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Scottish Parliament

Thursday 31 May 2018

[The Presiding Officer opened the meeting at 11:40]

General Question Time

Immigration

1. **John Finnie (Highlands and Islands) (Green):** To ask the Scottish Government what discussions it has with trade unions, public bodies, social enterprise and business regarding Scotland's immigration needs. (S5O-02167)

The Minister for International Development and Europe (Dr Alasdair Allan): Migration is crucial to Scotland's economic prospects and demographic sustainability. The Scottish Government has met with and seen evidence from a range of individuals and organisations on Scotland's current and future needs.

In November, we set out the evidence about the importance of migration to Scotland in our submission to the Migration Advisory Committee. We followed that earlier this year with a discussion paper on "Scotland's Population Needs and Migration Policy", which showed how a tailored approach to migration for Scotland, with new powers for the Scottish Parliament, could work. The Scottish Government shares the concerns of those bodies about the risks of the United Kingdom leaving the European Union and the hostile-environment immigration policy that is being pursued by the UK Government. The development of the MAC submission and our discussion paper involved close engagement with key stakeholders in Scotland, and we are continuing to engage with partners to build consensus across the political spectrum and wider civic society.

John Finnie: I thank the minister for that detailed and welcome response. He will be aware of the recent Channel 4 news report about the challenges connected with the fishing industry in Barra, in his constituency. We also have the situation of the Canadian teacher who was refused a visa by the Home Office, thereby threatening the provision of Gaelic-medium education on Mull. The national health service and tourism are important sectors, and we want to welcome people to support our communities. The Tories' hostile-environment policy simply does not help Scotland at all. Will the minister consider reconvening the cross-party ministerial working group that, in the previous session of Parliament, secured support on a cross-party basis to reinstate the post-study

work visa, and broadening its remit to address those pressing matters?

Dr Allan: I will pick up on a couple of the sensible issues that the member mentions. On the issue of the teacher who was seeking to come to work in Argyll and Bute and who was denied the opportunity so to do, one of the problems behind that and other examples of its kind is that, at the moment, we are in the sixth month in a row in which the UK Government has put a cap on the number of visas for people coming to do that kind of job. No visas are now being made available for jobs with a salary of below £50,000 a year, which is why teachers and others have fallen into that situation.

On fishing, the member will be aware that fishing has not featured highly in the UK Government's approach to the Brexit talks and has not been high on its list of priorities, with consequences for everyone.

On cross-party working, I am happy to work with the member and others across the spectrum to ensure that we address those and other issues around Brexit.

Crown Use Licence (Biosimilar Drugs)

2. **Alison Johnstone (Lothian) (Green):** To ask the Scottish Government what powers it has to enact a Crown use licence to allow the production of biosimilar versions of the breast cancer treatment, Perjeta, and drugs for other conditions. (S5O-02168)

The Cabinet Secretary for Health and Sport (Shona Robison): The Scottish Government has power to apply for a Crown use licence, but we do not consider that invoking that power would provide a quick solution to providing the medicine for patients in Scotland. That is because an alternative manufacturer would have to go through a lengthy process of obtaining regulatory approval from either the European Medicines Agency or the Medicines and Healthcare Products Regulatory Agency before it could make a submission to the Scottish Medicines Consortium.

Roche, the manufacturer of Perjeta, has held discussions with NHS National Procurement and I expect that dialogue to continue in order that Roche can bring forward a new submission to the SMC for its consideration.

Alison Johnstone: The campaign body Just Treatment states in its briefing on the issue that "the key driver of the price is the patent-backed monopoly".

Breast cancer patients are urging us all to ensure that they can access the treatment that they need.

I am delighted to hear that the manufacturers of Perjeta are in discussion. They need to make an

urgent resubmission to the SMC, at a reduced price. However, we should not rule out any legal mechanism or procurement option that would help patients. In Italy, just the prospect of a compulsory licence being enacted helped to reduce the price of a hepatitis C medicine. What lessons is the Scottish Government learning from other countries about access to medicines and drug prices?

Shona Robison: We always look to learn lessons from other countries.

As I said, the process that would be required is not a straightforward one. Alison Johnstone made the point that patients should get access to the treatment that they need as quickly as possible. As I said, Roche is in discussion with NHS National Procurement, and that dialogue continues. I urge the company to make a new submission to the SMC, for its consideration. Obviously, the timing of that is with the company, but I urge it to act as quickly as possible.

Alison Johnstone is right to say that the offer should be at a fair price. That is what we would expect from any pharmaceutical company that was bringing forward a product. We hope that Roche will do that as quickly as possible.

Miles Briggs (Lothian) (Con): The cabinet secretary said that NHS National Procurement and the manufacturer, Roche, are in discussion. Can she say when a decision on the offer is due to reach ministers and the SMC?

Shona Robison: Ministers have no involvement in the process, and for good reason. A process has been established, under the Scottish Medicines Consortium, which is independent of ministers, as is quite right, and it is important that all companies follow that process. The role of NHS National Procurement has been to help to have the discussion, to ensure that the company is encouraged to make a submission that is as good as it can be. The company requires to go to the SMC, and I urge it to do so as quickly as possible, as I said to Alison Johnstone, with a fair price offer.

Elaine Smith (Central Scotland) (Lab): Given the number of women who suffer from an underactive thyroid and have to buy desiccated thyroid hormone from other countries on the internet, simply so that they can function in their daily lives, and given the price of the alternative, T3, will the minister explore the possibility of the Scottish Government enacting a Crown use licence to allow the production of desiccated thyroid hormone in Scotland?

Shona Robison: I have written to Elaine Smith about the issue on a number of occasions. The patient's clinical need is important, and clinicians have the opportunity to use other medicines where it would not be clinically appropriate for the patient

to receive the medicine that is normally used for thyroid problems. I am happy to write again to Elaine Smith with more detail.

At the core of the issue is that we have a system. The system has been reformed on a number of occasions, and the Montgomery recommendations are being implemented, which will ensure that the Scottish system for approval of medicines continues to be robust and fair.

Carers Allowance Supplement

3. Ruth Maguire (Cunninghame South) (SNP): To ask the Scottish Government what progress it is making towards delivering the carers allowance supplement. (S5O-02169)

The Minister for Social Security (Jeane Freeman): Carers allowance supplement is a 13 per cent increase to carers allowance, which is to be uprated in line with inflation in future years. The overall investment of more than £30 million a year will benefit 70,000 carers. We are on track to make the first of the six-monthly payments later this summer, despite the Department for Work and Pensions' delay in providing the full set of data that has been agreed for delivery of the supplement.

Ruth Maguire: It is clearly of concern that the United Kingdom Government is not providing all the information that the Scottish Government needs for the carers allowance supplement. Does the minister think that the UK Government is putting Scotland's needs at the bottom of its to-do list?

Jeane Freeman: I hope that, by now, members of all parties realise and understand that we are entirely reliant on the DWP to provide the data that we need—it is basic data: name, address, national insurance number and bank account details—for all 11 benefits that will be devolved.

In the case of carers allowance supplement, we agreed the data requirements with the DWP on 9 March. Ten days later, it advised us that there were data sets in the agreement that it could not provide. This is the third time since March that that has happened with the DWP. First, we had its summary announcement of a one-year delay in the agreement to provide us with the delivery mechanism to abolish the bedroom tax at source. Next, we had the four-month delay in providing us with the necessary computer code to deliver on the case management system, and now this.

The Scottish Government remains on track, as Audit Scotland recognises, but we absolutely need the DWP to step up to the plate, and what that requires is for the secretary of state, Esther McVey, to show the leadership that this Government shows in making sure that the

delivery of the devolved benefits happens on time, to the right people and in the right way.

Mark Griffin (Central Scotland) (Lab): It is disappointing that the secretary of state is not living up to the spirit of the comments that she made recently at the Social Security Committee. If the DWP fails to provide full data and carers present themselves and evidence that they receive carers allowance to the new agency, will it be in a position to pay them the new supplement?

Jeane Freeman: I thank Mr Griffin for that question. It is an important one. Before I answer it in full, I say that it is of course disappointing, and I urge Mr Griffin to work with my colleagues at Westminster to continue to press the secretary of state to deliver on the assurances that we have repeatedly had from her and her four predecessors by honouring the devolution settlement and making sure that we work co-operatively together. Officials do a very good job, but we need political leadership.

On those who may be affected by the absence of the data sets, we are working very closely with the carers organisations that are involved to ensure that they help us to reach all those who have the entitlement. We will work very carefully to make sure that all carers understand what they are entitled to and that, if they do not receive that from us in the first six-monthly payment, they should contact us. When they do that, we will most certainly honour that commitment.

Where that does not happen—because they do not know or they have not been reached by our information and do not appreciate that they are due the money—then we will backdate the second six-monthly payment to ensure that they receive the full year's amount, along with all the other carers in Scotland.

Ambulance Services

4. Alexander Burnett (Aberdeenshire West) (Con): To ask the Scottish Government what support it provides to ambulance services. (S5O-02170)

The Cabinet Secretary for Health and Sport (Shona Robison): The Scottish Government provides the Scottish Ambulance Service, which is one of our national health service boards, with governance and with annual funding to provide high-quality emergency healthcare to the people of Scotland. We have invested almost £900 million in the Ambulance Service over the past four years, and we are committed to support the service in recruiting and training 1,000 new paramedics to work in the community by 2021.

Alexander Burnett: I thank my fellow member Liam McArthur for lodging a motion that supports a second charity air ambulance to be based in

Aberdeen. Will the minister support the campaign by *The Press and Journal* that looks to assist the charity to achieve its aims in order to benefit the whole of the north of Scotland?

Shona Robison: Scotland's Charity Air Ambulance carries out fantastic work throughout Scotland, helping to save and improve lives every day, and a second helicopter will allow the SCAA to further support the Scottish Ambulance Service to save even more lives. It will be particularly helpful in the more remote and rural areas of Scotland, and it will be extremely valuable in supporting the vision of the Scottish trauma network and our plans to take care to the patient. The answer is yes.

Inspectorate of Prosecution (Right to Review and Complaints)

5. Gordon Lindhurst (Lothian) (Con): To ask the Scottish Government what its response is to the Inspectorate of Prosecution in Scotland's recent report on victims' right to review, and complaints handling and feedback. (S5O-02171)

The Lord Advocate (James Wolfe): The victims' right to review gives victims a right to request a review of decisions not to initiate or to discontinue prosecutions. I welcome the Inspectorate of Prosecution in Scotland's report, which recognises that the VRR process is robust.

The inspectorate has made 11 recommendations, which echo work that the Crown Office and Procurator Fiscal Service has been undertaking internally on the victims' right to review, and I have accepted them all.

On complaints handling, the report recognises that there is a more user-friendly process and that there are improvements in the quality of the service's responses following the inspectorate's 2015 report. The inspectorate has rated the service's response to its 15 previous recommendations on complaints handling: 10 have been achieved, three are in progress and two are outstanding. The two outstanding recommendations are being progressed by the COPFS improvement board.

Gordon Lindhurst: As the Lord Advocate will know, the report was critical of the COPFS for its failure to notify victims of decisions not to prosecute, and described its approach as being "less inclusive" than in other parts of the United Kingdom, where all victims are usually notified. Does the Lord Advocate's commitment today to implement the recommendations mean that the rules will be changed so that victims are always notified when cases are not prosecuted, or will victims continue to be left in the dark?

The Lord Advocate: Proactive notification occurs in all solemn cases, in all summary cases

within the remit of the COPFS victim information and advice service and in certain other summary cases. In the remaining summary cases, the decision is not proactively notified but victims or their representatives will be advised of it on inquiry.

The inspectorate's recommendation was that the service should work towards a system of notifying all victims of decisions not to prosecute—whether through the use of information technology solutions or otherwise—and I have accepted that recommendation. The service will now explore possible approaches to the notification of all victims of decisions not to prosecute, including possible IT solutions.

Scottish Fire and Rescue Service (Cambuslang Training Centre)

6. Michelle Ballantyne (South Scotland) (Con): To ask the Scottish Government what plans it has to build residential accommodation at the Scottish Fire and Rescue Service national training centre in Cambuslang. (S5O-02172)

The Minister for Community Safety and Legal Affairs (Annabelle Ewing): Decisions on such issues are, of course, operational matters for the Scottish Fire and Rescue Service. I understand that, in fact, there is no current business case for the development of residential accommodation at the national training centre in Cambuslang. The service's approach is, rather, to invest in training facilities around Scotland to enable firefighters to be trained nearer to home, therefore reducing the requirement for travel and overnight stays at Cambuslang or other locations.

Michelle Ballantyne: In March 2015, the SFRS closed the Scottish Fire Service College at Gullane, moving training to Cambuslang in order to save £4.8 million per annum. Does the minister believe that the lack of accommodation at the Cambuslang centre, and the resultant use of hotels to house trainees, has delivered the expected savings, or does she share my concern that annual running costs may now exceed the amount that it would have cost to keep the Gullane college open?

Annabelle Ewing: Michelle Ballantyne may be interested to note that a major building project is currently under way at Newbridge in Edinburgh to provide enhanced training facilities in the east delivery area. Next year, another major construction project at Portlethen in Aberdeen will provide enhanced training facilities in the north delivery area. She will therefore appreciate that a number of investments are being made in training closer to where firefighters are. The service has also just launched a new training unit at Kirkwall airport in Orkney.

As I said in my first answer—*[Interruption.]* I see that Jackson Carlaw is laughing, but for Liam McArthur's constituents that unit is probably quite a good thing.

Finally—*[Interruption.]* Edinburgh and Gullane are not that far apart.

Finally, as I said in my first answer, the focus is on investment in training facilities around Scotland, and the business case for accommodation at Cambuslang simply does not represent value for money. Of course, if Michelle Ballantyne is concerned about resources for the SFRS, perhaps she would join me in calling on her UK Government to pay back the £50 million in VAT that it has deprived front-line firefighters of over the past five years.

Clare Haughey (Rutherglen) (SNP): How does the Scottish Government ensure that the local community benefits from those attending the SFRS national training centre and its location in Cambuslang?

Annabelle Ewing: The Scottish Fire and Rescue Service, in line with Scottish ministers' expectations, considers the importance of small and medium-sized enterprises and including community benefits in all its procurement exercises. Of course, the national training centre in Cambuslang is supported by various local businesses, such as those that provide catering for the many excellent events and conferences that take place there. Clare Haughey can be assured that the Scottish Fire and Rescue Service well understands the need to ensure that the local community benefits from the national training centre being in Cambuslang.

First Minister's Question Time

12:00

Priorities

1. Ruth Davidson (Edinburgh Central) (Con):

The First Minister is in every paper today for spending her time on social media, defending her independence blueprint from attacks by her own supporters. That is in a week in which we have seen rising waiting lists at hospitals, fewer young people from deprived backgrounds going to university and violent crime on the increase. Does the First Minister wonder why the people of Scotland question her priorities?

The First Minister (Nicola Sturgeon): We have seen an increase in the number of young people from our most deprived communities going to university—that is very clear from the most recent Universities and Colleges Admissions Service statistics. It is also the case that, despite the significant challenges that our national health service faces, it is performing “brilliantly”. That is the word that was used by Ruth Davidson just two days ago.

If Ruth Davidson wants me to give some highlights from—what did she call it?—the day job, I will be delighted to indulge her. I will take her through what I have been engaged in over the past 24 hours or so. I have announced Scottish Government investment of £5 million in a new subsea engineering centre of excellence in Montrose. I have set out the next steps in the creation of the new national manufacturing institute. I have had separate discussions with three major inward investors to Scotland in the areas of energy, tourism and low-carbon technology.

I will widen the picture out to the Government overall. It has extended the scheme to tackle period poverty with £0.5 million of investment and has announced an end to child burial fees. It has led the way in taking action to tackle plastic use, it has had a new Islands (Scotland) Bill passed and it has confirmed funding for the Stirling and Clackmannanshire growth deal, putting in more money than the United Kingdom Government is putting in.

Ruth Davidson may like to hear something about the past 10 days or so. We have announced additional investment in the Clyde Gateway, to create new jobs, and a new £100 minimum school clothing grant, which will help 120,000 families across the country. We have announced an additional £50 million to tackle waiting times, we have published the Health and Care (Staffing) (Scotland) Bill and the Climate Change (Emissions

Reduction Targets) (Scotland) Bill, and we have announced a £7 million investment in projects to help fishing fleets and coastal communities as well as a new £7.5 million innovation fund for new approaches to tackling child poverty.

Would Ruth Davidson like me to go on, or is that enough for her? I am not sure what Ruth Davidson has been doing for the past few days, but that is what the Scottish Government has been doing.

Ruth Davidson: As far as the country can see, the only result of the past 10 days' activity to restart the independence debate is that the First Minister has had to firefight because her own supporters are fighting among themselves, which I am not sure is what she intended. The truth is that we have a First Minister whose prime concern seems to be to appease her own independence army rather than to govern Scotland. [*Interruption.*] They do not like to hear it, but it is true.

We already know that we have had some of the worst NHS waiting times ever and that access to education is being restricted. I will ask the First Minister about another area of responsibility that deserves her attention. On a scale of one to 10, how satisfied does she think rural Scotland is with the actions that her Government has taken?

The First Minister: The country can see all the initiatives that I have just outlined. The question for Ruth Davidson is this: if she does not want us to talk about independence, why is she using her weekly opportunity at First Minister's question time to raise the topic herself? Is it not the case that Ruth Davidson loves nothing more than talking about the constitution because she has got nothing else to talk about and she does not want the positive case for independence to be heard?

Ruth Davidson asked me about rural communities. I hope that she was listening to the long list of initiatives that I outlined, because she would have heard me talk about the £7 million investment in projects to help fishing fleets in coastal communities. We are working hard to ensure the delivery of common agricultural policy payments, having already made loans to most farmers, and we will continue to deliver for rural communities across Scotland. Yesterday, in this chamber, we passed the Islands (Scotland) Bill to help our island communities. We will continue to deliver for rural communities, island communities and all communities across Scotland.

Ruth Davidson: The First Minister just mentioned CAP payments. That was bold. Let me tell her what farmers are saying. Jim Walker, the former head of NFU Scotland, made his feelings clear yesterday. [*Interruption.*] SNP members might not want to hear what Jim Walker has to say, but I think that the chamber should listen.

The Presiding Officer (Ken Macintosh): One second, Ms Davidson. There is too much noise in the chamber today. Please let us hear the questions and the answers.

Ruth Davidson: Let us listen to what Jim Walker has to say. Three years on from the introduction of the Government's botched farm payments system, almost half of Scotland's farmers are still waiting to be paid what they are owed. Mr Walker says:

"This is a national scandal of epic proportions and taxpayers in Scotland are footing an ever increasing bill."

He goes on to say that the First Minister is presiding over

"the biggest funding scandal in modern Scottish history".

Perhaps, rather than pulling us all back to theoretical debate about what currency we might use, the First Minister should concentrate a bit more on paying Scotland's farmers the actual currency that they are owed.

The First Minister: Let us run through some of the facts. We have made basic payment scheme loan payments worth more than £314 million to 13,577 businesses, and the loan payments were made before the CAP payment window opened on 1 December last year. Almost 75 per cent of farmers have received 90 per cent of the support that they are entitled to under the basic payment scheme. We have paid £217 million in basic payments, 63 per cent of businesses have now been paid and we are working hard to meet the target by the end of June.

Perhaps the most pressing question that is faced by farmers in Scotland and right across the United Kingdom—Ruth Davidson's UK Government colleagues cannot answer it, but perhaps she can—is what will happen to CAP payments after the Tories have dragged us out of the European Union.

Ruth Davidson: They have been guaranteed.

Let me tell the First Minister what Jim Walker is saying—I will answer her directly with this:

"Enough is enough. It is time to call a halt to this pantomime. Why should suppliers and farmers bank roll a sector amongst ourselves while our own government sits on our money.

This is the responsibility of the First Minister who is ultimately responsible for the proper use of public funds on our behalf."

It is not just Scotland's farmers who are being let down. Here is the reality of the Scottish Government's record. This week, we learned that 17,000 people in a single month have waited beyond the six-week deadline for diagnostic tests, including tests for cancer; that it has become harder for young people from our poorest

communities to get a place at university; and that communities right across Scotland are suffering from rising levels of antisocial behaviour and violent crime. Those are the important issues that the people of Scotland really care about. Why are the only folk who are getting any of the First Minister's attention not patients, students or victims of crime but her own independence supporters?

The First Minister: I am afraid that the fact that Ruth Davidson wishes that to be the case does not make it true.

Ruth Davidson knows that she is wrong about access to higher education. The most up-to-date statistics on access to university show that there has been a 12 per cent increase in the number of 18-year-olds from our most deprived communities who are going to university. At all ages, the increase is 13 per cent. Figures that were published this week show that more care-experienced young people are going into higher education and that there are improved retention rates among the young people from our deprived communities who go to university.

We are also putting more money into the NHS, in the week in which Ruth Davidson admitted that the biggest risk to our health service is the preference of the Tories for tax cuts over investment in our public services. Perhaps this is a good moment to remind Ruth Davidson that, if we had taken her advice when we passed our budget for this financial year and had given tax cuts to the rich instead of investing in our NHS, we would have £500 million less to spend. That is equivalent to 12,000 nurses in our NHS. We will continue to invest while the Tories continue to do all the damage that Ruth Davidson has at least had the grace to admit to this week.

Radiology Services

2. Richard Leonard (Central Scotland) (Lab): Presiding officer,

"Radiology services in Scotland are in need of resuscitation ... this matters because when radiology fails, the health service fails".

We are now

"witnessing a national radiology service that is starting to crumble."

Those are not my words; they are the words this week of Dr Grant Baxter, the head of the Royal College of Radiologists in Scotland. I ask the First Minister: is Dr Baxter wrong?

The First Minister (Nicola Sturgeon): We will continue to work with clinicians such as Dr Baxter to address the challenges that our national health service is facing. In the statistics published this week on diagnostic tests, there are eight

diagnostic tests, and if we look at the four radiology tests, we see performance of over 90 per cent, in terms of meeting the target. Endoscopy test performance is not as good as that, which is why the health secretary has outlined further action this week.

We know that our NHS is facing significant extra demand. The demand, for example, for out-patient appointments has gone up by 10 per cent in the past decade. This is not unique to Scotland, but is a challenge that health services across the world are facing. That is why we are taking action to invest more in our health service. We are investing record sums: we will invest an additional £2 billion over this parliamentary session, and just this week the health secretary announced £50 million of additional funding to help to tackle waiting times.

We are also taking steps to reform our health service, to shift the balance of care and to do more to recruit into key specialties. We will continue to take that action—it is action that is needed and we are determined to continue to take it.

Richard Leonard: The action that is being taken is not working. Dr Baxter goes on to say:

“Waiting times continually increase—largely due to imaging backlogs—cancers go undiagnosed, patients cannot be treated as their scans are not reported on time, patients’ anxiety and worry over pending scan reports can last for weeks and months”.

These are real lives, First Minister, and this is about the fear of having to wait for a cancer diagnosis, the anxiety and trauma of a longer-than-necessary wait for treatment, and the difference between early and late diagnosis.

The Government has a target that patients should not wait longer than six weeks for these tests, yet, just two days ago, it was revealed that one in five patients is now waiting too long. Can Nicola Sturgeon tell the chamber what that figure was when she became First Minister?

The First Minister: As I have already said, there are challenges around diagnostic tests, but I would encourage Richard Leonard to look at the detail of the figures. For the four radiology tests, performance against the target is above 90 per cent.

When it comes to scopes, performance is not as good as we want it to be. That is why, this week, the health secretary has announced action that Bowel Cancer UK has described as an

“important announcement”

that is

“a step in the right direction”.

We have also invested an additional £5 million to support access to diagnostics for suspected cancer patients. Of course, health boards assure

the Scottish Government that where somebody is suspected of having cancer, they are treated as a priority and within six weeks. In fact, the vast majority of cancer patients are seen within two to three weeks.

The 62-day standard for cancer is an important one. Once a decision has been made to treat, the average wait for cancer treatment is only six days. Where there are issues—and we are very frank about where those issues are—the Government will continue to take action to address them.

If we look at in-patient and day-case waiting times over the decade that the SNP has been in Government, the overall numbers are up, but the number of people waiting more than 12 weeks is down by 30 per cent and the number of people waiting more than 18 weeks is down by 43 per cent.

We will continue to invest and we will continue to carry out the reforms to how our health service delivers care, which will mean that patients are treated in the way that they deserve to be.

Richard Leonard: One in 13 patients waited too long when Nicola Sturgeon became First Minister. Today, it is one in five. That is a 171 per cent increase in the number of patients waiting too long—patients waiting for diagnostic tests and investigations, including for cancer. That is what the people of Scotland want the First Minister to focus on, not promoting another divisive referendum or taking to Twitter to defend the decade of cuts and austerity that would come with leaving the UK.

There are serious problems in our national health service and they are growing. Labour raises them in this Parliament week after week. The SNP, however, is expending more energy on its cuts commission than cutting NHS waiting times. When is the First Minister going to stop putting nationalism before the national health service? *[Interruption.]*

The Presiding Officer: That is quite enough, please.

The First Minister: Richard Leonard has just shown his true colours. It is interesting, is it not, that the only people to have mentioned independence in the chamber today are the better together parties. That speaks volumes.

This is the week in which the health secretary has announced extra action, which has been welcomed by Bowel Cancer UK. It is the week in which the health secretary has announced the investment of an additional £50 million to tackle waiting times. When we made similar investment last year, it had an impact on out-patient waiting times. The recent statistics this week show improvement in out-patient waiting times and we

will target this investment on in-patient waiting times.

We will continue to take the action on health, education and the whole range of issues that I have spoken about today. We will leave the better together parties to speak about whatever they want.

The Presiding Officer: There is a lot of interest in asking questions today. The first constituency question is from Bruce Crawford.

Stirling and Clackmannanshire City Region Deal

Bruce Crawford (Stirling) (SNP): Does the First Minister agree that it is great news that the Stirling and Clackmannanshire city region deal heads of terms were signed this morning in Stirling? The total package of £95.2 million includes an additional £5 million from the Scottish Government for infrastructure projects at Callander and Kildean.

Does the First Minister also agree that the United Kingdom Government has overpromised and underdelivered, given that the Scottish Government will invest £50 million in real terms over 10 years, while the UK Government will invest only £40 million over 15 years, once the notional £5 million valuation for MOD Forthside is discounted?

The First Minister (Nicola Sturgeon): First, it is very welcome that the Stirling and Clackmannanshire deal has been agreed today. It will be good for that area, and credit is due to Bruce Crawford and others who campaigned so hard for it.

We had hoped to see a UK Government investment of £58 million. That was what we were prepared to commit. That is what the Scottish Government has committed. It is disappointing that the UK Government has committed to significantly less. The Scottish Government's overall commitment to city region deals now stands at £1.3 billion, compared with just £1 billion for the UK Government. We will continue to encourage the UK Government to do more, but we will not hold back in giving those cities and regions the investment that they deserve.

Immigration Policy

Neil Bibby (West Scotland) (Lab): The First Minister is aware of my constituent Denzel Darku, who faces the prospect of deportation and huge uncertainty about his future.

Denzel is a young man who has built his life in Paisley, who was once a member of the Scottish Youth Parliament, a Commonwealth games baton-bearer and a student nurse who wants to work in

our NHS, but who is also the victim of bogus migration targets and the Home Office's hostile environment policy. He has contributed a huge amount to this country and he wants to stay in Scotland and the UK, so that he can contribute even more. Given the reaction of many people in my community and across the country, it is clear that people want him to stay here, too.

Will the First Minister make clear to the Home Office the impact that its immigration policies are having on young people in Denzel's position. Does the First Minister agree that there can be no justification for driving a young man such as Denzel away from the place that he calls home? *[Applause.]*

Members: Shame!

The Presiding Officer: Order, please.

The First Minister (Nicola Sturgeon): The complete lack of support that the Tories have just shown for a young man who has Scotland as his home and who wants to continue to have Scotland as his home says everything that we need to know about the Conservative Party today. Shame on them.

I am aware of the case of Denzel Darku. I have met Denzel in the past. He is a fine young man and he is an absolute credit to Scotland. It is outrageous, scandalous and a disgrace that he is threatened with deportation. We should be trying to attract more young people of his calibre to Scotland, not chase them away. Denzel wants to be a nurse in our national health service. How many times do the Tories stand up in this chamber and complain about matters in our national health service? How many times do they stand up and complain about staffing shortages in our health service? However, the Tories want to deport a young man who wants to contribute to our national health service. Ruth Davidson is saying from a sedentary position that she did not agree with the targets, but she wants Scotland to remain locked into those immigration targets that are so damaging to our economy and society. The immigration policies of the Tories are disgraceful.

I will do everything that I can to make the case for Denzel Darku and to argue that case, as I am sure that Neil Bibby, as the MSP who has taken up the case, will do. However, we need more than action in one case; we need a change to immigration policy and a more humane policy that recognises the needs of our country. That is what all of us should be campaigning and arguing for.

Visitor Levy

Andy Wightman (Lothian) (Green): Will the First Minister's Government bring forward legislation to enable the city of Edinburgh to

become a normal European city by having the power to introduce a visitor levy or tax?

The First Minister (Nicola Sturgeon): We will continue to consider such issues in the context of our budget planning. I encourage the member to discuss that issue, as I am sure that he has done in the past, with the finance secretary. It is not currently a proposal that the Scottish Government is putting forward, but of course we will continue to listen to representations made.

Policing (Ayrshire)

John Scott (Ayr) (Con): What additional support might the Scottish Government be able to provide to hard-pressed police in Ayrshire after up to 2,000 young people arrived, mostly by train, at Troon on bank holiday Monday and caused alcohol-related disturbances on the beach?

The First Minister (Nicola Sturgeon): First, it is regrettable if young people behave in a way that results in antisocial behaviour or causes disturbance to local communities. The bank holiday Monday that was enjoyed across Scotland was a fantastic day and many individuals and families took the time to enjoy it in a thoroughly positive way.

Of course, we are investing in the police service. In this financial year, the resource budget of the police service is increasing in real terms and, unlike the situation south of the border, we have maintained, broadly speaking, police numbers; I think that in England we have seen 20,000 police officers lost from the service. We will continue to invest in our police service and continue to support the police in the fantastic work that they do.

Treatment Time Guarantee

3. Willie Rennie (North East Fife) (LD):
Presiding Officer,

“When Nicola Sturgeon announced a legally binding treatment time guarantee, she said that there would be

‘a straightforward system of redress, on the rare occasions when things go wrong.’

It was rare that things went wrong at first—that is true; only five patients waited longer than 12 weeks. It is not rare any more; there are 13,005 patients waiting now.”—[*Official Report*, 1 June 2017; c 19.]

The First Minister will recognise those words. They are the words that I used exactly one year ago when I questioned the First Minister. Not much has changed, except that the number of patients who are waiting has gone up yet again. More people are waiting for longer, which is letting down patients and staff. A year ago, the First Minister promised me that things would get better. When is that going to happen?

The First Minister (Nicola Sturgeon): The figures that were published this week are not good enough, as far as I am concerned—although since the treatment time guarantee was introduced, 1.6 million patients have received their treatment within the required timeframe. However, the figures are not good enough.

We have seen improvement in out-patient waiting times because of the investment that has been made and the work that has been undertaken. The additional investment that was announced this week will help us to drive further improvements in in-patient waiting times.

Willie Rennie has raised a serious issue. We know that the national health service faces significantly increased demand. If we compare the situation now with the situation in 2007, we see that there are 10 per cent more new out-patient attendances a year, and that there has been a 10 per cent increase in the number of in-patient attendances. That is why we are doing the hard work to prepare our NHS for the future. We are investing record sums. Under this Government, the NHS budget has already gone up by £4 billion and will go up by a further £2 billion. NHS funding per head is 8 per cent higher in Scotland than it is in England. I have already mentioned the £50 million that was announced this week for tackling waiting times.

We are taking action—much of which Willie Rennie has called for—to shift the balance of care, to do more in social care and in community settings, and to invest more in mental health services. We will continue to do the hard work. Scotland is not the only country that faces such challenges; Governments across the world face them. That is why we must do the hard work to make sure that we prepare our NHS for the future.

As I said earlier, if we look at the longer-term trend over the past 10 years, we see that the number of people who have to wait more than 12 weeks and the number of people who have to wait more than 18 weeks for in-patient and day-case treatment are down significantly. However, it is true that we face challenges, which is why we are taking all the action that I have outlined.

Willie Rennie: The First Minister talks about extra money being provided. That extra money was announced this week, but patients were crying out for it months ago. While patients were waiting in pain and anxiety for treatment, the Government was holding back the money until the newspaper headlines got too bad for the First Minister to bear. That money is to treat patients, not to cover for the Government’s failures in the NHS.

Waiting times are the worst ever; the waiting time guarantee means nothing. We have had

failure after failure, and the First Minister has still not answered my question. Previously, five people had to wait longer than 12 weeks for treatment, then 13,000 people had to do so, and now the figure is 16,000. The figure is supposed to be zero. That is the law—the treatment time is guaranteed. When is the First Minister going to obey her own law?

The First Minister: Willie Rennie is just wrong in what he says about NHS funding. Funding to NHS boards is increasing, but of course it makes sense for us to have the ability, if NHS boards face particular challenges, to have funding to target particular challenges. That is a sensible way of proceeding, so we will continue to take that action.

Last year, £58 million was invested to deal, in particular, with challenges in out-patient waiting times. Since last September, there has been a 23 per cent reduction in the number of people who have to wait longer than the target period for an out-patient consultation. Of course, if more people are seen as out-patients, that increases the pressure on in-patient treatment. That is why the new funding allows health boards to target in-patient waiting times.

We will continue to do the hard work that is required. As I have said on many previous occasions in the chamber, health services in the United Kingdom and across the world face the challenges of an ageing population. That means not only that the number of people who seek treatment is going up, but that the complexity of cases is increasing. Our investment, along with our reform work, is all about making sure that the NHS is supported during a difficult period of transition. We will continue to get on with that work.

The Presiding Officer: We will have some more supplementaries.

Scottish Fire and Rescue Service (Maintenance of Assets)

Maurice Corry (West Scotland) (Con): Does the First Minister share my concern for the safety of communities, given that Audit Scotland's recently released report on the Scottish Fire and Rescue Service found that there are serious concerns about the cost of maintaining the service's vehicles, equipment and properties, and warned of an increased risk of fire engines breaking down? Will the Government follow up on Audit Scotland's call for an annual investment of £80.4 million so that the service's assets can be brought up to "satisfactory" standards?

The First Minister (Nicola Sturgeon): It is important not to be irresponsible in how we characterise this morning's Audit Scotland report. Overall, the report is extremely positive about the

progress that is being made by the Scottish Fire and Rescue Service.

It is important to say that the figure on the capital backlog includes some expenditure that is certainly desirable, but is not essential. It is particularly important to note that fire service assets must comply with stringent safety requirements. There is no suggestion whatsoever that equipment is unsafe.

In this year's budget, the Scottish Government increased the spending capacity of the Scottish Fire and Rescue Service by £15.5 million. In the previous financial year we increased capital funding by almost £22 million and have maintained that increase in this year's budget. Since the single fire service was launched in 2014, the fire service itself has invested more than £94 million in property, vehicle fleet and other assets. We will continue to support the fire service to make those investments, and we will continue to ensure that it has the funding that it needs.

As I said in response to Ruth Davidson, we should remember that if we had followed the Conservatives' recommendations on the budget for this year, we would have £500 million less to spend. The Tories cannot continually argue for tax cuts that would reduce our spending power, but then come to Parliament asking us to spend more on every single area of responsibility. That is not credible and it is why the Tories are not—and probably never will be—credible, either.

University Admissions (Widening Access)

Johann Lamont (Glasgow) (Lab): The First Minister set a target that 16 per cent of people starting their first full-time degree by 2021 will be from the 20 per cent most deprived areas in Scotland. Scottish Further and Higher Education Funding Council figures that were released yesterday—I know that the First Minister will not dispute them—show that for the period 2015-16 to 2016-17, participation fell by 0.2 per cent across Scotland, with some individual institutions showing a bigger fall. What action will the First Minister take to understand why progress appears to be stalling? Will she consider reviewing the targets to include young people such as a constituent of mine who is from a very low-income family, but does not live within one of the most deprived areas, and so does not benefit from current Scottish Government action?

The First Minister (Nicola Sturgeon): I do not dispute the figures, but it is important to understand them. [*Interruption.*]

I hope that members will listen to my answer, because this is an important issue. As Johann Lamont rightly said, the figures are for 2016-17; they pre-date the widening access commission

recommendations. The figures justify the decision to set up the widening access commission.

It is, however, wrong to look at just those figures, because we have more up-to-date figures: we have the Universities and Colleges Admissions Service figures for 2017-18. Just to be clear, I point out that 2017-18 comes after 2016-17—*[Interruption.]* This is a serious point. The 2017-18 figures show an increase—UCAS has described it as an increase—of 12 per cent in 18-year-olds from our most deprived communities going to Scottish universities, and an increase of 13 per cent in people of all ages from our most deprived communities going to universities.

That is progress, but it is not enough progress, which is why we have set the targets that Johann Lamont mentioned. However, it is progress, so for Opposition members to contort the figures in order to suggest that we have not made progress is a bit rich—*[Interruption.]*

I am trying to answer the question seriously. Johann Lamont has raised a serious issue about how we measure deprivation. The commission on widening access's report was very clear about the value of the Scottish index of multiple deprivation as a measure of deprivation, and it recommended that we continue to use the SIMD for tracking and monitoring targets on fair access. However, we recognise the SIMD's limitations, which is why we are open to ways in which other measures can be used.

I heard a member shout earlier, from a sedentary position, "Why are you not doing anything about it?" We established a working group to consider how we can refine the measurement to deal with concerns that have been raised, and we are making progress on that. Given the legitimate concerns that have been expressed by people across Parliament and further afield, I would have thought that even though people say that we need to make more progress—rightly so—they would also welcome the progress that has already been made.

Royal Bank of Scotland (Branch Closures)

4. Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): To ask the First Minister what the Scottish Government's position is on suggestions by the Royal Bank of Scotland chief executive that post offices are the "best solution" to replace local banks that have closed. (S5F-02410)

The First Minister (Nicola Sturgeon): Communities across Scotland stand to be adversely affected by the on-going programme of bank branch closures. There is not and cannot be a one-size-fits-all solution to maintaining access to banking services in affected areas. Post offices

provide many essential services, including basic banking transactions, and are a lifeline for many communities, but there are significant limitations on the range of services that they are able to offer, particularly for small businesses. Many customers also remain concerned over the level of privacy that is available in post office premises. I encourage banks, including the Royal Bank of Scotland, to listen to the needs and concerns of their customers and ensure that practical solutions are put in place to allow all communities in Scotland to access essential banking services.

Christine Grahame: It should not be news to Ross McEwan, managing director of RBS, that post offices have closed right, left and centre in my constituency in places such as Earlstoun, Innerleithen and Newtongrange, and RBS will close its branch in Penicuik next month. Does the First Minister agree that the comment by Ross McEwan that RBS should piggy-back on post offices was not only insulting but ill informed? Does she agree that, given that he heads a company with 72 per cent public ownership, he should get out and about, starting with my invitation to him to come round Midlothian South, Tweeddale and Lauderdale to chat with my constituents and with small businesses to see what they think of his closures and his grand solution?

The First Minister: I am sure that most people would be delighted to accept Christine Grahame's invitation to visit her beautiful constituency.

I recognise and share many of the concerns that Christine Grahame has expressed. This is an issue that I have discussed personally with RBS in recent times. I am meeting the chair of RBS later this afternoon and no doubt we will discuss this issue then.

We recognise the importance of post offices to local communities, but we have made it clear to the United Kingdom Government and Post Office Ltd that they have a responsibility to ensure that existing services are maintained rather than reduced. We also continue to fund Citizens Advice Scotland research into post office outreach services. Post offices have a role to play, but I share Christine Grahame's view that they cannot necessarily provide all the services locally that people want to see.

I say to all banks, including RBS, that they have an obligation to listen to and address the concerns that their customers have about their ability to access services in Christine Grahame's constituency and in other constituencies across the country.

Human Trafficking and Sexual Violence

5. Michelle Ballantyne (South Scotland) (Con): To ask the First Minister what action the Scottish Government is taking to tackle human trafficking and rising sexual violence in Scotland. (S5F-02409)

The First Minister (Nicola Sturgeon): The long-term increase in recorded sexual crime in Scotland and the rest of the United Kingdom is due to a range of factors, including victims having more confidence to come forward to report to police what has happened to them. We will shortly be publishing the first annual progress report on the implementation of our trafficking and exploitation strategy. That report will set out the wide range of action taken since publication of the strategy last May.

Michelle Ballantyne: This week, we heard again from the Very Rev Dr John Chalmers how Roma children and young women in Govanhill are being sold into sex slavery by gangsters while others live eight to 10 to a room working 12-hour days for a pittance in return. The Scottish Government published its strategy on trafficking and exploitation a year ago. Will the First Minister give us some highlights of an assessment of how the strategy is working in practice, whether it is achieving everything that it aimed to achieve and when we can hope to put an end to this human tragedy?

The First Minister: I am obviously very well aware of concerns that are raised about Govanhill; it is an issue that I speak to the police about regularly. My message is first that people should come forward and report to the police any concerns that they have. I know that the police rigorously investigate and have investigated all concerns that have come forward to them.

More generally on the strategy, as I said in my original answer, we will shortly be publishing the first annual progress report on implementation of the strategy, which will set out the range of actions that have been taken since publication and we will also look at the further action that requires to be taken.

The areas that we have been working on include, for example, raising awareness and strengthening the protection for victims of trafficking. We have also increased funding for victims of trafficking. The Human Trafficking and Exploitation (Scotland) Act 2015 strengthens the legal protections and the police powers that are available to tackle this. We will continue to take those actions. I think that the member described it as a “human tragedy”. It is a human tragedy that any individual is trafficked or subject to exploitation in this way. We must treat it as such, and the

Scottish Government will continue to treat it extremely seriously.

Sustainable Growth Commission (Independence Referendum)

6. Jackie Baillie (Dumbarton) (Lab): To ask the First Minister whether the Scottish Government will call an independence referendum before the end of the current parliamentary session, in light of the report by the sustainable growth commission. (S5F-02412)

The First Minister (Nicola Sturgeon): My goodness, the Opposition parties just hate talking about independence, don't they?

As I have said before, when we have greater clarity on the Brexit outcome, I will set out my views on the best way forward for Scotland. I welcome the report of the sustainable growth commission. Crucially, it allows us to focus on how we can build a better, more prosperous and fairer country instead of just managing the consequences of Tory austerity and the decline of Brexit. I know that that is Labour's preference, but it is certainly not mine.

Jackie Baillie: I know just how much the First Minister likes talking about independence. It is, however, fair to say that the growth commission report has caused deep splits in the Scottish National Party—*[Interruption.]* Oh, yes. Alex Bell—*[Interruption.]* They clearly do not like hearing this, so I will wait until they are ready.

Alex Bell, who helped to write the SNP's independence white paper says that the commission's report will mean spending cuts and no economic freedom. Kenny MacAskill, the former SNP justice secretary, says that

“the acceptance of so many aspects of neo-liberal doctrine”

in the report is a step too far.

Given that all the candidates for the SNP deputy leadership have said that they expect a referendum within this session of Parliament, with Keith Brown even telling us that it could be 12 months away, I ask the First Minister whether the growth commission report is a device for bringing forward a referendum or a vehicle to convince party members to delay.

The First Minister: I have some analysis that I will share with the chamber. It will be of embarrassment to the Tories and, hopefully, of interest to Labour.

If the spending recommendations of the growth commission had been applied over the past 10 years, the £2.6 billion real-terms cuts that have been imposed on the budget of the Scottish Government by Tory Governments at Westminster

would have been completely wiped out. It would have eradicated austerity in Scotland. That is the reality.

The growth commission report is welcome. It allows us to focus on how to build a better Scotland. It shows that, even if independence does not lead to faster growth, the deficit that has been created by Westminster can be turned around without austerity. The report is explicit in its rejection of austerity and explicit in its recommendation for real-terms spending growth, and, as I have said, if that approach had been taken, we would not have had to put up with the cuts that we have done over the past 10 years.

The really important bit of the report is that it sets out how the powers of independence can enable us to make our economy even more successful so that we can match the success of other small countries—powers to grow our population, powers to close the gender pay gap and powers to tailor our economic policies to our needs, not the deeds of London and the south-east of England.

I know that Labour's preference is to leave us with Tory rule, austerity and the decline of Brexit. I will leave Labour to argue that with the Tories; I am going to argue for a better alternative.

Cystic Fibrosis (Drugs)

7. Alex Neil (Airdrie and Shotts) (SNP): To ask the First Minister whether the Scottish Government will take urgent action to ensure that appropriate life-saving drugs are made available to people with cystic fibrosis. (S5F-02406)

The First Minister (Nicola Sturgeon): The Scottish Government and officials from the national health service will be meeting Vertex Pharmaceuticals next month to continue to encourage it to make a fresh application to the Scottish Medicines Consortium for the drug Orkambi. The Cabinet Secretary for Health and Sport has strongly encouraged the manufacturer to make that submission, at a fair price, as quickly as possible.

As this kicked off when he was health secretary, Alex Neil will be aware that a new process known as the peer-approved clinical system—PACS—tier 2 goes live across Scotland from tomorrow. That will provide clinicians with the ability to make requests on an individual patient basis to the local health board for medicines that are not yet approved by the SMC.

Alex Neil: I particularly welcome the fact that, from tomorrow, CF patients will be able to submit an individual patient request for the new drug Orkambi. However, there is still concern, as expressed by Professor Gordon MacGregor in the *Daily Record* on Monday, about the lack of the

general availability of Orkambi. Will the First Minister do all that she can to ensure that Orkambi becomes generally available, without people having to submit an individual request—which, of course, is not always successful—including, if necessary, reinvesting the rebates money from the pharmaceutical price regulation scheme to ensure that CF patients get the life-saving drugs that they need, as happened with Kalydeco in the past?

The First Minister: I agree with all of that. Alex Neil is right to say that Orkambi is currently not routinely available in the NHS anywhere in the United Kingdom, although I understand that it is available in the Republic of Ireland. As I said in my opening answer, Government and NHS officials will meet the pharmaceutical company next month. We want the company to make a submission as quickly as possible for the medicine at a fair price.

We will continue to ensure that any rebate from the PPRS is invested in new medicines, as we have done in the past. Negotiations are about to start but, again, the UK Government leads such negotiations with pharmaceutical companies.

As I have spoken about previously in the chamber, we will continue to implement the reforms, one of which is the PACS tier 2 initiative. Access to new medicines has increased significantly in recent years due to such reforms. We will continue with the reforms and continue to ensure that any rebate is invested, and we will encourage pharmaceutical companies to bring forward new medicines at fair prices so that, across Scotland, people who need such medicines have best access to them.

The Presiding Officer: That concludes First Minister's question time. I suspend for a few moments to allow those in the public gallery who wish to leave to do so and our new guests to arrive.

12:47

Meeting suspended.

12:50

On resuming—

Edinburgh City Bypass (A720)

The Deputy Presiding Officer (Christine Grahame): The next item of business is a members' business debate on motion S5M-12304, in the name of Miles Briggs, on improving Edinburgh city bypass. The debate will be concluded without any question being put.

Motion debated,

That the Parliament believes that good transport links, including trunk roads such as the A720 Edinburgh city bypass, are key to future economic development; understands that studies have shown that parts of this bypass are now among the most congested in the whole of the UK, at significant cost to the area's economy; is aware of the reported concerns of residents, commuters, businesses and business organisations, such as the Federation of Small Businesses, regarding delays and frequent and lengthy tailbacks being experienced on the route, especially at peak times; understands that the draft orders for the long-awaited plans to introduce grade separation at the Sheriffhall Roundabout will not be published until 2019; believes that, compared with the 2014 figure, the Scottish Government expects that an extra 10,000 vehicles per day will be using the bypass by 2022, with an extra 20,000 vehicles predicted by 2032, and, in light of this, notes the calls for the Scottish Government to prioritise further improvements to the bypass, assess how it can expand capacity and to develop innovative, long-term solutions that will keep traffic moving on what it considers is a key national trunk road.

Miles Briggs (Lothian) (Con): I thank colleagues across the chamber for supporting my motion and allowing the debate to take place.

I will start with a quote:

"Be warned—City Bypass is a nightmare today! Been on it for an hour so far".

That palpable frustration, vented yesterday on Twitter, was from the Minister for Business, Innovation and Energy, Paul Wheelhouse MSP. I am pleased to report that I spotted Mr Wheelhouse in the chamber yesterday, so I know that he managed to escape the congestion on the bypass.

The future of the A720 city bypass, which is the key trunk road that serves our capital, is important not only to Edinburgh and the wider Lothian region, but to all of Scotland. I have been pressing the Government to improve the bypass since my election, and I will continue to do that.

As a Lothian MSP, I continue to be contacted—almost daily—by frustrated constituents and business people who face frequent delays when using the bypass to commute or transport goods, especially, but not exclusively, at peak times or when there has been an accident on the route. The Federation of Small Businesses has also

voiced concerns over many years about the situation in Lothian.

Many drivers tell me that the tailbacks and traffic jams are becoming more regular. Indeed, some drivers tell me that they are choosing to drive through Edinburgh city itself rather than risk being stuck on the bypass, which adds to the pressures on local roads in the capital.

In late 2016, Inrix, the transport information company, identified the bypass as the most congested trunk road outside London, with four of the United Kingdom's worst bottlenecks located on the route. It suggested that drivers faced the worst delays at the westbound section near Dreghorn barracks, and it predicted that bypass congestion would cost the economy as much as £2.8 billion by 2025. With Scotland's economy facing sluggish economic growth over the next five years, the Parliament must take the issue extremely seriously. We cannot allow that cost to be incurred.

Transport Scotland's transport model for Scotland uses 2014 as the base year for the total number of vehicles per day using our trunk roads, and it indicated that 78,000 vehicles used the city bypass west of the Dreghorn junction that year. The model predicts that that figure will grow by an extra 10,000 vehicles to 88,000 a day by 2022 and by a further 10,000 vehicles a day by 2032, with 102,000 vehicles a day using the bypass by 2037. In addition, the percentage of heavy goods vehicles using the bypass will also increase, and about 14,300 lorries and heavy goods vehicles will use the route each day by 2037 compared to the 2014 figure of about 9,400.

Constituents and businesses are rightly alarmed about those increased usage predictions, given that the road cannot cope with the current volume of vehicles using it. Furthermore, the projected increase may well be an underestimation of the number of extra vehicles that will use the route if Edinburgh, Midlothian, East Lothian and West Lothian continue to experience fast-growing populations and if new housing developments such as at Shawfair continue to appear along the route of the bypass.

Edinburgh and Lothian are the only parts of the Scottish economy that are growing. We are now the powerhouse of the Scottish economy. If we are to sustain that growth, we must invest in the infrastructure to allow areas to continue to attract businesses and inward investment in key sectors such as the life sciences, with Edinburgh's BioQuarter, Queen Margaret University and the proposed film studio at Straiton located just off the bypass.

Gridlocked trunk roads create a bad impression on inward investors and those who want to visit

our area. Edinburgh is the showcase for the whole country, and we need a modern and efficient transport infrastructure to ensure that that continues.

I am sure that, when the minister closes the debate, he will refer to the Scottish Government's investment in the Sheriffhall roundabout. The final plans for the much-needed grade separation and flyover will be revealed sometime this year. I hope that he will be able to give a firmer timetable for that.

The introduction of grade separation at that notorious bottleneck is, of course, welcome, but it is only one action. Over many years, we have been campaigning for further action and more improvements. Commuters have faced such tailbacks for more than a decade, and they now want real action on the whole bypass.

It is vital that the Scottish Government receives the message from Lothian residents and businesses that, although the improvements at Sheriffhall are important, they are only one part of what needs to be done in a far broader long-term and co-ordinated programme of improvements to the bypass to ensure that traffic is kept moving in the decades ahead. That means looking at innovative solutions, assessing whether extra lanes will be needed, looking at the possible use of hard shoulders in some situations and utilising technology so that the bypass can become a smart motorway, as it should be.

It also means considering genuinely effective public transport options as an alternative to using cars. I regularly receive complaints about bus services in West Lothian, and it is clear that residents in that part of my region do not have much confidence in their bus services and therefore do not use the public transport that is available to them. That issue needs to be seriously considered.

In responses to written questions of mine, the minister has said that the Scottish Government is looking at further measures to improve traffic flow on the bypass and reduce congestion. However, beyond that, we have seen no further information. I hope that today we have an opportunity to start the debate and look towards how we can improve our bypass. I hope that the minister will also provide clear assurances that the Scottish Government recognises the strategic importance of the city bypass, considers that improving it is a national transport priority and is fully committed to ensuring that the trunk road is fit for purpose.

I am calling on the Scottish Government to undertake a feasibility study into widening the city bypass and to consider new options to address the growing and unacceptable congestion. That is what the Lothian residents and businesses that I

represent deserve, and I will continue to press the Scottish Government on it.

12:56

Colin Beattie (Midlothian North and Musselburgh) (SNP): I thank Miles Briggs for bringing forward this important issue as a members' business debate.

The Edinburgh city bypass is the most used road in my constituency of Midlothian North and Musselburgh, whether that is for commuting to work, family travel or even sports fans travelling to grounds to play or to support their team. That means that, at any time of the day during any day of the week, there are vehicles using the road, causing delays and queues. The people of Midlothian North and Musselburgh meet the queues of traffic heading on to the bypass on the main roads around my constituency before they are even near the bypass, which causes more congestion and air pollution around Midlothian and Musselburgh.

I note that my colleague who represents the adjacent constituency of Midlothian South, Tweeddale and Lauderdale is unable to take part in the debate, as she is in the chair. However, I put on record her continuing concerns, which she has raised frequently, regarding the proposals for the Sheriffhall roundabout, which cyclists call "the meat grinder", and I ask what measures will be put in place during the upgrade to give cyclists safe passage.

On the early morning radio traffic news, there are always reports of delays on the Edinburgh city bypass, because of an accident or just the sheer volume of traffic. The fact that that happens daily is a clear sign that a change needs to happen as soon as possible. One of the more drastic options that could be considered is the approach that was taken in Bangkok, where the main roads are double stacked, meaning that cars travel in one direction on one level and in the other direction above them. When those changes were made, the level of the cross-city light train track was also raised—the trains and the stations that serve them were suspended well above ground to make commutes quicker and to allow trains to move faster.

Following on from that thought, and continuing consideration of the changes that are required on the Edinburgh city bypass, I believe that the real solution is to more carefully examine our public transport services to see whether there is any way to improve and extend those services and reduce the number of cars that are using the bypass. Quite simply, having fewer cars means less congestion. Public transport in Edinburgh and in Scotland as a whole is of a very high standard, but

there is always room for improvement. To ease congestion on the city bypass, it may be worth considering extending the route of the Edinburgh city trams to include towns with larger populations such as Musselburgh and Dalkeith. That would give commuters a fast and direct link into Edinburgh without having to sit in traffic on the bypass. It may even be more cost effective than building new roads, double stacked or not, and putting in place expensive flyovers that will only move traffic more swiftly into the next traffic jam.

The bypass currently has two lanes in both directions. That has been its configuration for 30 years, since it was built. The cost of expansion to three lanes would be eye watering. We would have to pay landowners to give up land to enable the extra lanes to be installed. There would also be the construction costs, of course. Expansion would take away scarce arable land that is at the side of the bypass and would threaten the already endangered green belt in Midlothian.

As we look into making any of the changes that might be required, it is important that we consult different agencies, including Lothian Buses, ScotRail and Borders Buses, as well as our constituents who are most affected by the current issues with the bypass.

I am pleased that the Government has announced that a flyover is to be installed at the Sheriffhall roundabout, which is often the scene of congestion and significant queuing, particularly at morning and evening peak times, as I have experienced. The flyover will improve road safety and journey times for many people who travel on the bypass every day. However, more improvements need to be made along the full stretch of road.

A possible idea is the introduction of a bypass bus. The bus would take a route along the bypass from Musselburgh to the Gyle, stopping at the park and rides at Sheriffhall and Straiton and then at Hermiston Gait before terminating at the Gyle. Such a bus route could reduce the number of commuters taking their cars along the bypass and help people to reach their destinations more easily without having to change buses. Discussion with many different bus companies would, of course, be needed, and Government officials would need to look into the matter.

Given that we have a fast-growing population in Midlothian and Musselburgh, we must take a serious look at the situation on the bypass and put in train the changes that are required as soon as possible, so that the bypass can handle the volume of traffic, which seems to be increasing drastically each year.

There is a problem on the Edinburgh city bypass, which, given the growing population and

the increase in car use, can only get worse. We must take a sensible approach and look at all the ways in which we can improve the current situation on the bypass and help our constituents to travel safely and securely.

The Deputy Presiding Officer: Mr Beattie, I understand that you have a constituency meeting and will have to leave the debate early. You have given me your reasons for leaving early, which are perfectly acceptable.

13:01

Jamie Greene (West Scotland) (Con): Miles Briggs has set out the problem, and Colin Beattie has provided the solutions, so I do not know what to say. I am stuck in the middle and might repeat what has been said.

The debate is a good opportunity to raise awareness of the issue. Edinburgh is our capital city and a huge focus for business, tourism and inward investment, as Miles Briggs said. It is important that we get this right.

On the bypass at the moment—where do I start? I do not know about other members, but for me, leaving the Parliament at decision time on a Thursday and attempting to use the bypass is not an option; it is a no-brainer to leave earlier or to wait for a few hours in town—not that I ever leave early.

The reality is that many people are in the same situation. Commuters, businesses and others who do not just use but rely on the road get stuck there, day in and day out. As Miles Briggs said, radio traffic reports talk about congestion almost by default—it is always in the first line of the script.

Nearly 80,000 vehicles use the road every day, and the number will increase by 30 per cent over the next 10 years. That is dire. Edinburgh is Britain's second most congested city. Can members guess which city is third? It is Glasgow. I was surprised to learn that the second and third most congested cities in the UK are Edinburgh and Glasgow, not Manchester and Birmingham, given their populations. Miles Briggs talked about bottlenecks, and four bottlenecks in Edinburgh are on the list. They are all on the A720 westbound. I have not mentioned the A8 route into Edinburgh, which is also a mess.

The cost of the congestion is huge. Drivers spend about 31 hours a year sitting in traffic in Edinburgh. When a small business owner loses 31 hours, that represents a tremendous amount of lost revenue and time wasted sitting in the car instead of running the company.

Public transport is an option, and modal shift is important. The Parliament spends a lot of time talking about how to achieve a shift to public

transport, but some people have to spend time in their cars, vans or other vehicles. Congestion represents wasted time that is costing the economy in Edinburgh nearly £3 billion a year.

The answer is not simply to ban cars. It is not simply to widen the road. It is not simply to build a flyover or enlarge a roundabout. The answer is a bit of all of the above. There needs to be a joined-up approach to the measures that we take.

We need to look at improving the road. The amount of traffic on it has grown immensely since it was built. I think that it was built in 1980—which is the year in which I was born—so it is not a huge surprise that the volumes have increased at the rate that they have. There should be a feasibility study into widening the road, but that should be part of a bigger conversation about how we address demand in the decades to come, when traffic volumes will increase by hundreds of thousands of vehicles, and about the nature of what our roads do and what purpose they serve.

In the future, we could have smart roads and implement more dynamic lane management systems, variable speed limits and the use of lanes by buses and cars, variously, at different times of the day. That happens to a certain extent at present, but I get the impression that we have not been particularly forward thinking compared with other countries across western Europe or parts of Asia, as Colin Beattie mentioned.

I will not repeat the statistics that we have heard. However, given that the volumes of traffic are going to increase and that the populations of Edinburgh and Midlothian are going to increase dramatically, we need to have a sensible and frank discussion about how we can future proof our transport network to meet the needs of tomorrow.

13:06

Colin Smyth (South Scotland) (Lab): I welcome any opportunity to debate Scotland's transport infrastructure, so I am grateful to Miles Briggs for lodging his motion on improving Edinburgh's city bypass.

The bypass is unquestionably one of the most important trunk roads in Scotland. It circles the south side of Edinburgh, enabling access from one end of our capital to the other, and, crucially, it links the city to key routes to the rest of Scotland and the north of England. Although there have been improvements such as the Dalkeith bypass and lane widening at Sheriffhall, it is fair to say that the A720 has remained largely unaltered since its construction in the 1980s. It has not really adapted to either Edinburgh's growing population or its rising visitor numbers, which has impacted adversely on the economy of the city and indeed Scotland as a whole.

Recent studies imply that parts of the bypass are among the most congested stretches of trunk road anywhere in the United Kingdom, and the Scottish Government's figures suggest that that will get worse, with an anticipated 20,000 more vehicles using the bypass per day within 20 years. As a result, there have been long-standing calls for major improvements, not least at Sheriffhall—a place name that sends a shudder down the spine of any commuter into Edinburgh who tunes into the traffic news first thing in the morning.

I hope that, when the minister sums up, he will update the Parliament on what progress is being made in moving forward the planned upgrade at the Sheriffhall junction from choice of preferred option to an actual timetable for construction, and whether there is an option to bring the project forward. I also hope that he will outline, as Colin Beattie asked, what improved opportunities there will be for cyclists and indeed pedestrians as a result of the Sheriffhall proposals, including whether road-segregated cycle routes will be built into approach roads and all six axes of the junction, as that is unclear.

There have been calls for the use of smart motorway technology—which Jamie Greene mentioned—to allow, for example, the hard shoulder on the bypass to be used at peak times. Again, I hope that, when he sums up, the minister will update members on whether there has been an assessment of that proposal, which would replicate the use of the smart motorway system on the M42 near Birmingham, in relation to both whether it would reduce congestion and what the safety implications would be if such a scheme was implemented.

In the past, an Edinburgh orbital bus route has been proposed to help to take cars off the bypass. In 2012, feasibility studies were undertaken to ascertain how a route from the end of the Forth road bridge to Queen Margaret University via the A720 would function.

Jamie Greene: The member makes some valid points. Does he accept that technology is going to play a big part? The ability in real time to monitor traffic volumes, levels and directions somewhere centrally and make instant decisions to alter the flow could be very useful in Edinburgh.

Colin Smyth: Absolutely. That is why it is important to assess such schemes and look at examples elsewhere in the UK. Of course, we have to look carefully at any safety implications of, for example, using the hard shoulder during peak times, but such options must be looked at. We cannot simply build our way out of congestion.

It would be helpful to know what happened to the proposals for an Edinburgh orbital bus route. They seem to have been parked somewhere

despite the fact that increased public transport must be at the heart of any solution to the current congestion on the bypass.

I confess that when I travel into Edinburgh I do everything that I possibly can to avoid bringing my car, and I take the train from Lockerbie. However, despite the fact that they are only an hour apart by train and the route is an important commuter one, there is no direct early-morning rail service from Lockerbie into Edinburgh. The transport minister will be pleased to know that, for once, he is off the hook on that one, because the franchise rests with the UK Government. Perhaps Miles Briggs can have a chat with the Secretary of State for Transport who handed out that franchise and have it changed. Better still, the route could be nationalised, because, as we have seen in relation to the east coast main line, the UK Government has a taste for that particular policy. *[Interruption.]* Members are saying that we should support that, and I say absolutely—let us extend that.

A key part of tackling congestion on the bypass must be to invest in alternatives to the car, such as a railway system in which passengers—and, frankly, not profits—are the priority. The Borders rail link has shown that when we build railways, passengers will come. Instead of making people drive along the A1 and the A7 to Edinburgh, adding traffic to the bypass, let us extend that rail link to Carlisle, through Langholm, and reach more passengers. Alternatively, imagine how many cars we could take off the bypass if, for example, we reopened the Penicuik to Edinburgh Waverley rail link or we revived the Edinburgh south suburban railway.

We also need to invest in our bus network and regulate it properly. In this city, Lothian Buses is a good example of what our bus services can do and can be. Therefore, let us aim to replicate municipal bus ownership across Scotland and avoid decisions such as the recent one from the Conservative-run Borders Council to cut funding to the Dumfries to Edinburgh bus service, which is putting that very service at risk and, in turn, could add more cars to the Edinburgh bypass.

Road improvements are badly needed on the bypass. I hope that we will see more than just what is proposed for Sheriffhall. However, we also have to accept that we will not be able to build our way out of congestion. Better buses, trains and improved active travel opportunities also need to be at the heart of any solution.

The Deputy Presiding Officer: I have been quite liberal, but I do not want to have to extend the debate with a motion without notice, so members should please try to be neater with their speeches.

13:11

Emma Harper (South Scotland) (SNP): I am pleased to speak in this afternoon's debate on improving the Edinburgh city bypass, and I thank Miles Briggs for bringing the debate to the chamber. I remind the chamber that I am the parliamentary liaison officer for the rural economy and connectivity portfolio, and I thank members for their contributions so far.

I agree with the wording of the motion that

“good transport links, including trunk roads ... are key to future economic development”.

Members have mentioned being stuck in traffic. Nobody wants to be stuck in congestion, delays or lengthy tailbacks on any road, especially when we all have places to be—we all have to get to work, to commute, to attend to business or even travel as visitors or tourists to our country, our region or our capital city. I have experience of driving in Los Angeles, where there are five lanes on each side of the 405 freeway network that is sometimes known as the giant car park. Sometimes it took me two and a half hours to drive 18 miles to work. That meant that I avoided driving during the rush hour, which often lasted many hours. I am not suggesting that everybody should avoid the rush hour—it was just the way in which I was able to achieve a 35-minute commute instead of one of two and a half hours—but I empathise with people who are stuck in traffic.

Today's motion focuses on improving the A720 Edinburgh city bypass. As a member of the Scottish Parliament for the South Scotland region, I am frequently on the bypass, depending on which northbound road I use to approach the capital on my way to Parliament. I am also quite familiar with the Sheriffhall roundabout, although I avoid it. With its six entrances and exits, it is quite challenging to navigate the lanes, and, as the motion mentions, the roundabout is busy, especially at peak times.

When reading the background papers from Transport Scotland on the Sheriffhall roundabout improvements, I noted that there has been a consultation that started with eight proposals, which were reduced to three. The agreed option—option B—was to introduce grade separation, which involves overpasses and underpasses. On grade-separated roads, junctions are typically quite space intensive, complicated and costly, which might be due to the need for large physical structures such as tunnels, ramps and bridges. The height can be obtrusive, which, combined with the large traffic volumes that grade-separated roads attract, tends to make them unpopular with nearby landowners and residents—hence the need to consult with road users, businesses and residents to ensure that any infrastructure proposal is optimal. The proposed grade

separation for Sheriffhall roundabout will consist of two bridges so that bypass traffic is separated from local traffic.

I note that there are unique design challenges for the work. The area sits on top of historical mine workings and a geological fault zone with possible mineral seams. Although mining has long ceased in the area, the work that is still to be carried out needs to take into account the ground conditions, which are complicated. The Borders railway, which goes through the South Scotland region—right past your area, Presiding Officer—is also very close to the Sheriffhall roundabout, which is about 300 metres away.

In the Scottish Government's programme for government, a commitment was made to review the national transport strategy and carry out a second strategic transport projects review. STPR2 will examine the strategic transport infrastructure interventions that will be required to support the delivery of the national economic strategy and it will ensure the delivery of a transport network that is fit for the 21st century and for future economic development.

It is interesting to note that everyone is lobbying the minister, and I am one of those people. He is well aware that STPR2 in the South Scotland region is looking at the A75, A76 and A77. We all have infrastructure needs that we are asking for, especially regarding the roads to Cairnryan and the ferry port near Stranraer, and I warmly welcome the review of the roads in the South Scotland region.

I welcome the progress that has been made by the Scottish Government on infrastructure improvement across Scotland and I look forward to hearing from the minister on progress on innovative long-term solutions that will keep traffic moving, especially on the Edinburgh city bypass.

The Deputy Presiding Officer: I want to give later members a fair crack of the whip, and I appreciate that more members wish to speak in today's debate. I am minded to accept a motion without notice to extend the debate by up to 30 minutes. It is up to 30 minutes, but it is not going to be 30 minutes.

Motion moved,

That, under Rule 8.14.3, the debate be extended by up to 30 minutes.—[*Miles Briggs.*]

Motion agreed to.

13:16

Gordon Lindhurst (Lothian) (Con): Presiding Officer, I am delighted that I will now have much longer than four minutes. I am only joking, of course.

The dreaded radio traffic reports are a daily headache for the commuters of Edinburgh and Lothian. The Edinburgh city bypass is a standing fixture of those reports, whether it is congestion at Hermiston Gait heading east, a tailback at Dreghorn, queues at Straiton or, of course, lengthy delays at the Sheriffhall roundabout. A lot of those are not newsworthy for the people who are familiar with those places; indeed, one would have to be an uninformed visitor from the moon to be surprised at any of that, sadly.

As a Lothian MSP, I am all too familiar with the A720 arterial road and how it is crucial to the service and transport links in this area but is such a stumbling block to getting anywhere. That has been referred to by Miles Briggs and other colleagues across the chamber. The situation is not surprising, because the bypass was built in sections starting in 1980 and was completed in 1989. I am not saying that Jamie Greene is old, having been born in 1980, when it started, but 1980 is ancient in terms of transport and the increase in traffic that we have experienced in Scotland since then, which has come about not just because of the increasing use of cars for transport requirements but the house building that has taken place. Hundreds of new houses are being built in Frogston, and the A720 as it is now, having been constructed at the time when it was, is no longer in a fit state for what is required.

The Scottish Government has a number of urgent challenges, first and foremost of which is to deliver the Sheriffhall grade road separation project, which has been referred to. Draft orders are not published for it yet, but it will mean even longer queues and more frustration for the drivers who have no option but to go through there. We have already heard from Colin Smyth about the lack of public transport links, even for those who wish to use them. People have to use the A720 to come that way into Edinburgh.

There are also other considerations about the Sheriffhall roundabout. A number of campaign groups, predominantly from the cycling lobby, have voiced concern about safety, and cyclists are some of those who are trying to use alternative means to get to work. I have asked the minister about that previously, and I look forward to his updating Parliament on how cyclist safety will be incorporated into the favoured option for the Sheriffhall roundabout.

There are a few other things that I would like to hear from the minister about. Are there further ideas in the pipeline for increasing capacity at other points on the A720, such as increasing the number of lanes? Are there any other innovative solutions that might be available in the 21st century? If Scotland is to beat other countries in phasing out petrol and diesel cars, has the

minister given any thought to how electric vehicle charging points can be incorporated into road improvement works on or near trunk roads such as the bypass, particularly in circumstances in which it can be a lengthy process for commuters to go on and off the roads at peak times? Will extra capacity be provided to make that a possibility? Those are considerations that could impact on Lothian and the whole of Scotland.

The residents of Edinburgh and the Lothians want to see improvements to their city bypass, and many of their concerns have been voiced today. I hope that those concerns have been heard and will be taken on board by the Government, and that the minister can give us some clues about how those points will be addressed in the near future.

The Deputy Presiding Officer: I call Neil Findlay, who is the last speaker in the open debate.

13:21

Neil Findlay (Lothian) (Lab): Thank you, Presiding Officer. I will be brief.

The bypass is the bane of many people's lives. Tens of thousands of people drive along it every day, and it often becomes one of the biggest traffic jams in the country. The loss of economic activity, leisure time and family time, the increase in pollution and frustration, and the time that is wasted being stuck on that road are bad for the economy, the environment, the health of residents and the wellbeing and sanity of drivers.

The Lothians area has been experiencing significant population growth for some time. Demand for goods and services, housing, general practitioner practices and other public services is there for all to see. As it stands, the roads infrastructure is simply not fit to serve that growing area.

Edinburgh is the capital city and the economic hub of the region and country. The bypass is an essential link to markets in the north-east of England and beyond into the south of England, and to the west, the central belt, Fife and on to the north of Scotland. It is a key road for Scotland's economy and for those who work in it to produce the goods and wealth that we enjoy. We need major investment and a comprehensive approach to tackle a chronic problem.

Many technical solutions have been proposed over the years. Some of the solutions that have been proposed today are very interesting. My appeal to the minister is to make the bypass a national infrastructure priority now. We have had feasibility studies and desktop studies, and all

sorts of people have looked at this issue over the years, but we need action and progress.

I would rather pull out my teeth with pliers and with no anaesthetic than drive the bypass each day—

The Minister for Transport and the Islands (Humza Yousaf): I would volunteer to do that.

Neil Findlay: I am sure that the minister would volunteer, but he might be in a queue.

However, I have a choice. Many people have no option and have to endure that misery each day. I appeal to the minister to act with haste and help to release my constituents from the misery of the daily commute that many of them have to undertake each day.

13:23

The Minister for Transport and the Islands (Humza Yousaf): Today's debate has been insightful and useful; it has been a good debate all round. I thank Miles Briggs for bringing the debate to the chamber, and I thank members for their constructive contributions.

I will try my best to answer a number of the questions that I have been asked, but it is worth me emphasising one or two points on behalf of the Government. Since 2007, our investment in major national transport infrastructure has been £20 billion. The Queensferry crossing, the M8-M73-M74 motorway improvements and the continued investment in the Edinburgh to Glasgow rail improvement project have all been part of that. A lot of investment is going into transport, but the clear message from members is that they want to see more of it. I understand that.

It is worth touching on a couple of themes that were mentioned. Colin Smyth made a good point when he said that we cannot build our way out of congestion. That is very true indeed. We have to look at investing in public transport—I will touch upon that in a minute—and, as Jamie Greene, Colin Smyth and a few others have said, we need to look at technology, too.

In November last year, Transport Scotland published our "Future Intelligent Transport Systems Strategy", which looks at how we can use technology in a smarter way. Smart motorways are absolutely a part of that and are very much a part of our thinking around how we progress intelligent transport systems across our infrastructure. Some of that is being done in relation to the Queensferry crossing. On the ideas that have been mentioned for the A720, I give an undertaking to look at smart motorway technology in relation to the A720 and report back to members on that.

On the Edinburgh and south-east Scotland city region deal agreement and the heads of terms signed, it is worth saying that the investment in Sheriffhall roundabout is not insignificant. There is £120 million for that grade separation, which is quite a hefty investment. Alongside that, there is £20 million for improvements to public transport in west Edinburgh. Public transport was mentioned by a number of members—£20 million has been committed to that on top of the £120 million.

I will try to address some of the issues that have been mentioned regarding Sheriffhall. A number of members asked about cyclists. Indeed, the Deputy Presiding Officer, Christine Grahame, has asked me about that in her role as a back bencher and as a constituency MSP. It is fair to say that there was a vocal backlash from the cycling lobby to the initial proposals. As I said at the time, it was important for the Government to listen to what the cycle lobby said; we have a good relationship with it. We have spoken to Spokes and Sustrans and listened to their concerns. They are very much part of our conversation and our engagement process. When those final proposals are made, I hope that cyclists will be satisfied—not just members of Spokes and Sustrans, but those who cycle routinely or for leisure as well. We are listening to what cyclists say on that.

A number of members, including Colin Smyth, asked whether we could bring forward the construction of that project in particular. We have statutory obligations that we have to meet. People sometimes roll their eyes and say, “It’s that old excuse about statutory obligations, processes and so on and so forth.” Having challenged my officials on that in relation to a number of projects, I would say that if we do not go through those statutory processes—if we try to bypass or shortcut them in any way—we could be susceptible to a legal challenge, which would of course delay the project even further.

I can give an absolute assurance that we will do everything within our power to deliver the scheme as quickly as we possibly can. We expect to publish draft orders in 2019 for formal comment. Because of the size of the scheme, there could be objections; I am not saying that there will be, but there could be. Depending on those objections, there may be a need for a public local inquiry. We will have to wait and see what happens.

It is impossible for me to give members an exact construction date when I do not know whether there will be a public local inquiry. I can give an absolute assurance that there is no need for a delay and there is no intention to have a delay. As Neil Findlay and others requested, we view this as an infrastructure project of national importance—not just the Sheriffhall roundabout, but the A720. I will come on to that in relation to STPR2 as well.

Members made some good points about reducing the number of cars. Jamie Greene spoke well about the fact that there is not one silver bullet or one magic solution. We have to look at improving the A720 and the Sheriffhall roundabout, plus other sections of the bypass, but it is also about reducing the number of cars. We are working on that through investment in our railways. Other members, including Colin Smyth and Emma Harper, spoke about the importance of buses and public transport in general, and it is hugely important that we continue to invest in those, too.

Gordon Lindhurst’s points on electric vehicles and their uptake were well made. I will take away his suggestion on how we can include electric vehicle charging infrastructure on the A720. He knows our commitment for the A9 in that respect. We have to ramp up seriously our infrastructure for electric vehicles if we want to meet the 2032 target, which we have every intention of doing.

Colin Smyth made suggestions on investing in railways and future lines, and this is a good time to be having that conversation. We are going into control period 6. There is a pot of funding available around which discussions can be had about future enhancements.

Finally, Miles Briggs suggested a feasibility study into widening the bypass. A lot of work is being done within Government on a variety of studies—the national transport strategy review and, importantly, the strategic transport projects review, which will be the overarching document for infrastructure investment in the future. I will take away his suggestion for a feasibility study and come back to him on that. I do not want to duplicate work if there are already a number of studies on-going; there would be no point in doing that.

The message from Mr Briggs, and from every member who has spoken, is clear and I agree with it entirely. The A720 is part of a trunk road network that is of national importance because of its location, the economy and, as Neil Findlay said, the sanity of people who are trying to do their everyday commute.

I will continue to keep Parliament and members who have an interest updated. There is a lot of work on-going. I thank everyone for their helpful and constructive contributions.

13:31

Meeting suspended.

14:30

On resuming—

Portfolio Question Time

The Deputy Presiding Officer (Linda Fabiani): The next item of business is portfolio questions. I will try to get as many people in as possible in each part of the 40 minutes—there are 20 minutes for each subject. I ask members to be aware of that and to ensure that we have quite succinct questions and answers so that all their colleagues get an opportunity to come in.

Rural Economy and Connectivity

Skills Development (Rural Economy)

1. Alex Rowley (Mid Scotland and Fife) (Lab): To ask the Scottish Government what support it gives for skills development in the rural economy. (S5O-02147)

The Cabinet Secretary for Rural Economy and Connectivity (Fergus Ewing): The Scottish Government supports skills development in rural areas through the developing the young workforce programme, modern apprenticeships, schools, colleges and universities. That activity provides opportunities for people living in rural Scotland to develop their skills and gain qualifications, including in traditional rural industries like farming, forestry and land use. We committed in the programme for government to developing a rural skills action plan and will publish that in due course.

Alex Rowley: I recently had the pleasure of meeting young people who had completed a shared forestry apprenticeship scheme that was delivered by Rural Skills Scotland, which is a non-profit-sharing organisation that is based in Lochgelly. The land-based sector needs an injection of new and young talent to keep up with the growing demand for skills. However, the sector comprises mainly small businesses and microbusinesses, many of which find it difficult to employ apprentices through the existing model.

Will the cabinet secretary join me in congratulating Rural Skills Scotland on that piece of innovative work, and will he take the time to look at that successful project in order to consider how to provide sustainable mechanisms for the future delivery of apprentices in the sector?

Fergus Ewing: Yes. Mr Rowley has made a very fair point. I am pleased that he mentioned that good scheme. I anticipated that he would mention it, so I looked into it.

Through Forestry Commission Scotland, the Scottish Government has over the past two years

provided £107,000 to the shared apprenticeship scheme, and six apprentices were employed by Rural Skills Scotland and placed with forestry enterprises, mostly in the public or third sectors. Forest Enterprise Scotland subsequently provided eight young people with apprenticeships in the south of Scotland. I understand that there were more than 200 applications for that, so quite a number were unsuccessful. I certainly undertake to look into the matter further. Good progress has been made, but more can be done.

Jamie Halcro Johnston (Highlands and Islands) (Con): I declare an interest as a partner in the farming business, J Halcro-Johnston and Sons.

I recently attended a National Sheep Association event and spoke to a young person there who is considering entering sheep farming as a profession, but faces a number of barriers. Such new entrants are vital to the sustainability of Scotland's rural economy. What update can the cabinet secretary give on the Scottish Government's commitments to improve opportunities for new entrants? In particular, what co-ordination is there with skills providers and rural businesses and communities to ensure that we are building rural skills in a way that meets the needs of those areas?

Fergus Ewing: Since 2015, grant schemes under the Scottish rural development programme have helped to kick-start more than 250 new agricultural businesses with about £13 million of support, mainly to young farmers. In addition, we have set up farming opportunities for new entrants—I devised the acronym FONE for it; it is catchy—which seeks to maximise land opportunities for those who are seeking access to the first rung on the farming ladder by making available land from the public sector that is owned by local authorities, Scottish Enterprise, Highlands and Islands Enterprise, Scottish Water and the Forestry Commission. Already, thanks to the good work of Henry Graham and others, we have created more than 50 new land opportunities through that initiative.

Thirdly, we have, under our farm advisory services, put in place a dedicated new entrants to farming programme, which is providing a network of support, advice and skills.

I acknowledge that we need to do more. Mr Halcro Johnston's question is apposite, and I will be very happy to work with him as we develop our plans further.

Central Scotland Transport Infrastructure

2. Mark Griffin (Central Scotland) (Lab): To ask the Scottish Government what investment it

has committed to transport infrastructure in the Central Scotland region. (S5O-02148)

The Minister for Transport and the Islands (Humza Yousaf): The Scottish Government continues to invest heavily in transport infrastructure across the Central Scotland region. Recent and on-going commitments include the completion of the £500 million M8-M73-M74 motorway improvements project, the Edinburgh to Glasgow improvement programme on the rail network, the Shotts electrification project, the refurbishment of the Kincardine bridge and continued investment in the canal network and in active travel infrastructure through our community links and community links plus programmes.

Mark Griffin: The Twechar bridge over the Forth and Clyde canal is now out of commission, which means that my constituents who live in the Auchinstarry marina can no longer travel west. The Twechar bridge might not be as grand as the Falkirk wheel, but it serves exactly the same purpose of opening the canal network to travel. If the Falkirk wheel broke down, we would expect to see immediate action. My constituents expect the Twechar bridge to be repaired and the central Scotland canal network, which successive Governments have committed millions of pounds to, to reopen permanently.

Humza Yousaf: Mark Griffin has raised an important issue. I should make a couple of points. The first—perhaps it is obvious, but it is worth reiterating—is that the reason for the closure of the Twechar bridge is safety, which must be paramount. Where there are problems or failures of assets, we cannot risk people's lives, which is why we have taken the action that we have taken.

The Government increased the budget for Scottish canals in the most recent budget. At the moment, there are restricted hours of operation for the Bonnybridge and Twechar bridges. I should say that the last time the Twechar bridge was open, only about half a dozen people took advantage of that.

To give Mark Griffin some reassurance, I can say that Scottish Canals is continuing work to identify potential solutions in order to restore full operation of the Twechar bridge. If he has not met representatives of Scottish Canals recently, I will ensure that we facilitate that meeting.

It is, of course, worth saying that the overwhelming majority of users of the canal are on foot and cycling, using active travel, which will continue to be the case. Notwithstanding that, I will ensure that Mark Griffin is kept up to date.

The Deputy Presiding Officer: The questions and answers are getting a bit laborious. We have only just reached question 3.

Passenger Air Links (Islands)

3. Jamie Halcro Johnston (Highlands and Islands) (Con): To ask the Scottish Government what assessments it has conducted of passenger air links to Scotland's island communities. (S5O-02149)

The Minister for Transport and the Islands (Humza Yousaf): Following a discussion at the Scottish transport forum, I assigned Highlands and Islands Airports Limited the task of considering what air services in the Highlands and Islands could and should look like in the future. HIAL will shortly carry out a consultation seeking views on what the strategy should be over the coming period.

Liam McArthur (Orkney Islands) (LD): Oh!

Tavish Scott (Shetland Islands) (LD): Deep irony!

Humza Yousaf: I thought that that might annoy those members.

Jamie Halcro Johnston: I thank the minister for that reply and acknowledge the general surprise from the members on that side.

Given the level of dependence of the island routes on a single operator and the effect that that has on competition, can the minister say whether he has had any discussions with any other potential providers of services on the routes, and whether he agrees, in principle, that competition would have a benefit with regard to the level of service provided?

Humza Yousaf: Jamie Halcro Johnston will know that Flybe entered that market in direct competition to Loganair. When it did so, the market share of people using air services increased, although there is no doubt that that had an impact on Loganair. Of course, Flybe eventually ended up pulling out.

From the perspective of the Scottish Government, the more connections and air services there are to our islands, the better. Therefore, if there is an approach—through Jamie Halcro Johnston or from an operator—I will consider it with an open mind. The main point is that sustainability of air services to and connectivity in our islands is foremost in my mind.

Liam McArthur: I welcome the minister's revelation that HIAL will engage in a prior consultation.

With regard to internal air services in Orkney, the minister might be aware of capacity issues on what are lifeline services for those small island communities. Will he commit to engaging with Orkney Islands Council about how that situation might be addressed as part of the overall

discussions around lifeline air and ferry connections between the small isles in Orkney?

Humza Yousaf: I do not know whether that is the opening salvo of another round of budget negotiations from Liberal Democrat members—at least, they were formerly members of the Liberal Democrats—who voted for the Scottish Government budget in support of internal ferry services. I will take up that discussion in my next conversation with Orkney Islands Council.

Although Liam McArthur laughed and scoffed, it is worth noting that, yesterday or the day before, HIAL announced that it will be extending its exemptions based on the consultation on the passenger surveys, which will include people who travel from other islands and might be affected by car parking charges.

Gail Ross (Caithness, Sutherland and Ross) (SNP): Last year, the number of passengers who used HIAL airports went up by 15.4 per cent. Does the minister agree that we should do all that we can to ensure that businesses, residents and tourists can continue to benefit from lifeline services to the Highlands and Islands?

Humza Yousaf: Yes. Gail Ross is right to emphasise the importance of our Highlands and Islands airports. The sustainability of our air services is vital, and car parking charges are being brought in to ensure that air services are sustainable for the future for our island communities and our Highlands communities.

Brexit (Farming)

4. **Colin Beattie (Midlothian North and Musselburgh) (SNP):** To ask the Scottish Government what assessment it has made of the impact on farming of Brexit. (S5O-02150)

The Cabinet Secretary for Rural Economy and Connectivity (Fergus Ewing): Numerous studies confirm the Scottish Government's position that Brexit is a major threat to farming in Scotland. Those include one from the Food and Agriculture Policy Research Institute, which is funded jointly by the United Kingdom Government and the devolved Administrations, Scotland's Rural College, Quality Meat Scotland and the Agriculture and Horticulture Development Board. All the studies show that the failure to replicate the current trade arrangements with the European Union will mean that Brexit will have a detrimental impact on farmers, and sheep farmers in particular. Farm incomes could be seriously affected due to Scotland's ability to export being reduced and the possibility of a reduced budget from the UK Government for farm support. In addition, businesses are already reporting problems with workforce availability.

Colin Beattie: Can the cabinet secretary update Parliament on what progress has been made on the review of convergence funding, which was promised by the UK Secretary of State for Environment, Food and Rural Affairs, Michael Gove, last year?

Fergus Ewing: Mr Gove promised that there would be a review. Incidentally, that promise was made originally about five years ago by Owen Paterson, who was then in the UK Government, but that promise has since been broken by successive ministers. Eventually, last November, Mr Gove decided that the UK Government would get round to implementing the pledge, and it promised to have the review—indeed, a Tory MP claimed credit for it.

Since then, Mr Gove has said that such matters rest with the Treasury. When I met Mr Gove with Ms Cunningham a few weeks ago, I explained to him that the matter is very serious. The EU intended the money to go to Scottish farmers, and Scottish farmers alone, because only Scottish farmers qualified for the particular convergence funding. Therefore, my recommendation to Mr Gove is that he implement his promise without further delay, that he persuade the Chancellor of the Exchequer, Mr Hammond, to bring the matter up to the top of his in-tray and that we get on with the review, which was promised many years ago and has still not been implemented by the UK Government.

Colin Smyth (South Scotland) (Lab): I very much share the cabinet secretary's frustration over the lack of progress with the review. Does he agree that one of the frustrations for Scotland's farmers is what they perceive as the lack of detail from the Scottish Government on its vision for the future of agricultural support post-Brexit? Organisations such as NFU Scotland and Scottish Environment LINK are leading the way, exploring alternatives to the common agricultural policy and setting out clear principles behind what that support should look like. Can the cabinet secretary say when he will do the same and set out clearly the Scottish Government's vision and views on what post-Brexit support should look like in Scotland?

Fergus Ewing: I do not accept that, and the reasons for that are twofold. First, at meetings with Mr Gove and Mr Eustice, we have repeatedly sought clarity about precisely what the powers of the Parliament will be. We have no absolute clarity on that. Secondly, we have asked for clarity on funding post-Brexit, and we know nothing about that. Can any member tell me any business plan—I have been in business—that has no figures in it? It is ludicrous to suggest that anybody could come up with a detailed plan as long as the UK Government completely fail to obtemper the

promises that were made during the Brexit referendum campaign, during which it was said that the funding would be at least matched. No wonder people voted for Brexit when they were told that there would be the possibility of getting more money. Now, we know nothing whatsoever.

There is a second reason why I disagree with Mr Smyth. We expect a report from the agricultural champions on the future of agriculture. In addition, the National Council of Rural Advisers will, very shortly, publish a consultation document, with its final report to come in September. Incidentally, that council was set up directly in response to Parliament's wishes. We are doing exactly as this Parliament has requested.

John Scott (Ayr) (Con): Notwithstanding the cabinet secretary's answer to Mr Smyth, will he tell Parliament when the Scottish Government will outline its plans for the future support of agriculture and what his priorities might be in that regard. The cabinet secretary did not answer the previous question.

Fergus Ewing: As soon as the UK Government says what the funding will be, it will be possible to produce a plan. I used to run a business. We had figures of estimated income and expenditure. There are no post-Brexit figures at all from the UK Government, yet you guys and your party promised that the people would be better off.

The Deputy Presiding Officer: Speak through the chair, please, Mr Ewing.

Fergus Ewing: Those guys over there, Presiding Officer.

We shall shortly see the publication of the agricultural champions' proposals. Those four champions are independent experts. Instead of Opposition members carping and making political points, they would be well advised to study carefully the champions' recommendations.

South Scotland Food and Drink Industry

5. Joan McAlpine (South Scotland) (SNP): To ask the Scottish Government what support it is giving to the food and drink industry in South Scotland. (S5O-02151)

The Cabinet Secretary for Rural Economy and Connectivity (Fergus Ewing): Direct investment in and support for the food and drink sector in Scotland from the public sector equate to about £100 million per annum across a range of areas including skills, education, research, industry development, standards and capital investment. That funding is provided on a national basis and is available to companies throughout the South Scotland region.

Joan McAlpine: Many of the food and drink companies in South Scotland are microbusinesses

and need a local approach. When will connect local hold a workshop in Dumfries and Galloway? What monitoring will be put in place to ensure geographical parity of awards from the new regional food fund?

Fergus Ewing: The member is correct to point to connect local and the work that it does. The Scottish Government provides £3 million-worth of funding to it, which enables it to provide an advisory service in the four-year period to 2020. I understand that a connect local event is expected to take place, and I can write to the member with the detail and the timescales.

Dumfries and Galloway has an outstanding reputation for excellence in the production of high-quality food and drink. I work closely with the new South Scotland vehicle, which is led by Professor Russel Griggs and Rob Dickson. There are enormous opportunities for businesses in the sector to be even more successful.

Oliver Mundell (Dumfriesshire) (Con): Later today, Young's Seafood is expected to announce bad news at Pinneys of Scotland. Will the cabinet secretary set out what support will be made available to the workforce? Will he reaffirm that the Scottish Government remains 100 per cent committed to ensuring that a new operator continues production on that site?

Fergus Ewing: As the member knows, Paul Wheelhouse leads on that matter. It is extremely important to us that we get the best possible outcome, and I have been involved in meetings and discussions thereanent. We are absolutely determined to get the best possible outcome, as Mr Mundell knows. That remains unchanged and will continue to be the case.

The Deputy Presiding Officer: Question 6 was not lodged.

Fibre Broadband

7. George Adam (Paisley) (SNP): To ask the Scottish Government what progress it is making with the roll-out of fibre broadband, including ensuring that all new-build homes have access. (S5O-02153)

The Cabinet Secretary for Rural Economy and Connectivity (Fergus Ewing): The digital Scotland superfast broadband roll-out has passed its 95 per cent fibre coverage target. Thinkbroadband, the independent commentator, reports that superfast coverage of 30 megabits per second and above stands at 93.4 per cent. New investment—gainshare funding—will increase those figures even further through 2018. Beyond that, we are investing £600 million in the initial phase of the reaching 100 per cent—R100—programme, which will extend superfast access to every home and business.

George Adam: I welcome that, particularly the benefits for families and businesses in Paisley. What funding is the United Kingdom Government providing to support the roll-out of superfast broadband to all premises in Scotland, including those in Paisley, given that, after all, the policy responsibility is entirely reserved?

Fergus Ewing: I acknowledge that the UK Government contributed £100 million of the more than £400 million investment in the digital Scotland superfast broadband programme. That was less than the Scottish public sector contribution but, nonetheless, it was a reasonable size of contribution. However, in respect of R100, the funding for the whole of Scotland is £600 million, which is the most funding for any single broadband project ever in the UK, and I am very sad to say that, of that, the UK Government is contributing £21 million. We are contributing £579 million and the UK Government is putting in £21 million, which is 3 per cent. That is a disgrace. I do not understand why, when the Scottish Tories say that they are standing up for Scotland, not one of them has criticised that pathetic contribution of £21 million. Not one of them here or in Westminster has had the guts to say that it is a reserved function and that the UK Government should be making its fair contribution. That is truly sad and pathetic. However, we are seeking to obtain a proper commensurate contribution from the UK Government and, obviously, we will not let the matter rest.

Environment, Climate Change and Land Reform

Emissions Targets and Air Pollution (Glasgow)

1. **Anas Sarwar (Glasgow) (Lab):** To ask the Scottish Government how it will meet its carbon emissions targets and lower air pollution in Glasgow. (S5O-02157)

The Minister for Transport and the Islands (Humza Yousaf): Our climate change plan sets out the actions that are needed to continue to drive down Scotland's greenhouse gas emissions. Many of those actions will have additional positive impacts, such as improvements in local air quality. For example, the plan includes the introduction of low-emission zones in Scotland's cities, the first of which will, of course, be in Glasgow by the end of this year. The Scottish Government is also working closely with Glasgow City Council as it implements the measures in the council's air quality action plan and is providing practical and financial assistance to monitor air quality and support the delivery of measures.

On top of that, we are looking to see how we can move more freight from road to rail and increase electric vehicle uptake, and we continue

to invest in public transport in Glasgow and in Scotland more widely to reduce our carbon emissions.

Anas Sarwar: We all agree that carbon emissions need to fall. There are clear health benefits as well as climate change considerations. Before London introduced the congestion charge, huge investment was made to deliver improved public transport and active travel opportunities. What additional transformative investment will be made in public transport and active travel opportunities in Glasgow before any charging is introduced?

Humza Yousaf: The low-emission zone is not a charging scheme as such, although Labour councillor Matt Kerr proposed an amendment to the city administration's recent proposals that would introduce congestion charging. I am wary of that, but we will have conversations on that issue.

Mr Sarwar is right in saying that investment in public transport is vital, and it goes hand in hand with the low-emission zone—it is not an either/or situation. We will continue to invest in the Edinburgh to Glasgow improvement programme, which will provide faster journey times between Glasgow and Edinburgh, and in new rolling stock, which will attract more people to our railways. On other investment, if the member goes to Victoria Road, in the south side of Glasgow, he will see the south city way, in which we are investing to provide better active travel opportunities from the south of the city into the city centre. There are also many other active travel projects. I emphasise that it is not an either/or situation; we must invest in the low-emission zone, which is pioneering in Scotland, and in the public transport network.

Patrick Harvie (Glasgow) (Green): If we are to achieve the targets that the minister spoke about, surely, when there is money to invest in the built environment, it needs to be spent in a way that achieves a direct reduction in the volume of polluting transport and makes it safer and easier to use active travel—for example, through the installation of bike lanes of the standard of the one that is being used on Victoria Road, in the south side, which the minister just praised. Will it be a missed opportunity if Glasgow City Council continues with its plans for Byres Road, which is one of the most polluted parts of the city, without including mitigating measures to reduce through traffic and without putting in proper, safe, physically separated cycle space so that people can cycle on that busy road without being constantly in danger as a result of the volume of traffic?

Humza Yousaf: It is for local authorities to make decisions on whether to take particular schemes forward. The member can engage directly with Glasgow City Council about that.

The member will agree with me that, through the leadership of Councillor Anna Richardson and officials such as George Gillespie, there has been a step change in Glasgow City Council's new administration, with a cultural shift towards more active travel. We see that in the community links and community links plus projects to which the council has committed.

On the Byres Road scheme, it would be best if the member took the issue up directly with Glasgow City Council.

River Bank Erosion

2. **Oliver Mundell (Dumfriesshire) (Con):** To ask the Scottish Government what support is available to farmers to prevent river bank erosion. (S5O-02158)

The Cabinet Secretary for Environment, Climate Change and Land Reform (Roseanna Cunningham): The rural payments agri-environment and climate change scheme contains a number of funding measures aimed at the restoration and protection of river banks.

Oliver Mundell: A number of constituents across my Dumfriesshire constituency are struggling to access funds that are urgently needed following the severe weather that we had over the winter. River banks have broken and huge quantities of land are disappearing. Can the cabinet secretary do anything to look into the matter and accelerate payments to those who need them most?

Roseanna Cunningham: We are aware that some customers are experiencing difficulties in submitting applications for various integrated administration and control system options. We have identified the applications that are currently in draft—I do not know whether those are the ones to which the member refers—and, in those cases, we will allow the submission of late applications, after 31 May. We understand that the issue is likely to affect about 20 applicants. I would be happy for the member to bring me the names of his constituents, so that I can see whether they marry up with the information that I am being given. We will see whether we can help to get things on to a better keel.

Alex Rowley (Mid Scotland and Fife) (Lab): As the cabinet secretary knows, as well as erosion, pollution is a major issue for our rivers. In Muir Dean, run-off after a farmer spread industrial waste caused an environmental incident, with polluted water and an extremely noxious smell in Dunfermline, which was so bad that it made some residents physically sick. What assurances can the Government give me that its agencies have the power to stop people when they deliberately

damage the environment around them by dumping or spreading pollutants?

The Deputy Presiding Officer: I suppose that that supplementary question was broadly related to the main question. If the cabinet secretary is content to answer, she may do so.

Roseanna Cunningham: As it happens, Presiding Officer, the member raised related issues at the meeting of the Environment, Climate Change and Land Reform Committee, of which he is a member, on Tuesday morning, so I am conscious of his concerns about how some matters are being handled. If he cares to write to me with details of the incident to which he refers, I will be happy to investigate.

Clean Air Bill

3. **David Stewart (Highlands and Islands) (Lab):** To ask the Scottish Government what plans it has to bring forward a clean air bill. (S5O-02159)

The Cabinet Secretary for Environment, Climate Change and Land Reform (Roseanna Cunningham): We continue to make good progress in delivering the actions that are set out in our strategy "Cleaner Air for Scotland—The Road to a Healthier Future", including the establishment of Scotland's first low-emission zone, in Glasgow, by the end of this year and the establishment of LEZs in Aberdeen, Dundee and Edinburgh by 2020. We have committed to a full review of the strategy by 2020, and any requirements for further policy or legislative changes will be considered as part of that process.

David Stewart: It is a quarter of a century since the Clean Air Act 1993 was passed. Is it time for a new clean air act that adopts the World Health Organization principles on air quality guidelines? British Heart Foundation research at the University of Edinburgh has shown that diesel exhausts produce nanoparticles that can injure blood vessels and contribute to cardiovascular disease. Will the cabinet secretary update the Parliament on the activity that the Scottish Government has undertaken to reduce air pollution and minimise exposure to harmful diesel fumes?

Roseanna Cunningham: I have just said that we are undertaking a review of our "Cleaner Air for Scotland" strategy, which was published only in November 2015. The fact that we are holding a review as quickly as that indicates the urgency with which we understand the matter is being treated. Once that review has been undertaken, we will look at the matter very carefully and, if legislative changes are required, we will think very carefully about that.

Scotland is leading the way in delivering cleaner air, and we have already adopted several of the proposals in the current draft strategy from the

Department for Environment, Food and Rural Affairs. We do not want to allow an impression to develop that we are somehow lagging behind. In 2016, we were the first country in Europe to adopt the World Health Organization's guideline value for fine particulate matter, which is something that the United Kingdom Government is only beginning to look at.

Kenneth Gibson (Cunninghame North) (SNP): According to Cancer Research UK, in 2015, cigarette smoking was responsible for 5,736 people being diagnosed with cancer while 288 cases were due to other forms of air pollution. Will new clean air policy include action to further reduce cigarette smoking and its deadly impact on Scotland's health?

Roseanna Cunningham: Legislation on smoking in enclosed public spaces is already in force, and the Parliament has further legislated on smoking in cars. The Government has also legislated to bring in no-smoking areas around hospital buildings, and many local authorities already have restrictions on smoking around play areas for children in parks. Our forthcoming tobacco action plan will include proposals to restrict smoking in other places, such as communal stairwells. At the moment, however, we have no proposals to include smoking measures in any clean air legislation that might emerge from the review that I mentioned in my earlier answer.

Wholly Recycled Retread Lorry Tyres

The Deputy Presiding Officer: Question 4 is from Kenny—sorry, I mean Kenneth Gibson.

4. Kenneth Gibson (Cunninghame North) (SNP): Kenneth indeed.

To ask the Scottish Government what the environmental impact is of using wholly recycled retread lorry tyres compared with new ones. (S5O-02160)

The Cabinet Secretary for Environment, Climate Change and Land Reform (Roseanna Cunningham): The reuse of tyres that are retreaded to the required British standards of quality and safety clearly has a positive environmental impact by extending the life of the original product, decreasing the number of used tyres that are sent for disposal and reducing the number of new tyres that are required for the market. It fits in with our "Making Things Last—A Circular Economy Strategy for Scotland", which encourages people to keep materials in high-value use for as long as possible, thereby minimising the need for the use of virgin material.

Kenneth Gibson: Every wholly recycled retread lorry tyre saves 85 litres of oil and such tyres last up to 150 per cent longer, which is, no doubt, why at least 15 Scottish local authorities use them. Will

the cabinet secretary encourage other local authorities, the wider public sector and indeed the private sector to do likewise, given not only that such tyres are more friendly to the environment but that they are retreaded in Scotland and they sustain Scottish jobs, whereas new tyres are wholly imported?

Roseanna Cunningham: The benefits are indeed considerable. The Scottish Government supports all forms of reuse and remanufacture, particularly when Scottish business and the Scottish economy are benefiting. Scottish waste legislation is underpinned by the waste hierarchy, and the high-quality reuse of materials is key to its application.

The important thing is that all retreads reach the required standards, but I certainly encourage all stakeholders who use tyres to consider their merits and, more generally, how a more circular approach can be good for the environment and for business.

Glasgow Low-emission Zone

The Deputy Presiding Officer: Question 5 is from Bill Kidd.

5. Bill Kidd (Glasgow Anniesland) (SNP): Thank you, Presiding Officer. It should be William Kidd. *[Laughter.]*

To ask the Scottish Government whether it will provide an update on progress developing the low-emission zone in Glasgow. (S5O-02161)

The Deputy Presiding Officer: I call Roseanna Cunningham.

The Minister for Transport and the Islands (Humza Yousaf): No—that should be Humza Yousaf. *[Laughter.]*

The Deputy Presiding Officer: Sorry. There was a look of shock on the cabinet secretary's face.

Humza Yousaf: I can see how you get us confused.

Glasgow City Council published an update report on 20 March on progress with developing the Glasgow low-emission zone, and a further update is expected to be published in June.

Bill Kidd: Emissions and fumes from traffic affect everyone and they need to be tackled, but those who are on lower incomes are most affected not only by pollution but by any fare increases. How can grants to bus companies for retrofitting help to avoid fare rises?

Humza Yousaf: The member is absolutely right. We are committed to helping to fund retrofitting and emission abatement measures by bus operators, and we are providing substantial

funding towards low-emission zones across the four cities. Therefore, I see no reason for such zones to be used as an excuse to raise fares. The last time that there were fare rises in Glasgow, I took those up directly with First Glasgow. There is no reason why the implementation of such a zone—which has a lead-in time, being phased in over a number of years—should give rise to fare increases.

Claudia Beamish (South Scotland) (Lab): The minister will be aware of reports from Friends of the Earth Scotland that have warned of the significant possibility of ozone events happening across Scotland this week. With that in mind, what arrangements does his Government have in place to protect vulnerable people with pre-existing lung conditions from illness that might be brought about by low air quality from such ozone events should they occur in Scotland?

Humza Yousaf: If Claudia Beamish will forgive me, I will have to have a look at the Friends of the Earth reports to which she refers. However, the Government is taking a range of measures, which the cabinet secretary has outlined. The most ambitious plan that we have here is for reduction of greenhouse gas emissions, in which transport must play a key part. In fact, at the moment, transport is the largest producer of emissions, which is not a good thing. It must play its part through LEZs, active travel and the uptake of electric vehicles, on all of which—and more—we have ambitious targets. Clearly, there is a cross-Government responsibility here. As transport minister, I certainly intend to play my part in that.

Active Travel (Environment and Climate Change)

7. Brian Whittle (South Scotland) (Con): To ask the Scottish Government how its environmental policy and its climate change commitments are informed by active travel. (S5O-02163)

The Minister for Transport and the Islands (Humza Yousaf): As I said in my previous answer, active travel and building an active nation are very much at the heart of this Administration's thinking on our climate change plans and commitments. That is why, as Brian Whittle will know, we have doubled the active travel budget from £40 million to £80 million per year. That funding is providing cycling and walking infrastructure across the country, such as segregated infrastructure in towns and cities, greater access to bikes—including, I hope, electric bikes—education and training programmes for adults and children who are learning to cycle, and generally making our towns and cities safer, friendlier and greener places in which to live and work.

Brian Whittle: I welcome the projects that the minister describes. However, I point out that in some projects there have been missed opportunities. For example, at the Queen Elizabeth university hospital there is a lack of bike racks; major infrastructure projects are being designed without cycle routes; and capacity for bikes on rail carriages is being reduced. Will the minister impress upon his colleagues in other portfolios that active travel considerations must be paramount if environmental targets are to be met?

Humza Yousaf: Generally speaking, Brian Whittle makes a fair point. However, when it comes to projects on the ground, in various local authority areas we have more than doubled funding—from £15 million to £36 million—for the community links project, which helps to build some of the infrastructure projects to which he has referred. The first round will be announced shortly, but there will be some money for round 2 and subsequent rounds, so I encourage Mr Whittle to speak to partners in areas that he thinks might benefit from that very important funding.

There is very good and collaborative cross-Government working on this agenda. For example, I regularly meet the Minister for Public Health and Sport, Aileen Campbell, to talk about our commitment on an active nation commissioner.

Lastly, I gently make the point that although Mr Whittle says that he welcomes the doubling of the active travel budget from £40 million to £80 million per year, it would have been nice to have had the Conservatives' support for the budget and that increase in it.

Stuart McMillan (Greenock and Inverclyde) (SNP): I thank the minister for the comments that he made a few moments ago. What further actions can the Scottish Government take to encourage people to change their behaviour? Might such work take place with a campaign or further work with local authorities?

Humza Yousaf: I think that it can. Behaviour change is hugely important. Looking at our younger generation, we offer as many young people as possible the opportunity of receiving cycling training, both in schools and in on-the-road practical training. I know that Mike Rumbles, too, has a particular interest in that issue.

We must also look at people who perhaps have not previously had the confidence to cycle and who might have mobility issues or even disabilities or chronic health conditions. That is perhaps where exciting opportunities around e-bikes might present themselves. I am looking very hard at how we might use some of the doubled active travel budget not only to effect behaviour change, which is important, but to make cycling and active travel

more accessible for more people—and for as many as possible.

The Deputy Presiding Officer: We were a little late starting this section of portfolio questions. I call Jeremy Balfour to ask question 8.

Plastic Pollution (Firth of Forth)

8. Jeremy Balfour (Lothian) (Con): To ask the Scottish Government what action it is taking to reduce plastic pollution in the Firth of Forth. (S5O-02164)

The Cabinet Secretary for Environment, Climate Change and Land Reform (Roseanna Cunningham): The Presiding Officer would probably disapprove of me if I embarked on a very long list of the things that the Government is doing, but in our marine litter strategy, many policies are under way to target the issues that are faced in the Firth of Forth, namely sewage-related debris and preproduction plastic pellets, which are also known as nurdles.

Scottish Water is investigating the problem of litter entering the estuary area through sewage systems. It will report this summer and will identify solutions. Two plastics are being dealt with: microbeads and plastic-stemmed cotton buds. With regard to nurdles, we support the plastics industry's operation clean sweep scheme, which encourages responsible handling of preproduction plastics. However, more needs to be done.

Jeremy Balfour: Surveys over the years across the Firth of Forth have found between 200,000 and more than 2 million plastic nurdles. People have been keen to clean up the Lothian beaches and last autumn 450,000 nurdles were removed from the shore close to Bo'ness by volunteers. Will the Scottish Government consider localised plans for the worst plastic pollution hotspots?

Roseanna Cunningham: I would consider anything that would help this difficulty. Nurdles are a major problem. I have followed some of the local activity on social media, but it is one of those things that needs to be dealt with across the country. It is a global problem. Nurdles are an essential part of the production of plastic, and the difficulty is about managing them at source, because we cannot produce plastic items without them. One way in which we can help, of course, is to reduce the reliance on plastic in the first place.

Ivan McKee (Glasgow Provan) (SNP): Sunnyside ocean defenders are doing amazing and inspiring work across Scotland. They are based in Glasgow Provan, a constituency that is not noted for having a coastline. Does the cabinet secretary agree that their valuable activity is tangible proof that this issue affects everyone, not just those with a shoreline?

Roseanna Cunningham: The children of Sunnyside primary have worked tremendously hard to highlight the problem of single-use plastics. They have supported the Government's introduction of our deposit return scheme with their have you got the bottle? campaign, and they are now promoting the nae straw at aw message. Despite being landlocked, they are working hard with the Marine Conservation Society to do beach litter surveys at Prestwick south and are involved in clean-ups at Ayr, and at Arrochar, which might interest Jackie Baillie. They clearly show that the issue concerns us all, regardless of age, on the coast or inland. I applaud all their efforts and those of children the length and breadth of Scotland who are concerned about the impact of plastic on land and sea.

Medium-term Financial Strategy

The Presiding Officer (Ken Macintosh): The next item is a statement by Derek Mackay, the Cabinet Secretary for Finance and the Constitution, on the medium-term financial strategy. He will take questions at the end of the statement, so if anybody would like to ask a question, I encourage them to press their request-to-speak buttons now.

15:13

The Cabinet Secretary for Finance and the Constitution (Derek Mackay): I am pleased to set out the Scottish Government's first medium-term financial strategy. This marks the first step of the new budget process that was proposed by the budget process review group and agreed by the Parliament. It is also an important step in the development of the fiscal responsibility of both Government and Parliament, following the Scotland Act 2016.

We must remember that Scotland's public finances are set in the context of continuing United Kingdom Government austerity, Brexit uncertainty and an inhumane, hostile approach to immigration, all of which present unnecessary risks to our economy and our tax base.

Despite increased powers over taxation, the block grant remains our single biggest source of funding, and it continues to be cut. Between 2010-11 and 2019-20, our discretionary block grant for day-to-day spending is falling by £2.6 billion, or 9 per cent in real terms. In 2019-20 alone, we expect real-terms cuts of £410 million.

Let me be clear: the UK Government does not need to pursue this course. Austerity is a choice based on ideology, not on economic necessity. The Chancellor of the Exchequer is on course to overachieve his fiscal deficit target. The Office for Budget Responsibility confirmed in its economic and fiscal outlook for March 2018 that the chancellor has approximately £15 billion of fiscal headroom in 2020-21 alone. Rather than continuing his programme of cuts to public spending and tax cuts for the wealthiest, he should, as a minimum, invest the headroom available in vital public services and economic stimulus.

Scottish Government modelling suggests that the chancellor could provide additional investment in Scotland of around £5 billion between now and 2022-23, while still meeting the UK Government's targets on structural deficit and debt reduction. UK austerity is a choice, and it is not one that Scotland has made. I continue to make the case that the chancellor should change course, end austerity and invest properly in public services.

Leaving the European Union is not in Scotland's interests, either. It is also not Scotland's will. Uncertainty is leading to subdued growth, and leaving the EU will compound that impact. The UK Government's proposed approach on immigration could see real gross domestic product in Scotland 9.3 per cent lower by 2040, which would reduce tax revenues and threaten public services.

In the face of the damaging role of the UK Government in Scotland's economy, our strategy sets out alternatives, and how the Scottish Government will deliver our ambitious programmes. The UK Government still has time to rethink its approach on austerity, on Brexit, and on migration—indeed it appears that this is the week for Tory reflection.

This strategy clearly lays out the consequences of UK choices that are imposed on Scotland, and how alternatives would mean a fairer deal for Scotland. Against the backdrop of UK austerity and uncertainty, our decisions have sought to ensure that we manage our finances responsibly and provide people and businesses with certainty, including through our actions on taxation.

Our approach to taxation is founded on the four key principles of certainty, convenience, efficiency and proportionality. Those principles have shaped our reforms to income tax and land and buildings transaction tax, which, taken together, will boost our spending power by almost £500 million a year by 2022-23. Our policy ensures value for money for our taxpayers and certainty for our vital public services during the turbulent and uncertain times ahead.

The Scottish Government will always be ambitious for Scotland, no matter what is happening elsewhere. Growing and supporting the economy is essential for financial stability and for providing the resources for our public services.

During the current parliamentary session, we will invest more than £20 billion in infrastructure.

The Scottish capital budget for 2018-19 is estimated to support around 40,000 jobs.

We will bring superfast broadband to every home and business across Scotland by 2021 through the R100 programme.

We will invest £1 billion to support city region deals for Glasgow, Aberdeen, Inverness, Edinburgh and the south-east of Scotland. We today secured the new deals for Stirling and Clackmannanshire, and we continue to work on the Tay cities deal, as well as other growth deals.

The low-carbon infrastructure transition programme will fund large-scale projects to deliver Scotland's energy strategy.

This year, the economy, jobs and fair work budget increased by £270 million—a 64 per cent increase—forming part of our total investment of £2.4 billion in our enterprise and skills bodies.

We are committed to making Scotland a great place to do business by providing the most attractive package of non-domestic rates in the UK, including measures specifically designed to boost investment and support sustainable economic growth, such as the growth accelerator.

Alongside our economic focus is our support for the social contract. We will invest in our treasured national health service by adding £2 billion to the health resource budget over the course of this session of Parliament. We will protect local communities by maintaining the police resource budget in real terms each year. We will ensure the best start in life through our transformative expansion of early learning and childcare, nearly doubling funded provision to 1,140 hours per year. We will tackle the attainment gap with the £0.75 billion attainment Scotland fund. We will ensure that education is based on the ability to learn, not the ability to pay, by maintaining free tuition for university students. We will deliver dignity and respect for all by shaping and funding a distinct social security system in Scotland. Those commitments are at the heart of our social contract and at the heart of meeting the new national performance framework outcomes. Our strategy sets out funding estimates for what is needed to meet those commitments over the next five years.

Today, the Scottish Fiscal Commission will publish new economic and fiscal forecasts that suggest that economic growth will be lower in Scotland than in the UK over the next five years. However, when the effects of population growth are stripped out, Scottish growth is much closer to UK growth. That underlines the importance of this Parliament having greater control over immigration.

The SFC has also produced updated tax forecasts, which show a more subdued outlook on income tax revenues. That is largely due to its assessment of recent wage growth and its conclusion that earnings will grow more slowly in the years ahead than it thought in December that they would. As the SFC describes it, that is its main evolution in judgment since its previous forecasts.

The SFC also confirms that the costing of our income tax policy, which remains largely unchanged since the budget bill, shows that it is expected to raise over £210 million in 2018-19. Our strategy shows that income tax is projected to contribute over £400 million a year in net additional revenues by 2022-23.

Those forecasts are used in our strategy to create a central scenario of potential available funding. We then go on to set out potential upper and lower scenarios based on this central estimate. That provides an indication of what funding may be available to the Scottish Government. By their nature, the scenarios and the forecasts that underpin them contain a degree of uncertainty; as new data becomes available, they are likely to change.

As I have already set out, a significant degree of that uncertainty comes from the lack of clarity over the path that the UK Government intends to take on austerity and on Brexit. When we set the budget for 2019-20, we will have a further set of economic and fiscal forecasts from the Scottish Fiscal Commission, updated block grant adjustments from the UK Government, and the outcome of the UK autumn budget—all providing a more robust set of information on which we will make our budget decisions.

Similarly, we do not currently have any resource budget allocation from the UK Government beyond 2019-20. It is hoped that the UK spending review next year will offer sufficient future year budget information to allow the Scottish Government to develop multiyear budget allocations.

The medium-term financial strategy does not provide detailed budget allocations at this stage—that will form part of our annual budget process. However, on any scenario, we have to operate within the fiscal framework and UK funding policies. I have set out in the strategy our responsible approach to financial planning and fiscal rules, which will allow us to invest in the economy and protect essential public services.

I hope that this strategy informs a responsible debate on budget choices in Scotland and I commend it to the chamber.

The Presiding Officer: We now have around 20 minutes for questions.

Murdo Fraser (Mid Scotland and Fife) (Con): I thank the finance secretary for advance sight of his statement, and I welcome this new Scottish Government initiative to set out for parliamentary scrutiny its future plans for the public finances.

I also welcome the unexpected but generous recognition by the finance secretary of the success of the Chancellor of the Exchequer and the UK Government's policies in delivering more progress on deficit reduction than was predicted. That truly shows that the UK Government is in safe hands.

The contrast between the UK Government's progress and the dismal performance of the Scottish economy relative to that in the rest of the UK after 11 years of this Scottish Government

could not be more stark. Last year, our economy grew at half the rate of that in the rest of the UK, and more slowly than the economies of every single European Union country.

We heard last week from the Scottish Government's officials that, for the four quarters of 2017, the Scottish economy met the criteria for a Scotland-specific economic shock due to our underperformance relative to that of the rest of the UK. Today, the Scottish Fiscal Commission predicts that economic growth in Scotland will be lower than the UK average over each of the next five years.

Despite his protestations, the finance secretary cannot blame those problems on Brexit, which has not even happened yet. The problems pre-date even the Brexit referendum vote.

I have two questions for the finance secretary. First, the Fiscal Commission predicts a more subdued outlook on income tax revenues than it predicted previously. What impact will that have on the block grant adjustment in each of the next five years, what does that mean for overall spending over the period, and what will the impact be on public services?

Secondly, the finance secretary talks about rejecting austerity. Will he now reject the super-austerity of Andrew Wilson's growth commission, which would cut public spending in Scotland by £27 billion over the next 10 years?

Derek Mackay: On a point of consensus, because we might as well at least try to begin with that, the publication of such a document is a helpful evolution of the Parliament's process. I am sure that it will be subject to extensive scrutiny at the Finance and Constitution Committee in due course.

There is a lot to cover in what Murdo Fraser has said. First, I do not take any comfort from the chancellor having fiscal headroom. All that that will expose is that the Tories are continuing with austerity for its own sake, rather than having fiscal loosening to enable investment in the public services of the UK and Scotland.

My analysis shows that the chancellor could meet his own targets while unlocking £60 billion-worth of investment across the whole of the UK. That would benefit Scotland to the tune of £5 billion. Why on earth would the Scottish Conservatives not support such an injection into Scotland's economy? It will be a matter of choice if they do not take the path that I have proposed in the strategy document.

Let us reflect on the positives and strengths of the Scottish economy. We have record-high employment and record-low unemployment, and the SFC forecasts that those trends will continue.

Although economic growth in 2016 was disappointing at 0.2 per cent, in 2017 it was stronger, at 0.8 per cent.

Contrary to what the Conservatives said about my tax plans, the reasons behind the subdued forecast from the SFC are to do with population and productivity. Who controls those? It is the UK right-wing Brexit-mad Tory Government, which is trying to keep me in a fiscal straitjacket so that I cannot deliver the economic growth that Scotland wants.

The Tories are in denial once again, but Tory ministers in the UK Government have admitted quite clearly that they have responsibility for Scotland's economy. Drew Hendry MP asked the Secretary of State for Business, Energy and Industrial Strategy about his use of the term "this nation" and whether he accepted that

"he has responsibility for growth in the economies of all the nations of the UK",

to which Greg Clark replied,

"I do indeed."—[*Official Report, House of Commons*, 18 April 2018; Vol 639, c377.]

It is funny that the Tories in the Scottish Parliament say that the UK Government has no role in Scotland's economy.

Fundamentally, we have a sound basis on which to grow our economy.

On the impact on the Scottish budget, the figures that were used for the Scottish budget are locked in. By law, the forward look will depend on the final forecast from the OBR and the SFC, before the budget is decided at the end of the year or into next year.

There are issues of methodology. Crucially, the UK Government cannot walk away from the ABC of the Scottish budget—"A" is for austerity, "B" is for Brexit and "C" is for caps on immigration. Those are the things that are subduing the Scottish economy. The Tories say no, but maybe they should read the SFC report when they see it.

It is clear that, when the population effect is stripped out of the analysis, Scotland's growth is much closer to that of the UK. We have proposed a budget that invests massively in the economy, but that is all opposed by the Scottish Conservatives. In the budget debate, the Tories spoke only about tax cuts for the richest and taking £500 million out of Scotland's public services.

Further, there is absolutely no evidence whatsoever that the tax divergence is having any negative effect on the economy. In fact, it is levering in new investment for Scotland's public services, just as we set out. Clearly, the Tory memo that sets out the Tories' current position on

tax cuts for the rich has not quite got to Murdo Fraser yet. The UK Government has a choice, as do the Scottish Conservatives.

Murdo Fraser also asked about the growth commission. I can tell the Tories that austerity is the price of the union, not Scottish independence. [*Interruption.*] The Tories are asking whether I have read the growth commission report. I was on the growth commission and contributed to the 354-page report, and it is abundantly clear that the Tories have not read it. The Labour Party might show some ignorance on this as well, but if we followed the growth commission's approach, there would be real-terms growth for our public services. In comparison, we have the cuts that have been imposed on Scotland by the Conservatives, which will continue if they choose not to follow the path that I have reasonably suggested this afternoon.

The Presiding Officer: I appreciate that the minister wanted to lay out quite a lot of the detail of his argument and that there is quite a bit of room available this afternoon—but perhaps not that much room, if we are to make progress with the questions.

James Kelly (Glasgow) (Lab): I thank the cabinet secretary for the advance copy of the first speech that he made this afternoon.

Last week we had the Scottish National Party cuts commission, and today we have Derek Mackay's cuts forecast. The SNP continues to pile the agony and pain on to Scotland's communities. Today's announcement will give no comfort to patients who are waiting for hospital appointments, parents whose children are in schools that do not have enough teachers and passengers who are stuck at railway stations, waiting for trains that do not turn up. These SNP plans are timid in contrast to Labour's bold proposals to invest in public services and grow the economy. When is the cabinet secretary going to get off the fence and start taxing millionaires at a higher rate instead of hammering Scotland's communities?

Derek Mackay: Presiding Officer, I apologise for going on at length, but I just had so much to say—and I could go on for longer. If James Kelly wants more time, he will certainly have it before I appear before the Finance and Constitution Committee.

The strategy sets out the fiscal plans for Scotland. It also sets out the challenges that we face, thanks to Tory austerity, but it proposes alternatives to that path. I would have thought that even the Labour Party could welcome the unlocking of billions of pounds for Scotland's public services.

The tax measures that I have deployed are intended to accrue more money for Scotland's public services, unlike Labour's reckless,

incompetent, alternative budget, which would have meant less money for Scotland's public services. If Labour wants to talk about the NHS, education, the police, the fire service, local government or any part of public expenditure in Scotland, it should read the strategy document and see how we will put our commitments into action in the face of Tory-created adversity. However, it does not need to be that way. That is the case that I am making as finance secretary.

Patrick Harvie (Glasgow) (Green): I, too, am grateful for the advance copy of the strategy document.

Nobody would expect this five-year strategy document to lay out specific, precise commitments, budget line by budget line, for each of those years. A range of scenarios is set out in broad brush strokes for many subject areas—health, social security, the police, higher education, attainment and so on—but no such scenarios are given for local government.

I have read the document, as Mr Mackay asked James Kelly to do; I think that we have all read it. It does not set out the scenarios for what will happen to local government spending. Is that because local government is in line for deeper cuts over those five years? Will the cabinet secretary now give us a nice, big, long speech about how we should be decentralising economic and fiscal power and giving councils the ability to make meaningful economic choices that are right for their local circumstances? Local tax reform must be part of the Government's response.

Derek Mackay: I think that I have reached my threshold for making long speeches.

The financial strategy is intended to set out our commitments, all of which were included in our manifesto or have been developed over the course of our time in Government since the most recent Scottish Parliament election. We could debate the investment in local government—in the budgets for the past two years, there have been real-terms increases for local government.

The forward outlook expresses the key priorities of the Scottish Government and the policy commitments that we have made, and local government features in that. A simple answer to the question whether the strategy represents any prospect of severe cuts to local government is, "No, it doesn't." It sets out how the proportion of the budget that is aligned to our key commitments will expand over the next few years.

We are trying to address the problem of austerity at source, which is why I directed my comment about choices towards the Conservative Party. The Parliament will have choices to make, and I look forward to the budget discussions with all the political parties in the chamber. I am open

to further discussion on local taxation, which is totally in line with everything that I have said previously.

Willie Rennie (North East Fife) (LD): I thank the minister for providing us with advance sight of his statement.

The forecasts are not just subdued but grim. The cabinet secretary failed to answer Murdo Fraser's question about the precise cost of the Scottish Fiscal Commission's downgrade. What is that figure? Will Mr Mackay take advantage of the £600 million of emergency UK borrowing if, on 24 June, the GDP figures are as poor as they were last year?

Derek Mackay: We should all be clear about the fact that the forecasts do not project that we will meet the criteria for the emergency borrowing at any point over the coming period. According to the forecasts, we will not hit those criteria, so we will not be in such a scenario. Therefore, that revenue support in relation to GDP growth will not be available.

I have highlighted the complexity of the fiscal framework. When we determine the budget, later in the year, that determination will be informed by the latest OBR forecasts and the SFC forecasts at that time.

Mike Rumbles (North East Scotland) (LD): Just give us the figure.

Derek Mackay: I hear a Liberal Democrat member say, "Just give us the figure." He clearly does not understand the fiscal framework or the complexity of the situation. All those matters will be taken into account as we approach the budget. The methodology, along with the analysis that the SFC provides and all the drivers behind it, will be scrutinised. The OBR will have to revisit its figures anyway, because the outturn is already divergent from its forecast. We will proceed in a prudent manner, in accordance with the timescales in the fiscal framework, which is an issue on which I will return to the chamber.

There are reasons to act on Scotland's economy and make the necessary investments. I have here a list of interventions that we are making to grow our economy, and I hope that I have the Parliament's support in making those interventions. If we do not grow the economy in the fashion that is required, we face the prospect of difficult years ahead. That is why productivity, participation and population are all central to our strategy, and we need further levers to optimise our position in that regard.

Ivan McKee (Glasgow Provan) (SNP): The block grant remains the single biggest contributing factor to the Scottish budget, and the medium-term financial strategy shows that it will continue to

be under severe pressure for years to come. The cabinet secretary has made it clear that UK austerity is a choice, not a necessity. How much more money would be available to the Scottish budget if the UK Government were to abandon its obsession with austerity?

Derek Mackay: Even keeping within the chancellor's own targets, I have been able to express in the strategy and outlook that, if he used the fiscal headroom that is at his disposal right now, at a minimum, that would generate an extra £60 billion of additional investment over the five-year period to 2022-23 compared to the current UK budget plans. What would that mean for Scotland? It would mean £5 billion of extra investment. The document goes much further in relation to a range of other funding disputes that we have with the UK Government. However, at a minimum, that approach could be transformational for public services, investment and economic stimulation in Scotland.

Adam Tomkins (Glasgow) (Con): Today, the Scottish Fiscal Commission predicts a much more subdued outlook for income tax revenues than it forecast only three months ago—so much so, that according to the figures that have just been published by the Government, by 2022 there will be a £400 million shortfall. Does that not underscore the cabinet secretary's folly in maxing out the Scottish Government's credit card in the first year that it was available to him?

Derek Mackay: There we have it—from the party that has said in every other debate not only that we should raise less by having tax cuts for the rich but that we should spend more. The current position of the Conservative Party now appears to be that we should also spend less on capital investment.

It is true to say that I have fully utilised the borrowing powers. I have done that to invest in the infrastructure of our economy, to build houses, to invest in digital, to ensure that we keep people in employment and to prepare for the future in housing, transport, infrastructure and childcare. That is the economic stimulus that comes hand in hand with capital investment. We will stay within our own fiscal rules in that regard, and we will borrow responsibly. We will use the powers that we have at our disposal in a fair and prudent way. Surely, even the Conservatives support that approach.

Ruth Maguire (Cunninghame South) (SNP): How much additional money will be raised as a result of the cabinet secretary's tax policies over the period of the medium-term financial strategy? Does he agree that we should continue to prioritise our health service rather than tax cuts for the rich?

Derek Mackay: I agree with that proposition. I also think that I have a new convert in Ruth Davidson—if she believes what she is saying. On the basis of the central scenario that is presented in the medium-term financial strategy, Scottish taxes will raise almost £2 billion more than the associated block grant adjustments over the MTF period, which, for clarity, is 2016-17 to 2022-23.

Neil Bibby (West Scotland) (Lab): To improve public finances, we need to improve economic growth, and the SNP's big idea is the growth commission. Mr Mackay said that he was a member of that commission. Does the finance secretary agree with all the recommendations and the full contents of the growth commission's report?

Derek Mackay: I am in a curious position, because I have been the chair of the party, the finance secretary and a member of the growth commission. Not only was I a member of the growth commission, I have read its report, which is more than I can say for most Opposition members.

The important point is that, ultimately, the commission's trajectory shows that we can deliver real-terms growth in the public sector. The "Government Expenditure and Revenue Scotland" figures reflect the current constitutional arrangements, not what we can do with independence. Here is a wee secret: I support Scottish independence because I know what it could unlock for Scotland's economy, our people and our democracy. Short of having independence, the Scottish Government will do the best that we can with the tools at our disposal.

The Scottish Fiscal Commission's substantial and exhaustive evidence shows how many of the barriers to our economic potential are in the hands of the UK Government, which is totally undermining our economy through A, B, C: austerity, Brexit and the cap on migration. That lends weight to the argument that we should have independence. However, no matter what, the Scottish Government will do the best that we can to protect Scotland, mitigate the impact of Westminster decisions and move Scotland forward.

Bruce Crawford (Stirling) (SNP): I am pleased that today marks the written agreement between the Finance and Constitution Committee and the Government and the production of the medium-term financial strategy, which is a good step forward for Parliament. The medium-term financial strategy outlines a range of scenarios for Scotland's finances. Does the cabinet secretary agree that we are far more likely to achieve the higher end of those forecasts if Scotland is not, against her will, dragged out of the European single market and customs union? What are his

views on the impact on the economy of lower migration as a result of the UK leaving the EU?

Derek Mackay: I agree with all of that. I put in the range of scenarios, because I am quite sure that, if I had not done so, Bruce Crawford and the committee would have asked me to. They are only scenarios, but they all tell a story about the choices that we have and the UK Government has.

On the negative impact that Brexit will have on Scotland, the leaked UK Government papers have vindicated what we have been saying about the potential impact on Scotland's economy across a range of sectors. The interesting figure that has been vindicated is that if we are outside the European single market and we have not secured a free-trade agreement, Scotland's GDP could be around £12.7 billion lower by 2030 than it would be under continued EU membership. That is equivalent to a loss of £2,300 per head each year for every person in Scotland.

Alexander Burnett (Aberdeenshire West) (Con): I note my entry in the register of interests. Will the cabinet secretary confirm that the move to uprate business rates by the consumer prices index instead of the retail prices index is permanent and not just for the 2018-19 financial year?

Derek Mackay: It is this Government that has delivered that change, which the Tories voted against when they did not support the budget that I presented to the Scottish Parliament.

I will approach each budget year to year. If the Conservatives want to engage constructively with me on the budget and that is a Tory ask, I will have some clarity. It is a wee bit more attractive to continue with a decision that I have made to move the poundage uplift from RPI to CPI, so if that is an ask from the Conservatives, I thank them for that clarity. Each budget is approached year to year, but I certainly want to ensure that we continue to have the most competitive package of business rates anywhere in the United Kingdom.

John Mason (Glasgow Shettleston) (SNP): EU funding has in various ways made a significant contribution to the Scottish economy. Has the cabinet secretary had any guidance or confirmation from the UK Government about the future of the equivalent of EU funding, such as funding for universities, agricultural support and structural funds?

Derek Mackay: It is very mixed. Some of my colleagues are engaged in other discussions relating to the future beyond Brexit and the transition phase. Essentially, there is very little guidance and it is still uncertain as the UK Government negotiates—horrendously badly—with the European Union. I do not have any long-

term certainty, which is a problem because it creates uncertainty for farmers, educational institutions, research and schemes that have benefited handsomely from EU-derived funding. If we are not careful and if we do not get security over the package—the totality of resources to Scotland—we might well witness daylight robbery of Scottish resources by the chancellor, given what we should be entitled to from the flow-through of money coming back from the EU. We need a bit more than a slogan on the side of a bus—we need something a bit more substantial on the forward look for the fiscal guarantees for Scotland in that regard.

Jackie Baillie (Dumbarton) (Lab): The Scottish Fiscal Commission's updated forecasts make for very difficult reading, with subdued income tax revenues meaning cuts to public services. I know that the cabinet secretary was not keen to give us the figure. I suggest that it is in the order of a cut of £1.6 billion. We also see GDP growth revised down overall and a poor performance extended to 2023—a bad set of GDP growth figures revised to be even worse than they were before. It is clear that Scotland's economy faces a grim outlook and the Government's failure to grow the economy will hit our public services. When will the cabinet secretary's Government stop being complacent, drop the referendum chat and focus instead on growing our economy?

Derek Mackay: I say again to Jackie Baillie that austerity is the price of the union, not independence. We are making a very clear case why having more powers enhances the economic and social prospects of the people of Scotland.

Let us move back a stage from the glorious day when we have independence. Let us stick to the here and now—to what the Government is doing right now. We are investing a record amount in city deals. We are investing an increased amount in the economy, jobs and fair work portfolio. There is a 70 per cent increase in investment in business research and development. We are delivering a new national manufacturing institute for Scotland. We are proposing to take superfast broadband to every part of Scotland. We are investing record sums in infrastructure, which is now opposed by the Conservatives. We are creating the Scottish national investment bank. We are creating a new building Scotland fund. We have the most competitive package of business rates anywhere in the United Kingdom.

Of course we want to be able to do more, and surely Jackie Baillie would support us in that regard. The SFC has said that its view of the Scottish economy has not fundamentally changed since December, that the outlook is for subdued growth in Scotland over the next five years, and that the drivers for that are modest population and

productivity growth. Why on earth would Jackie Baillie not support us having the tools to tackle the issues that the SFC has identified around population growth and productivity growth? Come on, Jackie Baillie—you know better than that.

Stuart McMillan (Greenock and Inverclyde) (SNP): The cabinet secretary has outlined that the UK Government's net migration target could cost the economy some £10 billion in the long run. Can he outline the positive contribution that immigration has made to Scotland's economy and public finances?

Derek Mackay: As the First Minister has said, alongside all the other benefits that immigration brings to our country, immigrants are net contributors to Scotland's economy. On average, each additional EU worker coming to Scotland adds £34,400 to our GDP, which represents £10,400 to local government per head. They are very welcome net contributors to Scotland.

Dean Lockhart (Mid Scotland and Fife) (Con): Based on today's numbers, the Scottish economy is now projected to underperform the rest of the UK for 14 of the 15 years of SNP government—since well before Brexit. Is that what Derek Mackay means by being ambitious for Scotland?

Derek Mackay: I have news for Dean Lockhart: the UK economy is also underperforming relative to the economies of the rest of the EU and comparable nations. Dean Lockhart should get in touch with the UK Government and try to ensure that we get a better deal for Scotland.

I look forward to the criticism of this strategy, so that I can find out why the Conservatives oppose our efforts to grow the economy and population and why they want to put barriers in the way of further enhancing the rate of productivity and economic growth. I think that the Tories will have some explaining to do about why they would choose a different path from the one that I am proposing which, even using the chancellor's targets, could unlock £5 billion for Scotland, as well as a host of interventions.

We have outlined an ambitious programme for Scotland that tackles economic and social issues in the face of Tory Westminster incompetence. It is about time that the Tories backed the Scottish Government getting the powers and responsibilities that we need in order to get out of this fiscal straitjacket and deliver for the people of Scotland. If the Tories believe in economic growth, surely they will help to give us the tools to do that job.

The Presiding Officer: That concludes our ministerial statement. We have run slightly over time, but I wanted to get everybody in.

Housing (Amendment) (Scotland) Bill: Stage 3

The Presiding Officer (Ken Macintosh): Before the stage 3 debate on the Housing (Amendment) (Scotland) Bill begins, I am required under standing orders to decide whether any provision of the bill relates to a protected subject matter—that is, whether it will modify the electoral system and franchise for Scottish Parliament elections. I have decided that no provision of the bill relates to a protected subject matter, and that therefore it does not require a supermajority for it to be passed at stage 3.

The Deputy Presiding Officer will take the chair.

The Deputy Presiding Officer (Christine Grahame): We have no time in hand, so I must be extremely strict about speaking times. [*Interruption.*] I cannot find my glasses, so the clerk is telling me who the first speaker will be.

The next item of business is a debate on motion S5M-12483, in the name of Kevin Stewart, on the Housing (Amendment) (Scotland) Bill, at stage 3.

I call Kevin Stewart to speak to and move the motion, and I will try to find my glasses.

15:54

The Minister for Local Government and Housing (Kevin Stewart): Presiding Officer, I am happy to lend you my glasses, if that will help. Oh—I see that you have found yours. That is fine.

I am delighted to have the opportunity to open the stage 3 debate on the Housing (Amendment) (Scotland) Bill. I thank the convener and the members of the Local Government and Communities Committee for their careful scrutiny of the bill. The cross-party support that the bill continues to receive is very welcome.

I have made it clear all along that the bill is a short but essential measure, and that it is necessary because of the decision by the Office for National Statistics to classify registered social landlords as public sector bodies in the national accounts. The bill will amend a number of the powers that the Scottish Housing Regulator can exercise over RSLs, while also providing for ministers to limit local authorities' powers over housing associations.

If the classification decision by the ONS was left unchanged, the Scottish Government would face significant financial consequences, with all new net borrowing by RSLs—which would previously have counted as private borrowing—being counted against the Scottish Government's borrowing limits, which would in effect add £1.5

billion to our £3 billion housing investment programme.

There was clear agreement in the chamber during the stage 1 debate that should we take no action to ensure that RSLs were reclassified back to the private sector, we would be putting at risk the Government's commitment to deliver 50,000 new affordable homes. That is a risk that we simply cannot take.

As well as its having support in the chamber, I am delighted that stakeholders have also recognised the need for the bill and that they support its general principles. We continue to work in partnership with key organisations including the Scottish Federation of Housing Associations, the Glasgow and West of Scotland Forum of Housing Associations and UK Finance, which have greatly assisted us in developing a focused bill that addresses the matter at hand.

The Deputy Presiding Officer may recall that during the stage 1 debate I confirmed that the Scottish Government would lodge an amendment that would provide for the regulation-making powers in sections 8 and 9 of the bill to expire three years after the bill receives royal assent. By way of background, section 8 of the bill gives ministers the power to make further modifications to the functions of the SHR, beyond those that the bill makes. I have been clear that we would exercise the power in section 8 only if, after the bill has been enacted, the ONS were to conclude formally that the changes to the Scottish Housing Regulator's functions are not enough to enable it to reclassify RSLs back to the private sector.

Section 9 is different in that we know that we will need to use the power that it confers before the ONS can review the classification of RSLs. That power will enable ministers to make regulations that limit or remove the influence that local authorities might exert over RSLs through any ability that they might have to appoint officers or to exercise certain voting rights. We expect, subject to Parliament passing the bill for royal assent, that section 9 regulations will be laid before Parliament in early September.

Although such regulation-making powers are a sensible precaution, we took on board the concerns of stakeholders, the Delegated Powers and Law Reform Committee and the Local Government and Communities Committee, which expressed concerns about the open-ended nature of the provisions. I am therefore delighted that the Local Government and Communities Committee agreed unanimously on 9 May to a sunset clause amendment.

That brings us to today's important debate. I thank Parliament once again for the opportunity to speak about the Housing (Amendment) (Scotland)

Bill and the crucial role that it will play in ensuring that we can deliver our ambitious affordable housing programme. I look forward to hearing the views of other members on this important issue.

It gives me great pleasure to move,

That the Parliament agrees that the Housing (Amendment) (Scotland) Bill be passed.

The Deputy Presiding Officer: I call Graham Simpson to open for the Conservatives. You have five minutes, please.

15:59

Graham Simpson (Central Scotland) (Con): I certainly do not intend to speak for five minutes. It is important, if not—dare I say it—vital to the social housing sector that this technical and uncontroversial bill be passed. If the bill were not to be passed, that would make it extremely difficult for housing associations to play their part in meeting the Government's affordable homes target.

Housing associations were classed as private bodies for accounting purposes until the Office for National Statistics decided to change their status to public bodies. The effect of the change was that any borrowing that they made would count against the Scottish Government's borrowing limits, which would, in turn, mean that the Government might have had to limit what RSLs could borrow, which would not be good. In order to get over that hurdle, we need to reclassify RSLs as private sector bodies. Consequently, it is necessary to loosen the SHR's powers over them. Therefore, the effect of the bill will be to allow housing associations to enjoy more freedoms, and to enable them to deliver more.

The bill narrows the powers of the regulator to appoint a manager to a housing association, and to remove, suspend and appoint officers. It also removes the need for the regulator's consent for disposal of land and housing assets by an RSL, and the need for the regulator's consent for changes to the constitution of an RSL and for the voluntary winding-up, dissolution and restructuring of an RSL, while protecting tenants' rights to be consulted about certain changes. It also provides Scottish ministers with regulation-making powers to limit the influence that a local authority has over an RSL.

As the minister has said, there was, at stage 2, only one amendment, which added a three-year sunset clause to ministers' regulation-making powers under sections 8 and 9. The change was a response to concerns that the Local Government and Communities Committee, the Delegated Powers and Law Reform Committee and bodies including UK Finance had raised about the open-ended nature of the powers.

My short speech shows how uncontroversial the proceedings have been. The sector wants and needs the legislation; Parliament wants it, too. We should proceed without any fuss.

I am well under my allotted five minutes, and I intend to sit down.

The Deputy Presiding Officer: Nobody is pressing you to stand for any longer than is necessary, Mr Simpson.

16:02

Mark Griffin (Central Scotland) (Lab): We have moved to stage 3 without any amendments being lodged at this stage. The fact that this will be a short and agreeable debate shows just how uncontroversial and sensible the bill is. Labour will vote for the bill at decision time in order to protect the provision of affordable and social housing.

I take the opportunity to thank the parliamentary clerks, the professionals across the registered social landlords sector and the SFHA, in particular, for helping to ensure that the bill has progressed so smoothly. Thanks are also due to the Minister for Local Government and Housing, the Local Government and Communities Committee, and my colleagues Elaine Smith, Monica Lennon and Alex Rowley, who have worked on the bill these past few months.

On paper, we are changing how housing associations are regarded for the purposes of national accounts. Although at first glance the effect of the bill is fairly minor, it is clear to me that the issue under debate—ownership of housing and how the system is structured to protect social and public housing—needs thoughtful consideration.

By legislating to protect the future of social and co-operative housing, we are again working to support Scotland's efforts to tackle poverty by building 50,000 more affordable homes.

In the stage 1 debate, my colleague Elaine Smith remarked that she is

“not naturally drawn to reclassifying a body from the public ... to the private sector.—[*Official Report*, 29 March 2018; c 102.]

I think that most of us would take that position, although we accept that we must legislate in order to protect the Scottish budget and the ability of RSLs to build desperately needed new homes.

It is because of Brexit and universal credit that RSLs face new challenges to secure debt and to building the 50,000 affordable homes, so adding the risk of not acting would simply be the wrong thing to do.

The bill will change not only the status of the RSLs, but the powers of the regulator. In

particular, it will allow it to intervene in struggling RSLs and to access information.

In March, Andy Wightman rightly spoke about the need to involve tenants better in RSLs. If an RSL is being run well—with tenants and not for them—we should have nothing to fear. However, there is more work to do to ensure that tenants, the regulator and local representatives can speak up and get the information that they need to challenge management or intervene.

Given that we have begun a thoughtful debate about ownership, perhaps we need to think more fully about how tenant participation can be improved and how housing associations will report. Although lenders will require clear accountability from RSLs, it is welcome that the SFHA has committed to maintaining current standards, and that the Government has committed to moving towards freedom of information.

The bill has allowed some space for more debate about the housing sector: long may that continue. For today, I encourage members to support the bill so that RSLs can get on with playing their part in building the 50,000 homes, which is vital if we are to tackle poverty and solve Scotland's housing crisis.

16:05

Andy Wightman (Lothian) (Green): I thank the minister and my colleagues on the Local Government and Communities Committee who have been scrutinising the bill. It is fair to say that it has not been the most challenging bill to scrutinise but, nevertheless, we have done our job well. It is the first piece of legislation that the committee has dealt with. The second one—the Planning (Scotland) Bill—will present somewhat different challenges.

The bill is technical. At stage 1, I said that I agreed entirely with the minister's remarks in his opening speech and, today, for the second time, I can say that I agree entirely with his opening remarks. I also agree with Graham Simpson's remarks. We will vote for the bill at decision time, but I will not rehearse the reasons why; instead, I will use the next couple of minutes to reflect further on what we need to do to secure the human right to an affordable warm home, to which everyone is entitled.

As I observed at stage 1, the collective provision of housing has a long history. Here in Edinburgh, for example, the Edinburgh Co-operative Building Company was established in 1861 and was made up of workers from many different trades, including stonemasons, joiners, plasterers and plumbers. The poor state of housing in the old town and soaring prices in the new town meant that

Edinburgh artisans were in desperate need of good-quality affordable housing. The company set about building its first colonies at Glenogle park in Stockbridge, and the 11 terraces were completed between 1861 and 1872. Indeed, I think that some members of the Parliament and certainly some House of Commons members live there. The colonies offered an alternative to traditional tenement accommodation and were intended to be flats that felt like houses, with each family having its own front door and garden.

Kevin Stewart: Does Mr Wightman agree that it is good to see the likes of the Port of Leith Housing Association develop new colony housing in the Leith Fort area?

Andy Wightman: Yes. I have visited that development and it is very impressive. That underscores the need to have much more public-led development of affordable housing to a high standard and with good design.

The co-operative nature of the Edinburgh Co-operative Building Company was reflected in its motif of a beehive and in the fact that workers could buy shares in the company, the dividends of which could be put towards purchasing a house. Over the past 150 years, there have been many other examples of co-operation. Housing associations have played an important role in the housing story since the recognition of registered housing associations in the Housing (Scotland) Act 1974. In a debate such as this, it is important to acknowledge the good work of housing associations and particularly rural social landlords such as Lochaber Housing Association and Waverley Housing, which is in the Scottish Borders, as well as the many urban organisations.

Although today we affirm the value and validity of housing associations as private organisations, we should be mindful of the need to broaden out the debate on how to provide affordable homes, reflecting in part on the history of the co-operative movement in housing. We need to resurrect the co-operative principles of the past, refreshed for the modern era by making legislative, policy and fiscal changes to promote them as well as other models such as co-housing. As Mark Griffin pointed out, we need full democratic involvement of tenants in housing associations and council housing. Importantly, we need radical reform in the private sector. For example, in Sweden, the Swedish Union of Tenants collectively bargains with landlords across the whole of Sweden over the rents of 1.4 million tenants. That is the gold standard for tenant participation and rent regulation to which we should aspire in this country.

Those are the kind of next steps that we need. I look forward to engaging with members in the debate on that over the next couple of years. In

the meantime, I agree with the general principles of the Housing (Amendment) (Scotland) Bill, and Greens will vote for it at decision time.

16:10

Bob Doris (Glasgow Maryhill and Springburn) (SNP): It was a privilege to be the convener of the Local Government and Communities Committee as the bill was making its way through the committee stages. I thank my fellow committee members and everyone who gave evidence to the committee, including Mr Stewart, for their constructive and collegiate approach to this rather technical bill.

The bill must be passed. If it is not passed, as we heard, the Office for National Statistics will reclassify RSLs, which could take the Scottish Government's borrowing past the maximum permitted limit of £3 billion to £4.5 billion, which would be illegal, given the constraints of the devolution settlement. Cuts would be required elsewhere and there would be an impact on our target of building 50,000 affordable homes, among other things. That is just a fact.

It is also a fact that the bill must limit the Scottish Housing Regulator's powers to intervene and limit local authorities' influence over registered social landlords.

I am glad that there is now a sunset clause in the bill. We will not know whether the bill will do what it says on the tin until it has been passed and the ONS makes its decision, so the Scottish Government will need the power to act after the bill has been passed, to ensure that we have got the approach right. I am delighted that the presence of the sunset clause ensures that the new powers are not open ended.

Just as important, I am delighted that UK Finance supports the bill. Despite the Scottish Government's significant investment in social housing across the country, housing associations and registered social landlords still have to borrow money in the commercial sector to make up the shortfall so that they can invest in housing development. It is therefore vital that UK Finance should have confidence in the system.

We should have confidence in our registered social landlords. The bill will give them additional freedoms—it will give them the freedom to flourish. I will talk about ways in which they are flourishing already, but first let me say that, as a constituency member of the Scottish Parliament, I know that when I hear a tenant's opinion of their social landlord it is often because the tenant has an issue as a result of their interaction with the landlord. Members therefore sometimes get a slightly jaundiced view of social landlords.

In my constituency, however, the wider role of registered social landlords is a significant success story, and when the bill is enacted RSLs will be able to take an even wider role. When I use the phrase "freedom to flourish", I am thinking about NG Homes, in the north of my constituency, which invests in the pitstops project, in partnership with School of Hard Knocks. The project brings together people who are very far from the employment market and gives them teamwork activities—rugby is the common thread—to get them closer to employment, and it has had huge success. I am thinking about the sports coordinators that RSLs appoint.

The Scottish Government does not have to intervene in the activities of registered social landlords, because they are doing pretty well already. That is the experience in my constituency. RSLs know their communities best, and the bill will give them the power to do more.

Queens Cross Housing Association, in my constituency, has a community chest fund, which it uses to alleviate poverty, not just for tenants but for residents more widely in the local community.

I could go on at length about the variety of benefits that registered social landlords provide to communities, but I will not do so, Presiding Officer—oh, I see that you are indicating that there is some time in hand. Let me tell members some more, then.

Registered social landlords should be empowered to do more to regenerate our communities. In Royston, for example, Copperworks Housing Association, Spire View Housing Association, Blochairn Housing Association and Glasgow Housing Association are producing a local place plan—although such plans will not be on a statutory footing until the Planning (Scotland) Bill has been passed—about regeneration in their communities, because they know their communities best. Cadder Housing Association is doing something similar, through its emerging Cadder vision.

I have talked about the good work that housing associations are doing, and I will leave it at that. We have nothing to fear from the bill, because registered social landlords are already doing a fantastic job, throughout my constituency and throughout Scotland. The bill is a technical bill, which will enable RSLs to get on with the job and ensure that we can continue to invest in our communities and social housing stock the length and breadth of Scotland.

16:15

Alex Rowley (Mid Scotland and Fife) (Lab): It is difficult to know what else can be said about the bill, given the consensus in the chamber. I thank

the minister and the Local Government and Communities Committee for the work that they have done on the bill.

As Kevin Stewart said, although the bill is technical, it is absolutely necessary. If we were to lose £1.5 billion of the £3 billion of much-needed investment in Scotland, that would create a major difficulty. We all agree that, as Shelter has set out many times, there is a housing crisis in Scotland that we need to tackle, and I know that the minister is absolutely committed to working with local government to make that happen. This morning, I read Shelter's "Review of Strategic Investment Plans for Affordable Housing", which it published in February, and it suggests that we are on track with building the much-needed houses.

As housing associations have built new houses over the past decade, they have included houses for people with specific needs. That is certainly the case in Fife, where my experience is from. They have been good at building specific housing for older people and people with disabilities. As we know, the housing crisis is not just about the lack of housing, although that is the key factor. It is also the case that demographics are changing in our country.

Kevin Stewart: I totally agree that we have to get the housing right for people's needs in various areas. When I was in Cupar in Fife recently, I was pleased to see that Kingdom Housing Association is building a new development with larger housing that has more bedrooms for larger families, and wheelchair-accessible housing. I want to see such schemes across Scotland. I have made it quite clear that, in terms of subsidy, there will be flexibility in that regard for specialist housing and the larger homes that are required.

Alex Rowley: Absolutely.

As Mark Griffin said, although the bill is technical, it has allowed housing to be debated again. There was a time in politics when housing was up there among the key issues on the agenda. Indeed, at one point, the issue was so influential that it could bring down the Government of the day, but sadly it has slipped back. We need to get it back up there.

The specific-needs housing that is built also has a knock-on effect, and in that regard we need to look at the types of housing that are being built within the 35,000 houses for social rent. I do not know whether other members have experienced this, but while doing street surgeries I have talked to people who live in large houses that they have brought their families up in and who want to move to smaller houses, but who find that the only thing that the council has to offer is flats. If people have had a house with a back and a front door and they have brought up their family there, why would they

move in their later years to a flat somewhere and a different way of living?

The more that we build housing specifically for older people and people with disabilities, the more we create a chain reaction that frees up houses for families, and in that way we will get more out of the housing stock.

I welcome the bill, because it would have been devastating to lose the investment. We have got it, and we should move forward and continue to build on the consensus in this Parliament that we should, and we will, tackle Scotland's housing crisis.

The Deputy Presiding Officer: That is the end of the open debate. I call Mark Griffin to close for Labour.

16:19

Mark Griffin: I am pleased that today's debate has given confirmation—if any were needed—that the Housing (Amendment) (Scotland) Bill will be passed and that social and co-operative housing will be protected. We have spoken again about the importance of, and ownership of, housing, and I am pleased that we have had that discussion.

Earlier, I spoke about our ambition to hit Scotland's affordable housing target of delivering 50,000 homes by the next election. Although Scottish Labour would want to go further than that, the important thing is that we create the conditions in which to deliver that number.

The technicalities of the bill might be boring, but the legislation secures the Scottish budget and the investment that we can make in affordable housing while ensuring that RSLs can borrow effectively. The protection of the Scottish budget also ensures that local authorities can secure grants and deliver social housing. In the Central Scotland region, North Lanarkshire Council has set out its plans not only to deliver, by 2027, 5,000 new homes that will provide warm, safe roofs over the heads of Scotland's poorest families, but to do so affordably. That is why we must set the right conditions for delivering them. As with housing associations and co-operatives, the proceeds can go back into the system—not to landlords or buy-to-let lenders—and workers in North Lanarkshire and across the country will benefit from the boost to jobs.

It has been a busy week for housing. The Parliament has begun its debate on the Planning (Scotland) Bill and the Government has been lobbied to put ambitious finishing touches to the proposed warm homes bill. I dare say that the minister has more vigorous legislative challenges ahead that are key to delivering those housing targets. Nevertheless, as much as any other piece

of legislation, this bill is vital to securing much-needed homes, and I am glad that we have set out our agreement to protect part of our housing sector today.

The Deputy Presiding Officer: I call Kevin Stewart to wind up the debate. If you could keep going until 4.30, minister, I would be most obliged.

16:21

Kevin Stewart: Graham Simpson has obviously not taken his opportunity to wind up today. I did not expect to have eight minutes, Presiding Officer, but I am sure that I can keep going. I am not sure that I will wax lyrical, but I will keep going until 4.30.

I am grateful to members right across the chamber for their helpful and constructive contributions to the debate, and I thank everyone who has been involved with the bill. Although, in some regards, it has been easy for us, as parliamentarians, to scrutinise the bill, I ask members to spare a thought for my officials who have had to deal with this piece of legislation, which is more complex than many people might think. Although it is highly technical, it has required a lot of work, and I thank my officials for their efforts in that regard. I also really appreciate members' cross-party support. It might be easier for me to get a piece of legislation passed at stage 3 on this occasion than it will be in the future, but—hey—maybe we will have consensus on things to come, too.

As all members will know, the Government has a clear and defining reason for making housing a priority: the provision of good-quality, warm and affordable homes is vital to creating a fairer Scotland, securing economic growth and supporting and creating jobs right across our country. At the heart of that vision sits our commitment to deliver at least 50,000 affordable homes over the course of this session of Parliament, with 35,000 of those being for social rent.

Andy Wightman: A couple of weeks ago, the First Minister confirmed that the Scottish Government's target is to build—I stress the word "build"—50,000 affordable homes. Is that the minister's understanding, and will the report against that target cover how many homes have actually been built?

Kevin Stewart: I want to deliver more than 50,000 affordable homes, but I can do so only with the co-operation of local authorities and housing associations. One of the things for which I have been known is flexibility on local authorities meeting needs in their areas. Some of them will buy housing off the shelf or will buy back in order

to allow people to move, and I am not going to remove that flexibility.

Our £3 billion investment will deliver many more than 50,000 affordable homes, and more homes will be built right across the country, including the housing for people with varying needs that Mr Rowley mentioned, such as for disabled people and for those needing larger homes. I rely on local authorities and housing associations to make good use of their knowledge of housing need and demand assessments and of local housing strategies to deliver for all the people of Scotland. I am pleased that we had the opportunity to debate that issue last night, during Joan McAlpine's members' business debate, and that these debates are becoming more consensual.

During the previous parliamentary session, we delivered more than 33,000 affordable homes, which was 10 per cent above the target of 30,000. The Government intends to build on that great achievement with the co-operation of stakeholders, and we are making good progress towards our target, as Mr Rowley pointed out. The Shelter report shows that we are on track, so it is not only me and the Government who are saying that; stakeholders are also saying it. However, we cannot be—and I will never be—complacent in that regard.

Recent statistics show that the number of approvals for new housing association homes is up by 33 per cent on the previous year, laying the foundations for a pipeline of proposals that are capable of delivering the remainder of the 50,000 homes by 2020-21.

At a local level, there are good examples of progress on increasing the pace of delivery. Those include the use of public sector land to deliver more than 200 affordable homes at the Craiginches site in Aberdeen, charitable bond donations delivering homes for social rent and the expansion of housing association activity into new geographic areas, such as in Cunninghame Housing Association moving from its traditional Ayrshire area to Dumfries and Galloway. Some housing associations have joined with others to provide agency support for partners that have limited or no development experience, which has allowed more partners that can provide affordable housing to enter the programme and which provides efficient ways of working together to increase the availability of affordable housing. Housing associations and councils have also partnered with developers, and the housing infrastructure fund has been used to unlock housing development in many parts of the country.

All of that is, of course, a testament to the hard work and determination that has been shown by the sector—in particular, by housing associations, whose role is pivotal to the achievement of our

challenging target. Their role is not just about providing good-quality housing and services for tenants or building energy-efficient homes; it is about creating jobs, supporting vulnerable people and acting as anchors for some of the most deprived communities in Scotland.

Clare Adamson (Motherwell and Wishaw) (SNP): The minister will remember attending with me an event with the Building Research Establishment at Ravenscraig, at which we were shown innovative specialist buildings for people with disabilities and dementia. Will he expand on those initiatives?

Kevin Stewart: That was a very good visit, which showed what can be done to make a house dementia friendly. We must use what we learn from the BRE and other places, so that those technologies and knowledge go into homes. In that way, we can keep people at home and independent for longer—I am sure that all members across the chamber want to see that.

Although the bill is technical, it makes important changes that will enable us to continue to work towards our ambitious housing targets. After hearing today's speeches, I am hopeful that the Parliament will pass the bill unanimously come decision time, and I hope that our next debate on housing is as consensual as this one has been.

Decision Time

16:30

The Presiding Officer (Ken Macintosh): There is one question to be put as a result of today's business. The question is, that motion S5M-12483, in the name of Kevin Stewart, on the Housing (Amendment) (Scotland) Bill at stage 3, be agreed to. Because it is a question on a bill at stage 3, we will have a division. Members should cast their votes now.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Motherwell and Wishaw) (SNP)
 Allan, Alasdair (Na h-Eileanan an Iar) (SNP)
 Arthur, Tom (Renfrewshire South) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Balfour, Jeremy (Lothian) (Con)
 Ballantyne, Michelle (South Scotland) (Con)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Bowman, Bill (North East Scotland) (Con)
 Briggs, Miles (Lothian) (Con)
 Burnett, Alexander (Aberdeenshire West) (Con)
 Campbell, Aileen (Clydesdale) (SNP)
 Carlaw, Jackson (Eastwood) (Con)
 Carson, Finlay (Galloway and West Dumfries) (Con)
 Chapman, Peter (North East Scotland) (Con)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Corry, Maurice (West Scotland) (Con)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Davidson, Ruth (Edinburgh Central) (Con)
 Denham, Ash (Edinburgh Eastern) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Ewing, Annabelle (Cowdenbeath) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Green)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Greene, Jamie (West Scotland) (Con)
 Greer, Ross (West Scotland) (Green)
 Griffin, Mark (Central Scotland) (Lab)
 Halcro Johnston, Jamie (Highlands and Islands) (Con)
 Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)
 Harper, Emma (South Scotland) (SNP)
 Harris, Alison (Central Scotland) (Con)
 Harvie, Patrick (Glasgow) (Green)
 Haughey, Clare (Rutherglen) (SNP)

Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Johnson, Daniel (Edinburgh Southern) (Lab)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Glasgow) (Lab)
 Kerr, Liam (North East Scotland) (Con)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow) (Lab)
 Leonard, Richard (Central Scotland) (Lab)
 Lindhurst, Gordon (Lothian) (Con)
 Lochhead, Richard (Moray) (SNP)
 Lockhart, Dean (Mid Scotland and Fife) (Con)
 Lyle, Richard (Uddingston and Bellshill) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macdonald, Lewis (North East Scotland) (Lab)
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 Mackay, Rona (Strathkelvin and Bearsden) (SNP)
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
 Maguire, Ruth (Cunninghame South) (SNP)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Gillian (Aberdeenshire East) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Mason, Tom (North East Scotland) (Con)
 Matheson, Michael (Falkirk West) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McKee, Ivan (Glasgow Provan) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McMillan, Stuart (Greenock and Inverclyde) (SNP)
 Mountain, Edward (Highlands and Islands) (Con)
 Mundell, Oliver (Dumfriesshire) (Con)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Rennie, Willie (North East Fife) (LD)
 Robison, Shona (Dundee City East) (SNP)
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)
 Rowley, Alex (Mid Scotland and Fife) (Lab)
 Rumbles, Mike (North East Scotland) (LD)
 Ruskell, Mark (Mid Scotland and Fife) (Green)
 Russell, Michael (Argyll and Bute) (SNP)
 Sarwar, Anas (Glasgow) (Lab)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Graham (Central Scotland) (Con)
 Smith, Elaine (Central Scotland) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Somerville, Shirley-Anne (Dunfermline) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Alexander (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Todd, Maree (Highlands and Islands) (SNP)
 Tomkins, Adam (Glasgow) (Con)
 Torrance, David (Kirkcaldy) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Whittle, Brian (South Scotland) (Con)
 Wightman, Andy (Lothian) (Green)
 Yousaf, Humza (Glasgow Pollok) (SNP)

The Presiding Officer: The result of the division is: For 114, Against 0, Abstentions 0.

Motion agreed to,

That the Parliament agrees that the Housing (Amendment) (Scotland) Bill be passed.

Meeting closed at 16:31.

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

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