerks will write to you directly about that.

I briefly suspend the meeting to allow the witnesses to leave.

12:02

Meeting suspended.

12:03

On resuming—

Public Petitions

A90/A937 (Safety Improvements) (PE1236)

The Convener: The committee will consider two public petitions. The first is PE1236, by Jill Fotheringham, on A90/A937 safety improvements at Laurencekirk. The petition was previously considered on 26 October, when the Minister for Transport and the Islands agreed to write to the committee with further information on an indicative timescale for the design, development and delivery of the proposed project.

We have heard more about that today. Members will note that a letter has been received from the minister that indicates the Scottish Government's intention to identify a preferred junction layout by 2018 and, provided that no objections are raised in response to the draft order, to begin construction in 2021. The cabinet secretary confirmed that today.

I invite members' comments on the petition.

Mairi Evans: I know that we have just heard from the cabinet secretary, but I am keen for us to keep the petition open. A previous petition on the issue was closed in the past, and closure remains a concern for the petitioner and for the people who have campaigned for the Laurencekirk junction, because I think that work stalled when the previous petition was closed.

We have heard a commitment that the work will take place but, if we can keep the petition open—even if it does not appear on our agenda as regularly as it has over the past few months—that will show the committee's commitment to the Laurencekirk junction project progressing.

Mike Rumbles: I agree. The problem is that people out there do not understand why the Scottish Government is taking three years to get through the first part of the process. They feel that the issue has been kicked into touch. If it has not been, and if the Scottish Government is getting on with the work, people need to know that. It will be extremely helpful to receive in writing the information about the three-year process. That is probably all the information that we need, and I would like to keep the petition open until we get it.

Stewart Stevenson: A previous petition on the subject from Jill Fotheringham was closed and did not lead to action. It would therefore be fair to her to keep this petition open until we are absolutely sure that there will be a project, but I agree that we should not gratuitously bring it back for further discussion in the absence of progress, unless we feel that the project is slipping.

The Convener: As no one wishes to speak against that suggestion, it seems that there is a consensus that we should keep the petition open and that we should press the cabinet secretary for the detailed information about the timeframe that he talked about, make those details available to the petitioner as soon as we have them and review the petition when it is appropriate to do so. I give an undertaking to the two committee members who have a constituency interest in the issue to keep it on the agenda. Do we agree to that course of action?

Members indicated agreement.

Protecting Wild Salmonids (PE1598)

The Convener: The second petition that we will consider is PE1598, by Guy Linley-Adams on behalf of Salmon and Trout Conservation Scotland. The petition was previously considered on 26 October.

In the annex to paper 6, there is a letter from the cabinet secretary in response to the committee's request for further information. The committee also received a letter from the petitioner on Monday, which was circulated to members and is available on the committee's website.

Before we discuss the petition, I declare that I have an interest in a wild salmon fishery and have views on sea lice.

Peter Chapman: I accept that this is a big and important issue. Right now, the committee lacks sufficient evidence to make a decision. We have all said that we would like to visit a fish farm, which would be useful in forming opinions. We also have to ask the cabinet secretary for more information.

Stewart Stevenson: I am fortunate to have had a number of visits to fish farms over the years, but I think that it would be beneficial for the committee to visit a fish farm. That would ensure that we were better informed about what we might want to put to the minister.

I am not entirely sure that the correspondence from Guy Linley-Adams correctly represents some of the issues, but I do not want to go into any of the detail at this stage because, of course, it is conceivable that I might be wrong in that supposition.

The Convener: God forbid, Stewart.

As there are no further comments, I suggest that we keep the petition open and that we visit a fish farm. As a result of that visit and any further information that the cabinet secretary can give us, we might consider taking further evidence from the parties that are involved, if that is appropriate. Do we agree to that course of action?

Members indicated agreement.

The Convener: That concludes today's *Meeting closed at 12:09.*
committee business.

This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

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