



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

INFRASTRUCTURE AND CAPITAL INVESTMENT COMMITTEE

Wednesday 5 June 2013

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INFRASTRUCTURE AND CAPITAL INVESTMENT COMMITTEE
13th Meeting 2013, Session 4

CONVENER

*Maureen Watt (Aberdeen South and North Kincardine) (SNP)

DEPUTY CONVENER

Adam Ingram (Carrick, Cumnock and Doon Valley) (SNP)

COMMITTEE MEMBERS

- *Jim Eadie (Edinburgh Southern) (SNP)
- *Alex Johnstone (North East Scotland) (Con)
- *Gordon MacDonald (Edinburgh Pentlands) (SNP)
- *Margaret McCulloch (Central Scotland) (Lab)
- *Elaine Murray (Dumfriesshire) (Lab)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Keith Brown (Minister for Transport and Veterans)
Tom Davy (Scottish Government)
Aidan Grisewood (Scottish Government)
Gil Paterson (Clydebank and Milngavie) (SNP) (Committee Substitute)

CLERK TO THE COMMITTEE

Steve Farrell

LOCATION

Committee Room 5

Scottish Parliament

Infrastructure and Capital Investment Committee

Wednesday 5 June 2013

[The Convener *opened the meeting at 10:00*]

Community Transport Inquiry

The Convener (Maureen Watt): Good morning, everyone, and welcome to the 13th meeting in 2013 of the Infrastructure and Capital Investment Committee. I remind everyone to switch off any mobile devices as they affect the broadcasting system, although some committee members will consult tablets during the meeting as we provide the agenda in a digital format and members will also access briefing papers for the meeting.

We have received apologies from Adam Ingram, and Gil Paterson is attending as his substitute.

Agenda item 1 is evidence from the Minister for Transport and Veterans as part of our inquiry into community transport. This is the fifth and final oral evidence session in our inquiry. I welcome Keith Brown, the Minister for Transport and Veterans, and Tom Davy, team leader for bus and local transport policy at the Scottish Government.

Minister, I invite you to make a brief opening statement.

The Minister for Transport and Veterans (Keith Brown): Thank you, convener, for the chance to come along and speak to the committee as part of its inquiry into community transport. As I have already said, I look forward to seeing and considering the conclusions of the inquiry, not least given the contributions that have been made by the organisations that have spoken to you.

I welcome the insight that the inquiry affords into the opportunities that community organisations have identified and the concerns that they have expressed about the provision of transport to communities throughout Scotland. People in Scotland have a remarkable awareness of what will help others in their communities—an awareness that can help to ensure that communities thrive. We heard about that in our debate in the chamber last week. I am grateful for the time that everyone has taken to share their understanding and their concerns.

I know that you will hear from the Health and Sport Committee with additional evidence on transport to healthcare. Healthcare colleagues are working with some of the regional transport partnerships and others to tackle some of the challenges that we face in that area. I have had a

number of discussions on the issue with the Cabinet Secretary for Health and Wellbeing—in fact, our discussions date back to the time when he was the Cabinet Secretary for Infrastructure and Capital Investment—and work in the area is continuing.

As you will be aware, commercial operators provide public transport in many rural areas. By reforming the bus service operators grant in 2012, I have tried to ensure that rural services benefit from mileage-related payments, which favour longer routes and are more environmentally sustainable. Smaller operators have told me that they appreciate the difference that the payments have made. However, some routes may still not be sustainable on a purely commercial basis. That is where local authorities can step in, as they can commission and fund bus services to meet people's needs where the market cannot provide them. Importantly in the context of today's discussion, other local solutions, often run by communities themselves, can make an important contribution too, especially in more isolated rural areas.

Age Scotland stresses in its research on the subject that transport services are crucial and are appreciated by older people. It has presented for consideration some useful information from the Community Transport Association about the scope of the sector. Age Scotland's research shows that about 100,000 people benefit from community transport in Scotland each year; about 70,000 older people use community transport; there are 3.5 million community transport trips per year; 62 per cent of community transport users are aged 60 or over and 16 per cent are disabled; and overall demand might rise to about 83,500 older users by 2022.

Age Scotland calls for the concessionary travel arrangements to be extended to community transport. There are some practical issues with that, which I mentioned in the chamber debate last week, over and above the issues of affordability and sustainability, but I will listen to the points that are made as the campaign progresses.

The committee has heard from many organisations that provide transport to their members and users, and many examples have been given of dedicated volunteers enabling services to be provided to their local communities, in some cases over many years.

I am not surprised to hear that volunteers are not easy to come by. I admire the commitment that is made by each and every person who becomes a driver or an escort for passengers. We all know people in our areas who do such work. Training and qualifications for volunteers seem to be essential to support quality services. The concerns about training that were raised in the evidence

leave some questions about how best the sector might develop and how much the organisations themselves are able to supply the training that is required. Nevertheless, the examples that have been given show that the flexible and responsive nature of community transport projects serve communities very well and that there is enthusiasm for such developments.

The national concessionary travel scheme for older and disabled people is a very successful scheme, which provides free local and long-distance bus travel throughout Scotland for older and disabled people, at any time of day and for any number of journeys. About 1.25 million people currently hold concessionary travel cards and have access to the benefits. As members know, in January we reached an agreement with the bus industry that safeguarded the scheme for the next two years. That two-year agreement provides fair reimbursement for operators and secures the scheme's financial sustainability.

The scheme is for registered bus services. We have no current plans to extend the scheme to include community transport services, other than those that are registered bus services, whether they are conventional or demand responsive. Last year, I enabled community transport organisations that run, under section 22 registrations, flexible services that are open to the public to be part of the concessionary travel scheme. I am aware that that is an option for some providers but not for others.

Over and above the national free bus travel scheme, local authorities have powers that allow them to support travel concessions and some local authorities do that for trains, ferries and taxis. As you have heard, community transport providers may provide some local authority-contracted services. For example, we welcome the fact that Strathclyde partnership for transport is co-ordinating a forum for community transport operators, which we hope will help to develop the sector.

With quality in mind, the concerns of the community transport providers are concerns for us all. I look forward to the conclusions and recommendations of the committee's inquiry. There is no doubt in my mind that community transport has a place in Scotland as we build a transport system that is fit for the 21st century. I am open to practical suggestions on how best we can achieve that.

The Convener: Thank you. Margaret McCulloch will begin the questioning.

Margaret McCulloch (Central Scotland) (Lab): Good morning, minister. The committee has heard evidence that there is a lack of basic information on community transport provision,

funding and unmet need across Scotland. Do you envisage a role for Transport Scotland and/or the Community Transport Association in leading or co-ordinating research to establish such baseline information?

Keith Brown: That is one of the outcomes of the inquiry that we will look at closely. Obviously, the CTA currently fulfils a co-ordinating role and provides representation. I understand that the CTA undertakes research both in Scotland and across the UK; it also has the benefit of getting feedback from its members.

Perhaps the suggestion ties in with the proposal that there should be a national community transport strategy, which would have to be based on such research. I am willing to wait and see the committee's conclusions on the issue before I come to a conclusion.

Margaret McCulloch: As you say, there have been calls for the Scottish Government to develop a national community transport strategy. How long will it take for that to be done and for us to hear about the results?

Keith Brown: This is the first inquiry into community transport during my time in the job, so a national community transport strategy has not been called for repeatedly, although it has certainly been suggested. The time that it would take to produce a strategy would follow on from a decision that we should do so. We are not ready to make that decision now. We will wait and see what the committee's inquiry comes up with.

I see the merits of having a national strategy, but it is a question of how it should be pulled together. A range of diverse groups provide community transport throughout the country and such groups often play a local role that is born from a charitable or a third sector source. There is a danger in a national strategy that takes a top-down approach, because we do not want to frustrate or inhibit the development of local provision. I can see that the idea of having a national strategy has its merits, because it would let everyone know what the framework is, but I would rather wait and see what the committee's conclusions are before I come to a conclusion.

Alex Johnstone (North East Scotland) (Con): Of the many other funding pressures that we have discussed with witnesses, one issue that arose was the difficulty of replacing vehicles. One organisation told us that

"New vehicles are urgently needed, but funding for them is very hard to come by",

while another said that

"The lack of capital funding for vehicle replacement is threatening the continued existence of some"

community transport groups. Could the Scottish Government do anything to support community transport groups in purchasing new vehicles?

Keith Brown: That is a possibility but, as you have rightly mentioned, the difficulty is in finding the funding. Having looked at the work that the committee has done and listened to what community providers and individual committee members have said about such pressures, I think that to some extent any charge for the service—if indeed a charge is made—should take into account the capital cost of replacing vehicles and providing training. I realise that that will not always be possible and that across the piece the collective fleet—if you can call it that—is becoming more dated not least because of funding pressures in local authorities or other charities, the move to single-year funding, which makes it hard to plan, or whatever.

I realise that there are issues to address. As I said, it would be possible to support the purchase of new vehicles and we will look at what we can do in that respect through either the transport brief or the third sector brief to support third sector organisations. However, if we were to do so, we would need to look closely at whether we could encourage the use of more environmentally friendly vehicles as we have done through, for example, the green bus fund. The difficulty is that there is not much of a market to supply such vehicles, but the issue is worth looking at.

Once again, our starting point will be the recommendations that the committee comes up with. However, I can say that we have had representations about those pressures; we are aware of them; and we are looking at the matter.

Alex Johnstone: The committee has had a number of discussions with witnesses about the option of leasing vehicles. However, a number of factors, including the move to single-year funding that you mentioned, make leasing difficult for many of the organisations. Might Transport Scotland, regional transport partnerships or local authorities have a role in supporting transport operators to lease vehicles?

Keith Brown: That would be an issue for RTPs and councils. With any investment from the public purse, everyone involved, whether it be the council, the RTP or the Government, will want to ensure that whatever is done is done on the most sustainable and efficient basis. Going back to a previous question, I think that that might be an argument for having a national strategy. Instead of putting in place a leasing agreement for a particular and perhaps very small provider, we could do that on a bigger scale to get more efficiencies.

As I said, individual councils and RTPs could do what you have suggested, but that would be their decision. In fact, because RTPs often—but not always—cover a broader area than one authority, they might be interested in looking at the matter.

Jim Eadie (Edinburgh Southern) (SNP): In your introduction, you said that the shift in the bus service operators grant from total fuel consumed to total distance travelled had delivered significant benefits in rural areas. That very point was reflected in the evidence that the committee heard. For example, Wayne Pearson of HcL told the committee that his organisation had received a “windfall” and that

“the changes have helped us substantially.”—[*Official Report, Infrastructure and Capital Investment Committee*, 1 May 2013; c 1666.]

That is the good news, but you also said in your introduction that some routes are not commercially sustainable. Could BSOG be used to address that example of market failure and provide the certainty that community transport providers are looking for?

Keith Brown: No. I do not think that that is BSOG’s primary role. The changes that you mentioned at the beginning of your question seem self-evidently sensible; instead of rewarding fuel consumption—and indeed dead mileage, when there is no one on the bus at all—the grant now rewards the distance that has been travelled.

BSOG benefits existing operators; if you like, it helps their bottom line, makes their services more sustainable and—I presume—enables them to take on additional routes from which they might not have made a commercial return. In theory, the grant might work in the way that you have suggested but it is really meant to safeguard the routes that operators provide and make them more sustainable. As you said, it has provided a windfall to a number of smaller operators and community transport providers, which I think is a good thing.

10:15

Jim Eadie: Do you or your officials have any sense of whether the changes have reduced or increased the level of BSOG?

Keith Brown: What do you mean by “the level of BSOG”?

Jim Eadie: I mean the amount of public spending that the grant consumes.

Keith Brown: The budget is fixed; it was £50 million last year, but we provided an additional £10 million towards the end of the year. However, whatever the demands might be, the budget will not be exceeded.

Tom Davy might be able to say a bit more about this.

Jim Eadie: I am trying to get a sense of the impact of the change.

Tom Davy (Scottish Government): The budget for the last year—and indeed this year—has been capped at £50 million. Last year's budget was a reduction on the previous year's but, as the minister has pointed out, it coincided with a change in the distribution formula. As a result, some of the larger, mainly urban operators experienced a significant reduction in payments but we think that about 75 or so per cent of operators got higher payments than they would have received before the change. The change tended to benefit operators who ran the longer routes, which tend to be in more rural areas, so that might explain some of the positive stories that the committee has heard.

I do not have the details to hand, but I think that the scope was also extended with regard to section 22 operators and demand-responsive services. Overall, we think that last year more than £1.5 million of BSOG's £50 million went to community transport organisations; the figure in the CTA report, which must have looked at the previous year, was about two thirds of a million pounds. In short, if you look at the total amount of BSOG going into the sector, you will find that funding went up substantially last year.

Jim Eadie: That was very helpful.

Finally, is there any scope to extend BSOG to cover community transport services that are not currently eligible? What would have to happen in that respect?

Keith Brown: As the budget has been agreed and is fixed, any extension would require funding to be taken from other services, which could have a detrimental impact on their viability. Moreover, in seeking to make BSOG more widely available to community transport, you have to remember that taxis and other things also provide these services and it would be very hard to extend the grant to cover those aspects. Any such extension brings us back to the question of who wins and who loses and, indeed, the £1.5 million that Tom Davy referred to came out of the budget that would otherwise have gone to existing operators. Once again, it would be worth seeing the committee's conclusions on the matter but I do not want to minimise the difficulties of extending BSOG to the full range of services that is provided by community transport providers.

Margaret McCulloch: Have you had any conversations or other communication with the national health service about community transport? Much of the evidence that we received suggested that community transport is used to

take patients to hospital appointments and so on. That costs a lot of money, and the NHS does not seem to be making any payments to community transport providers to allow them to recover those costs.

Keith Brown: The NHS is making payments to cover such costs—for example, I know that in my area it funds a number of services to the new Larbert hospital—but those budgets, too, are under pressure.

As I said in my introduction, I have had a number of discussions with Alex Neil on this matter. You quite rightly mentioned patient transport, but a number of other organisations that deliver public or volunteer services use minibuses, which also need drivers. I think that the basis of your question is whether we can work together with health and other partners to maximise these things. The fact is that some vehicles are not being used as much as they could be, some organisations might be better off for drivers and some services might run to and from the same place; the purpose of the work that the health service is doing and the discussions that Alex Neil and I are having is to see how we can draw those things together. It is to nobody's benefit if the public purse is paying for a minibus that is sitting in a garage and not being used, or not being used as much as it could be.

I mentioned one example in which the health service is currently paying for services. There was something in the newspapers recently—I think that it was in the *Evening Times*—about services in Glasgow having an extremely low take-up or, for some services, no take-up at all. I think that those services were run by the Strathclyde partnership for transport. That is not in anybody's interest, and work is being done to increase awareness. Part of the problem was that people did not understand that the service was free, so they did not get on the bus as they might have done. There is an issue around ensuring that people are aware of the services, in addition to the overriding issue of the extent to which—especially in rural areas—one bus can cover more than one purpose and more than one group of users. We are looking into that.

The Convener: The previous Administration ran the rural community transport initiative. In 2008, the present Government rolled that funding into local authority funding and expected local authorities to honour the Scottish Government's on-going commitment to fund the rural community transport initiative. Are you confident that local authorities have done that? We heard in evidence that there is a desire among some people to see that funding centralised again rather than devolved to local authorities. Have you considered that?

Keith Brown: The Government is sometimes accused of centralising, and I am not sure that we would want to do that again. I am confident that the decision not to ring fence the funding was the right one. I came to the Parliament from a local authority background, and I was pretty fed up with all the different ring fencing and hypothecated grants that were awarded. That was the right decision. The underlying principle was that local authorities had the discretion to use their resources. If they did not do what was expected of them or what their local communities expected, the remedy would be a democratic one.

Having had some education roles in the past, I am aware that there are pockets of interest that would like hypothecation in their area. However, each of those demands would eat away at the principle of democratic accountability whereby we make the awards to the councils. Councils are not like health boards and other organisations; they have a democratic mandate and must have some discretion.

It might be that less funding is going into community transport in a local area, but it is up to stakeholders to challenge that. I do not think that the remedy is for the Government to go to the council and say, "You must spend this much on this function."

Gil Paterson (Clydebank and Milngavie) (SNP): Good morning, minister. You mentioned the need for training. The committee has taken evidence from different parties on the D1 licence. It costs around £1,000 to go through that element of the training. Would the local or national authorities consider assisting volunteers through that training? Maybe there are some programmes that the local and national authorities engage in that the voluntary sector can clip into, thereby reducing the costs.

Keith Brown: There is no question but that it would be possible to do that, but it would come down to funding. As you mention, I have received representations on the issue from those in the sector. Taking on the provision of training can be a challenge, especially for small organisations. For that reason, there must—at the very least—be scope for more collaboration between different community transport providers to provide that training.

It would be possible for the Government to provide support to reduce the cost to organisations. However, it would be useful to see the committee's conclusions before making a decision on that in order to get a sense of priorities and what support the sector wants. It will not be possible to provide the finance for all the things that the sector wants—additional money for the concessionary travel scheme, BSOG, vehicles and training—so it would be useful to get a sense of

the sector's priorities through the work of the committee before we make any decisions.

Gil Paterson: I was not thinking so much about additional money, although I am sure that the committee and the people in the sector would welcome that; I was thinking more about the resources that are available. Perhaps we can work collectively with training providers to ensure that there are sufficient numbers at any given time to reduce the costs. All the training schemes are run by private providers—I do not know of any public sector training provision—and they might take a more sanguine view if the demand was coming from the voluntary sector. They may look at it in a different light and clip it into a local authority's training scheme at a reduced price. I am looking for the Government or local authorities to facilitate training mechanisms on a benefit basis.

Keith Brown: If that is the committee's suggestion, we would want to consider that. If the training is provided on a larger scale, with more people tapping into it, that can help to drive down the cost. However, the constraints would be the local nature of the services that are provided, the volunteer basis of the drivers and so on. Nevertheless, if that is the committee's suggestion, it would be useful for us to look at that.

Gil Paterson: The D1 licence is a United Kingdom requirement. Is there any dialogue between the Scottish Government and the UK Government specifically on the problem? Can anything be done with the Department for Transport to find mechanisms to assist those in the voluntary sector who are in it not for the money, but for the good of the community?

Keith Brown: I think that it would be difficult to convince the DFT to do that, but that does not mean that we should not try. I am trying to think whether we have made specific representations on that in the past—I cannot bring to mind whether we have. However, if that is a recommendation of the committee, and perhaps even in advance of that, there is no reason why the Scottish Government cannot make representations to the DFT along those lines.

Gordon MacDonald (Edinburgh Pentlands) (SNP): Let us move on to the national concessionary scheme. Age Scotland, in collaboration with the Community Transport Association and others, has recently launched its still waiting campaign. In evidence to the committee, John Berry of the Association of Transport Co-ordinating Officers said:

"I do not think that the concessionary reimbursement scheme is the right fit for community transport".—[*Official Report, Infrastructure and Capital Investment Committee*, 15 May 2013; c 1716.]

We also heard from John Moore of Lothian Community Transport Services, who stated:

“It would not be practical for group travel under section 19 to be part of the national concessionary fare scheme”.—*[Official Report, Infrastructure and Capital Investment Committee, 1 May 2013; c 1662.]*

What is your view on the still waiting campaign and its request for community transport to be included in the national concessionary scheme?

Keith Brown: As I have said, I have tried to approach the matter with an open mind, but some of the practical difficulties—a number of which were set out by Jim Eadie in the debate last week—are real problems. I am thinking of things such as the investment in the infrastructure that would be required if community transport were to be included in the national scheme. Is that infrastructure the right priority on which to spend thousands of pounds? Also, it would be very difficult to extend the scheme to the whole of the community transport sector, given that it involves taxis and other vehicles.

We should try to keep an open mind about what Age Scotland has said. It recognises the budget pressures that the proposal would give rise to and has suggested that the age of eligibility could be increased from 60 to the current pension age. However, the Government does not intend to do that. We are sticking with the current eligibility rules because we think that these are pretty tough times, especially for those who are on fixed incomes, and we do not want to withdraw that entitlement. We have a pretty fixed view on that. We do not want to change the eligibility criteria.

10:30

Additional calls on the concessionary travel scheme would constitute a straightforward addition to the budget in very constrained times. There is perhaps more work to be done on what the approach would cost—I have seen a figure of £11 million or so. My view, which I expressed in the debate last week, is that as soon as we included community transport providers in the scheme demand would start to increase, so the £11 million figure would be likely to increase.

On the still waiting campaign’s general approach of trying to see what further assistance can be provided, we want to have an open mind. That is particularly the case in relation to people who are entitled to a concessionary fare but who cannot access the bus because the service cannot accommodate their accessibility requirements. We have tried to look at the issue in the context of some of the changes that we have made, but the issue would bear further examination. We are keen to look further at that part of the campaign.

However, the extension of the scheme would cost money and we are not willing to cut back entitlement as it stands.

Gordon MacDonald: In evidence, we heard about the high cost of ticket machines and problems to do with their reliability and with attracting volunteers who are prepared to be trained to use them. Given that two thirds of the vehicles that are used in community transport are private cars and that local authorities operate a range of local concession schemes—Aberdeenshire Council supports community transport; Scottish Borders Council has a taxi system; and City of Edinburgh Council recently talked about having a tram scheme—is there scope for local authorities to do more to support the community transport sector?

Keith Brown: I think so. You mentioned Edinburgh and the trams; Glasgow City Council wants to apply concessions on the subway and local transport systems, if I can put it that way. Such schemes are best taken forward by local authorities. Local authorities can choose to offer concessions for rail and ferry services, in some cases.

You said that two thirds of the vehicles that are used in community transport are private cars. That shows the difficulty of trying to apply the concessionary travel scheme to community transport.

I do not want the committee to form the impression that we are saying that the infrastructure for the national concessionary travel scheme must be used if we are to enable it to be accessed—if you follow what I mean—just to be difficult. We must have the infrastructure in place if we are to maintain the integrity of the system and ensure that it is used for the right purposes. If we extend the scheme in any way, it is important that we have the ability to audit the scheme, to ensure that only the right people access it and so on, so the infrastructure is absolutely necessary. It is clear to me that it would be difficult to extend the infrastructure to include private cars, for example.

Elaine Murray (Dumfriesshire) (Lab): It seems to be fundamentally unfair that a 60-year-old in Edinburgh can use their concessionary bus pass to go to work, while an 80-year-old in a rural part of my constituency—or the minister’s—cannot use their entitlement because there is no service that they can access. If the concessionary fares scheme is not the tool with which to address that lack of parity, are there other options for doing so in the context of preventative spend and the change fund?

Keith Brown: I cannot speak about the change fund, but I realise why you mention it, in that it is about considering how spend across budgets

might prevent greater spend overall. In theory, there is no question but that that could be done. Again, it will be useful to see the committee's conclusions on how services could be supported. I think I accept that what you suggest can be done; the issues are how we do that in practice while ensuring that the system has integrity, and how we ensure that we can make the funding available.

Elaine Murray: We took evidence about the difficulties that some community transport operators have in bidding for public contracts. Some seem to do it pretty well: Coalfield Community Transport, in Cumnock, which I visited, runs a number of services for SPT. Is there a role for Transport Scotland and the Community Transport Association in disseminating best practice and providing training to community transport staff in bidding for public contracts?

Keith Brown: Yes, there is scope for that. As in most other areas of public sector activity across the country, the question is how we can best disseminate best practice—whoever delivers it—to others. I think that you mentioned the Coalfields Regeneration Trust, whose headquarters is in my constituency.

It is also true to say that business support schemes are already available to the voluntary sector, including community transport providers, on public sector contracting, which has been made much more straightforward through the portal that we have established. There is no question but that we could look at how we could help the CTA to ensure that the sector can make best use of the opportunities. There is scope for that.

The Convener: The Government supports the CTA to fund its activities and its full-time officer and part-time admin assistant. Could that funding be increased to allow the CTA to provide additional services to its Scottish members?

Keith Brown: That would be another demand. It would be useful to see how that would be prioritised against the other community transport priorities. We could take a decision on that only when we have seen what the other priorities are. Of course, it is possible to do that, but the main reason why it is difficult is the general situation of public sector budgets. We support a great many organisations; given the fixed nature of the budget, supporting one to a greater extent will usually mean not supporting another. We have had representations from the CTA on that. Again, I say that we have provided a fair settlement for the CTA and we continue to support it. If there was to be increased funding, it would be best to look at that in the context of the committee's other recommendations.

The Convener: Members have no further questions, so I suspend the meeting to allow a

changeover of the minister's supporting officials. Thank you, Mr Davy.

10:37

Meeting suspended.

10:38

On resuming—

Transport

The Convener: Agenda item 2 is a transport update. We will hear evidence again from the Minister for Transport and Veterans as part of a more general committee update on transport matters. I welcome the minister again and his supporting official, Aidan Grisewood, who is director of rail for the Scottish Government. Minister, would you like to make a brief opening statement?

Keith Brown: Thank you, convener. Transport is a wide-ranging subject, so I will mention some areas on which I anticipate questions.

Since 2007, the Government has invested about £8.3 billion in transport systems, making good on the sustained underinvestment of previous years. For 2012-15, £5.4 billion of investment has been allocated to transport infrastructure and services.

To deliver on our strategic transport objectives, we invest to create employment and to stimulate growth; to create conditions of advantage and opportunity; to allow businesses access to a skilled workforce and to deliver goods and services to markets; and so that people are able to move freely for work, education and leisure.

Ferries are essential to Scotland's transport network. They provide a vital link to our remote and island communities. As you know, at the end of last year, we published our ferries plan, which contained a number of proposals to further enhance ferry services for the benefit of communities. Despite the very harsh cuts that have been made by the UK Government to our capital budgets over the quarter, we have continued to invest in vessels and shoreside infrastructure. The MV Lochinvar, a cutting-edge ferry that is the second of two unique hybrid vessels, was launched on the Clyde on 23 May at Ferguson Shipbuilders Ltd's shipyard in Port Glasgow, and its sister ship, the MV Hallaig, is due to come into service later this summer.

I am proud that we are providing record levels of financial support to underline our commitment to ensuring that all communities, be they remote, island or mainland, share in Scotland's future success.

Our commitment to bus services is demonstrated by the £0.25 billion of support that is provided every year for the bus service operators grant and for concessionary fares. Again, that happens against a backdrop of those services and support mechanisms diminishing in most other parts of the UK.

Statutory quality partnerships have been established across five local authority areas. Those partnerships help to create opportunities for authorities to specify the quality of buses and minimum frequencies of service. In return, the authorities concerned—local authorities and regional transport partnerships—undertake to improve the infrastructure. The Scottish Government seeks to encourage that kind of approach. In April, we launched the bus investment fund, which will provide around £3 million this year to support local initiatives.

In addition to that investment, we are committed to the national concessionary travel scheme for older people and disabled people. In January, we reached an agreement for the next two years, which will secure those services. The agreement provides fair reimbursement. I have seen some comments that suggest that there has been a cut. Obviously, there has been a reduction in the reimbursement rate, but the figure was not just plucked out of the air by the Scottish Government; it was worked out by consultants as being a fair rate. That was accepted by bus operators, although I would not deny that they would like a higher rate.

Transport Scotland is using the experience of the installation of smart-ticketing systems in more than 7,000 buses to inform its approach to the significant challenges that are faced in the extension of smart ticketing to other transport modes in the future. It is working towards its long-term vision of ensuring that all journeys on Scotland's bus, rail, subway and tram networks can be accessed by some form of smart ticketing.

Edinburgh's trams project is currently the second-largest infrastructure project in the country. With the support of Transport Scotland, it is now making good progress, and remains on schedule to begin passenger services by next summer.

We had a debate on railways last week in Parliament. They remain more than a way to move people and goods; they can spread prosperity, generate economic activity, strengthen communities and create business and leisure opportunities.

We are determined to deliver a modern and efficient rail network that is a source of pride and which puts the needs of passengers at its heart. I mentioned last week that more than 83 million passengers a year travel on ScotRail services, which represents remarkable growth of about a third over the past decade.

We are continuing to invest in better stations and better train services, and to support further growth. Last June, we announced a £5 billion programme for the period 2014-19, which includes

£3 billion of capital investment in rail infrastructure and is supporting substantial improvements between Edinburgh and Glasgow, between Aberdeen and Inverness and on the Highland main line, and future electrification projects. We have committed to the development of community rail partnerships in Scotland for the first time, aiming to build on successful community involvement schemes such as ScotRail's adopt a station scheme, which was mentioned last week in the debate.

We are making good progress with the re-letting of the two franchises from April 2015. The sleeper contract is likely to be in excess of £200 million, and the ScotRail franchise will be the single biggest contract that is let by the Scottish Government, with a cost in excess of £2.5 billion.

On roads, we are delivering the new Forth crossing, which is Scotland's biggest infrastructure project in a generation. It is currently on budget and on time. The Forth Road Bridge Bill passed stage 3 on Thursday 23 May, and you may wish to note that the Forth bridges forum website went live on Monday 20 May, in conjunction with the launch of the world heritage site application for the Forth rail bridge.

The people of Scotland are currently having their say on the name of the new Forth crossing. I know that other countries are paying attention to the way in which we are trying to engage with individuals and communities in that regard. It is the first time that it has been done on this scale in Scotland. There are two days left in which to vote. If anybody has not voted, voting closes on 7 June. The public still have the opportunity to influence and be part of an historic process by logging on to www.namethebridge.co.uk, which I see was mentioned in the leader column of *The Scotsman* today—which is wider circulation than I can give.

10:45

Just under a year ago we set out our plans to dual the A9 between Perth and Inverness by 2025. On 28 May Transport Scotland hosted the industry in Perth to inform representatives from 26 consultancy companies about business opportunities that will be available through its ambitious £3 billion programme. Transport Scotland is currently holding a series of public exhibitions to update the public on the progress of various strands of the A9 dualling work. I encourage everyone with an interest to come along to one of the venues and to comment on the developing programme. For example, today's venue is Kincaig community hall and tomorrow's is Birnam arts and conference centre.

On transport and the report on proposals and policies 2, the Government has committed over

£200 million over the current spending review period to support climate change action by reducing the carbon impact of transport, via active travel, low-carbon vehicles and congestion reduction.

That is a very good record of investment in the future of transport in Scotland. The proposals have been scrutinised by Parliament and by stakeholders. I thank the committee for its inputs. The Government is carefully considering the representations and recommendations that have been made during the process as it works to finalise the report, which it is expected will be published in the summer.

I hope that that brief overview of the key highlights of the past six months is helpful to the committee. I look forward to trying to answer your questions.

The Convener: You mentioned briefly the Caledonian sleeper and ScotRail franchising processes. Can you update the committee on where we are with those?

Keith Brown: I am very grateful at this point that the sole official who is with me is a rail official. I provided something of an update in the rail debate last week—namely, that we are now down to four bidders for the sleeper service. There had been a degree of scepticism about whether we would get that level of interest from others. We are very pleased to have four; three or four bidders is probably the optimal number for that service. The franchise is one of the smallest there will be; it is a new thing to have done and the level of interest is encouraging. You may remember that we kept open the option to put that franchise back into the main franchise if we did not get that appropriate level of interest.

The process for the ScotRail franchise is going well. It is on-going, which explains why we have staggered the two processes. We are very keen to incorporate any lessons from the Brown and Laidlaw reviews that took place because of the west coast main line situation, which means that a great deal of care is being taken as we go forward. The process is currently on schedule and we are happy with it so far.

Aidan Grisewood (Scottish Government): On key dates, we have the pre-qualification questionnaire responses for the sleeper franchise that the minister mentioned. We plan to issue in July the PQQ to start the process for the main ScotRail franchise.

The Convener: When do you expect the Caledonian sleeper franchise to be awarded?

Aidan Grisewood: The award date will be May 2014.

The Convener: The main ScotRail franchise was extended. What kind of timetable do you expect for that?

Keith Brown: It was not so much that the period was extended, but that we used some of the contingency period for which the contract allowed. That runs until mid-2015.

Elaine Murray: I would like a couple of updates on ferries. First, is MV Hamnavoe fully operational again?

Keith Brown: Yes.

Elaine Murray: It took service on 23 May. Is that right?

Keith Brown: It was the Thursday of that week—yes.

Elaine Murray: Serco NorthLink provided a free service for passengers, but only a very limited one. Passengers had to be accommodated by Pentland Ferries operating additional services. Has Serco NorthLink provided an explanation for why it was unable to provide a replacement vessel that would accommodate freight and passengers?

Keith Brown: The passengers who sought to make the journey were accommodated by Pentland Ferries, and quite a number on the freight vessel that you mentioned, which took the bulk of the freight. Sometimes that meant that people's vehicles had to be transported by one vessel, while they themselves were transported by another. There was capacity to meet demand; we were aware of that when the contract was made.

We did not just leave it to Serco to look for an additional vessel; we asked Caledonian Maritime Assets Ltd, CalMac Ferries and others what vessels were available. The specific main reasons that Serco gave were, first, that a vessel would be required for a very short-term lease, so it was not attractive to many people to provide a vessel from other parts of the world. Secondly, there has been a substantial reduction in the tonnage available, because of the recession throughout the world. Beyond that, we hoped to have the Hamnavoe up and running in less time than it would have taken a vessel to get here from a distant part of the world, which is what transpired.

Elaine Murray: Were the costs of the disruption, for things such as buses and extra Pentland Ferries sailings, all met by Serco, or did the Scottish Government have to foot the bill?

Keith Brown: We have not footed the bill for anything. Serco will be penalised for the sailings that were not undertaken, although the issue gets a bit more complex when it comes to the period in which it was providing sailings but not optimum ones, because they were freight services—we have to work through that. In addition, Serco had

to pay about £0.5 million for the replacement of the ship's crankshaft. The services and additional integration through buses were paid for by Serco.

Elaine Murray: So, Transport Scotland has imposed a penalty on Serco.

Keith Brown: We have not come to the final figure, but it is about £7,000 for each time Serco did not provide the required sailing.

Elaine Murray: I have a question on the study that Transport Scotland commissioned into the impact of the removal of the road equivalent tariff for larger commercial vehicles in the Western Isles, Coll and Tiree. The MVA Consultancy report suggests that there was some negative impact on the economies of the islands through the removal of RET ferry fares for commercial vehicles, and it made a number of suggestions regarding schemes that might mitigate some of the negative impacts. Will you elucidate that a bit and say something about the findings of the research and how the Scottish Government is considering taking them forward?

Keith Brown: We are still looking at the outcome of the research and listening to other stakeholders about it. We said before the study was undertaken, as part of the ferries plan, that we want freight fares across Scotland to be consistent, rational, intelligible and fair because, previously, there was a complex mixture of freight fares and, to an extent, that situation still exists. The origins of those fares and the rationale for them, if there ever was one, are lost in the mists of time. We will use the study to ensure that, across Scotland, we have a fair freight policy. Obviously, the findings of the survey will help us to do that, but that was our overall intention in any event.

Elaine Murray: Whom are you consulting?

Keith Brown: The consultants' report has come back to us. We have had representations and the issue is being taken forward. We are evaluating the report. From memory, in producing the ferries plan, we undertook a huge amount of consultation. We have the information back from stakeholders. The people in Transport Scotland who are considering the matter might take on additional assistance with that, but I do not know the detail.

Alex Johnstone: I seek a little more detail on the issue that was raised previously about the time when the Hamnavoe was not in service. To an extent, there was a reliance on Pentland Ferries. Did Pentland Ferries receive any direct support during that period, or did it simply charge the normal fares that it charges for passengers who use the service?

Keith Brown: Pentland Ferries certainly did not receive any support from the Scottish Government. As you know, it is a privately run

service. However, as I mentioned in response to a previous question, additional bus services that went to the Pentland Ferries terminal rather than Serco's were provided at the expense of Serco. Also, Serco's systems were changed quickly so that people were directed towards Pentland Ferries. There were other options. If people wanted to travel from Aberdeen, they could do that. The assistance that was provided was a boost to the business of Pentland Ferries, as it carried far more passengers than usual. That was made as easy as possible, but the company received no direct financial support from the Government.

Alex Johnstone: I was interested in the fact that what is in essence a subsidised service was for a while being provided by an unsubsidised contractor, and I wondered whether any lessons were learned for the long term.

Keith Brown: Pentland Ferries has been there for some time and we have to take into account what the possibilities are for a crossing. When we established the contract, we said in response to representations from stakeholders that the Scrabster to Stromness route is a lifeline service. It is no bad thing that the public and private sectors seem to collaborate very effectively to meet passengers' needs.

The Convener: Alex, do you want to ask your question?

Alex Johnstone: My shot next, is it?

I want to ask the minister about road developments, some of which he has touched on already. I am impressed by the work that has been achieved with the M74 and the M80 extensions and the contribution that that has made to our road network. Will the minister give me updates on one or two other projects, starting with the M8 completion?

Keith Brown: All I can say is that we are at the stage of the process that we expected to be at. We have had huge interest from the industry. We had an industry day in Glasgow that was bursting at the seams—the hall was packed out. The work that it was expected would be done by this stage has been done and there is no change to the timescale. I can get you more detail about what is happening now, but the M8 completion is proceeding as planned.

Alex Johnstone: The minister has already mentioned the dualling of the A9. Is it possible to get more information on current expectations on the timescale for that project?

Keith Brown: We have said that we want the road to be fully dualled by 2025. We will be taking forward a number of projects well in advance of that. There is sometimes a kind of shorthand

critique of the project that says that we have to wait until 2025. However, the truth is that many sections of that road will be completed long before then, so the benefits will be felt progressively along the road. Three sections are much more advanced than the rest of the route. Again I say that that is proceeding as we expected it to do.

The contracts that I mentioned before are design contracts—we are asking companies to make proposals for the design. The project will provide the successful bidders with 12 years of work. Progress is such that we can get it done by 2025 but, as I said, you will see substantial progress and sections being completed well before that.

Alex Johnstone: I will move slightly closer to home for me. The obstacles appear to be gone from the Aberdeen western peripheral route project. Can the minister provide an update on where the project is at the moment?

Keith Brown: Immediately after this meeting, I am away to see another one of the obstacles being removed—the International School of Aberdeen is about to be demolished. That work starts today. As you know, the school was on the route so it had to be demolished. The new school has been established.

The work that is on-going is mainly ground investigations. There were parts of the route that we could not get into previously. As a result of the legal process, we could only go so far. We are now ensuring that the rest of that is done. On that project too, we had an extremely good infrastructure day and we have a short leet of bidders for the project. It is not going according to schedule because, in my view, it should have been done many years ago. However, it is going as fast as possible, given that we had to wait for the outcome of the legal process. Today, we will see further evidence of that with the demolition of the school.

Alex Johnstone: When will excavation and construction work begin?

Keith Brown: You are talking about construction rather than destruction, which I suppose is what we will see today.

The invitation to tender has gone out and the contract is due to be awarded in autumn next year, so we could start to see other works on the ground very quickly after that. Work will also be happening in the meantime. We had the industry day in January, which had to be put in the *Official Journal of the European Union*.

Alex Johnstone: Of course, such projects can vary according to a number of factors, including weather. When might we see the first car run on the AWPR?

Keith Brown: As we have said before, 2018 is our target. There has been a lot of discussion about whether some sections might be done in advance of others—we are looking at that as well. That is also being considered in the discussion with bidders. For example, people have asked whether the Balmedie to Tippetty stretch is a discrete piece of the route that could be done in advance. That is being considered. There are suggestions that some of the pressures around the airport could be looked at sympathetically. For the whole route, though, we have said that 2018 is our target.

Alex Johnstone: The latest roads project that the Government announced was the dualling of the A96. I am interested in that project in particular. My first question is a simple one. Why has the Government chosen to dual the full length of the A96 rather than simply the Inverness and Nairn section that was proposed in the strategic transport projects review?

11:00

Keith Brown: The most obvious reason is that we believe that all Scotland's cities should be connected by a dual carriageway or a motorway. In my view, that is a basic requirement for a modern, developed economy. If we had not done that, the A96 would have been the only road between two cities that was not fully dualled or made into a motorway.

If we are going to do that level of work for some of the road anyway, it is right to do the whole thing. As you mentioned before, the A9 dualling did not feature in the STPR, but once we decided that we wanted to connect two cities—in that case, Perth and Inverness—it would have been anomalous for us not to do the same on the A96. It is right to have that level of road there.

Alex Johnstone: I presume that a business case has been prepared for the dualling of the A96. Will that be published?

Keith Brown: I will have to check that. Our normal practice is to do that. For example, I have said to the committee that we will produce a business case for the Edinburgh to Glasgow high-speed line. Elements of the business case may be held back for commercial confidentiality—I am not saying that they will be; I just cannot remember at this point—

Alex Johnstone: Is there a cost benefit analysis for the dualling of the A96?

Keith Brown: There will be, just as with the AWPR.

Alex Johnstone: Are we likely to be able to see that at some point?

Keith Brown: Yes.

Alex Johnstone: Thank you.

The Convener: I will go back to the AWPR, minister. Is one of the other obstacles the current stance of Aberdeen City Council, which says that the council should not honour its agreement, made way back in 2003, regarding the amount that the council should pay for the project? The council compares the project with the Forth crossing, which I think is completely irrelevant. What is your view on Aberdeen City Council's current stance?

Keith Brown: Only someone who is ignorant of the process that developed could make the accusation that the council does, given the fact that the split of the costs was agreed back in 2003.

Prior to that point, of course, the AWPR was a local road project. It was brought forward by Grampian Regional Council, I think, or by its successor councils. It was a local project that the previous Executive agreed to take on an element of. It worked out a ratio of 81 per cent to 19 per cent, split between the two councils, which was agreed by both councils. That was subsequently agreed again in January this year by Aberdeen City Council.

The approach of Aberdeenshire Council has been quite different, of course. When I went up to see some of the sites of the AWPR a couple of weeks ago, Aberdeenshire Council representatives said to me, "A deal's a deal—let's get on with it." Aberdeen City Council's approach is quite different. It is not happy with the cap that we have provided that limits its contribution. It has tried to talk itself away from the deal that was previously agreed. I do not know whether that will continue after upcoming democratic battles are fought, but it seems that it is an act of good faith that if you agree to something twice you do not then try to reopen the whole thing.

There was a danger—probably less so now—that the uncertainty created by that stance would have an impact on the process for the road itself. Such a situation affects the confidence of bidders and it was regrettable that we had it, but I hope that it has died away now.

The Convener: You mentioned some pinchpoints such as Balmedie to Tippetty and the area around the airport. Do you envisage the AWPR being done in sections, or will it start at the north and work its way round? How do you envisage the work being done?

Keith Brown: We have listened to representations from local people—valid, legitimate representations—but we have to talk to the bidders and see what they think, because they are the experts who will construct the road. We need to ask them whether it is possible to do a

section to a particular timescale. We are not hidebound—we are not saying that we have to start at point A and finish at point B. There is scope to do things differently, but, to be able to do that and to answer the legitimate demands for earlier work on specific areas, we have to get the views of those who will be constructing the road.

The Convener: Jim Eadie has some questions about active travel.

Jim Eadie: Minister, when you appeared before the committee in December 2012, I asked you about the refresh of the cycling action plan for Scotland—CAPS. Can you provide an update on the refresh of the plan, including a timescale for its publication, and can you confirm that it will contain interim targets and be fully aligned with RPP2?

Keith Brown: The answer to your first point precludes my answering your second point about interim targets, because the plan has yet to come out. There has to be further discussion. The Government is looking at the plan now, and we will be talking to our local authority partners and to the Convention of Scottish Local Authorities about it. After that, we will be able to announce exactly what is in the CAPS.

Jim Eadie: It is useful to know that the plan is at an advanced stage, but publication seems to have slipped a little. I am not overly concerned about that, because it is more important to get the document right than to rush it. Can you clarify the timescale?

Keith Brown: We are trying to establish a date for the discussion with Councillor Stephen Hagan of COSLA, which will be the final part of the process. It is worth mentioning that point, because a lot of the discussion about the background to CAPS has been about the Scottish Government but, as members will be aware, CAPS is a collaborative document, not just the Scottish Government's.

The work that we are doing on active travel—cycling, walking and so on—is carried out in many ways by local authorities and local partnerships, so we need agreement at that level first. I would have to check, but I hope to meet COSLA representatives either at the beginning of or during the summer recess to get the plan signed off.

Jim Eadie: You will be aware of the recent demonstration outside the Parliament, organised by the pedal on Parliament campaign, which involved some 4,000 cyclists from across the country. I understand that you recently met representatives of that grass-roots organisation. Can you update us on the outcomes of that meeting?

Keith Brown: We discussed such things as 20mph zones, which I know you are well aware of.

I pointed out that it is for local authorities to take decisions on such zones, because the roads where 20mph zones are sought are, in the main, the responsibility of local authorities. I understand the cyclists' desire for those zones, but I did not agree with the demand for a wholesale change to 20mph roads. That has to be done by local authorities, and we have said that we will make available to other areas of Scotland the work that has been done with City of Edinburgh Council so that it can be taken on.

We also discussed cycling safety. We discussed at some length the situation in the Netherlands, and I am going there next week to see exactly what it has done.

Jim Eadie: We shall come on to that.

Keith Brown: The pedal on Parliament representatives made the point that, although people hold up the Netherlands as an excellent example of how to accommodate cycling, the provisions in place there were not achieved overnight and that, as might be expected, a number of mistakes were made, which have since been rectified. They said that the Scottish Government and its partners should learn from those mistakes. They also made the reasonable point that it is better to do less but to do it effectively and properly than to do a lot and get it wrong. Perhaps that is an obvious point, but they made it based on their experience.

We also discussed liability. Ministers do not agree with the cyclists' position on criminal liability or civil liability for road accidents, so we do not intend to take the matter forward. As was required under the previous CAPS, we investigated the situation in other countries, and we are not able to make a correlation between liability and improved safety. That was a point of difference between us.

Other than that, we had a constructive discussion, which will result in me being on a bicycle even more often in future weeks and months. We also discussed how more of the transport budget could be allocated to cycling in future years. You would have to ask the pedal on Parliament people for their view, but my view of the meeting was that it was constructive, and it has opened up a wider discussion about how we can try to achieve more in future.

Jim Eadie: Your final point, about funding, is one that Graeme Obree made at the pedal on Parliament event. He said that we are talking not about funding but about investment and that the amount of money that the national health service would save from reduced levels of obesity, cardiovascular disease, stroke and so on would be a huge benefit for the whole country. Is that something that you discussed?

Keith Brown: Yes, it was discussed in general terms. I made the point—either at that meeting or at a similar one—that the argument that investment in one place will result in savings elsewhere is made across a range of Government expenditure. However, as I said, I cannot remember a time when public finances were as constrained as they are now, and there are issues around finding the money in the first place.

As you know, the pedal on Parliament campaigners would like a bigger slice of the transport budget to be allocated to cycling. I have laid out our priorities in terms of the other transport projects that we are involved in. To an extent, we are trying to make good on many years of underinvestment, which adds to the pressure. However, I reiterate the point that there are real gains to be made in, for example, increasing the number of commuting journeys that are undertaken by bike or another form of active travel, which was an issue that we discussed at that meeting.

We are considering that issue in relation to the next rail franchise as well. People focus on getting more bicycles on trains, but we are trying to focus on things such as the approach that we see in the Netherlands, where people can take a bike to the train station and leave it somewhere secure—they can even have it repaired while they are elsewhere—and then pick up a bike at the other end to complete their journey. That means that their entire journey can be made by either public or active transport.

We are trying to identify the most commonly used pathways where lots of commuting takes place to see how we can drive down the number of journeys that are undertaken by car in particular. In our discussion, we talked about the way in which we can do that in collaboration with our local authority partners, so that, if there were a terminal for buses or trains that was a mile or two away from a major centre of employment, the route between those two places could be maintained in a way that would encourage active transport. For example, if you wanted to encourage people to walk there, you could ensure that the lighting was better, and if you wanted to encourage people to cycle, you could take action on the maintenance of the roads and signage. We discussed the issue of creating commuting pathways, and I am keen that we should take that further.

Jim Eadie: Did you have any discussion about the level of investment that would be required to take that idea forward?

Keith Brown: Pedal on Parliament made a demand for the level of investment that it wants, but I spoke about how constrained resources are and the extent to which our spending in this area

is increasing—I would need to check the exact figures but we have spent around £70 million since 2007, which compares well with the previous five-year period in which the Government spent around £58 million. However, although the spending has increased, pedal on Parliament would like to see more being spent in future years. We discussed ways in which that spending could be increased, but I would not say that we came to an agreement. The best way to describe the situation is that we are still discussing the matter.

Jim Eadie: What do you hope to gain from your trip to the Netherlands?

Keith Brown: I hope to gain an understanding of the infrastructure that is used there. There is a different culture around cycle usage. I have also heard that the Dutch have arranged their urban areas so that traffic is calmed—I have only heard about that at second hand, but I understand that there are subtle ways in which that can be done with regard to the nature of the environment that cars move through. I also want to get an idea of how they integrate different modes of transport, such as rail and bicycle. I am minded to find out what I can when I am there.

Jim Eadie: The Danish and Dutch cycling embassies exist to disseminate the good practice that exists in other European countries. We are quite a long way off the day when we might have a Scottish cycling embassy.

Keith Brown: We are also talking to people in Denmark and Spain and are trying to learn the lessons of what they have done there. Of course, it is true to say that not every lesson will be transferable. We have a different climate and a different topography from those places, but we want to learn lessons from their experience.

Jim Eadie: In March 2012, the Parliament supported the idea of 100 per cent of children being able to access on-road cycle training by 2015. Are you considering that?

Keith Brown: Yes. I think that we made an announcement last year of additional funding for that in order to increase the number of people who can get that training. As you know, cycling proficiency training in a school playground is quite different from on-road training. I would have to check exactly where we are at with regard to reaching that target.

On-road training is crucial. If we want to encourage parents to allow their children to cycle to school, for example, they have to have some level of confidence in the ability of the children to do that.

I will get back to you with information about where we are in relation to that target. However, I

can say that we have taken the point on board, and that is what we want to happen.

11:15

The Convener: Will you provide an update on the national walking strategy?

Keith Brown: We are working on that with the Paths for All Partnership. The latest that I have seen is that the work has been going extremely well. We have a further meeting coming up with those who are involved in active travel and we will be able to see how it is progressing, but it is pretty much as it was planned. The deadline that we have given is to be met. I will check and provide the figures on that.

Margaret McCulloch: Will you provide an update on the roll-out of wi-fi on ScotRail trains and in stations, including, if possible, information on plans to extend coverage to all rolling stock and stations that can reasonably be fitted with wi-fi equipment?

Keith Brown: I will ask Aidan Grisewood to comment as well, but we are fitting the class 380 trains. By and large, those trains go out to Ayrshire but they are used across the network, too. The most recent announcement was about the class 170 trains, which are to be fitted with wi-fi, and a number of stations. Once those two sets of rolling stock have been fitted, about a third of our rolling stock will have wi-fi.

The fitting of stations can be done only in a phased way, given the practical and financial constraints. In deciding on the stations that we have announced will be fitted, we focused not just on footfall but on how long people tend to spend in the station. We also had an eye on access points for the Commonwealth games. That is why we have prioritised certain stations—but the ultimate aim is to achieve complete coverage.

I do not know whether Aidan Grisewood wants to say more on that.

Aidan Grisewood: The fitting of the 170 stock is on schedule for the end of this year, and as the minister said the fitting of the 380s will be beyond that, into the following year.

A commitment to roll out wi-fi across the whole railway is part of the franchise specification. There is a backstop date of 2019, but with an expectation that substantial progress will be made in the early part of the franchise period. It is not just a question of fitting the stock and stations, as we also need to consider the signal strength in particular areas. There needs to be a good deal of work around integration with the overall wi-fi coverage in Scotland, and that is being looked into.

Gordon MacDonald: I have a supplementary question on that. Is the wi-fi that is available at stations and on the rolling stock always free or is it free only for a short time window? I hear from colleagues that there is a 15-minute window and then a chargeable period.

Keith Brown: That is the case on the east coast main line. We are not responsible for the east coast or west coast main lines. The wi-fi that we are responsible for is free. There can be a limit in terms of capacity, but people are not charged at any point.

Gordon MacDonald: Thank you.

My main question is about the Borders railway. I understand that the project recently entered its construction phase. Given that it is a 30-mile route and a number of bridges need to be built or rebuilt, are there any indications that the route will not come in on time and on budget? When do you anticipate that the route will open?

Keith Brown: Network Rail is saying to us that it confidently anticipates that the route will be completed by September 2015. When we awarded the contract to Network Rail, we said that we wanted to ensure that we further explored any opportunities to bring that date forward. Network Rail was understandably a bit reluctant, given some of the uncertainties such as old mine workings. We expect to be able to sit down with Network Rail again at—I think—the end of the summer and say, “What have you found from your ground investigations? What is the position with the mine workings?”

If you travel along the route now, you see a huge amount of work going on. Network Rail is getting more information as that work is done, and it will become more certain about the timescales. We will not know until the end of the summer about its ability to pull forward the timescale; at that time, we should have a clearer idea.

Gil Paterson: Chris Gibb, the chief operating officer of Virgin Trains, has said that a combination of the west coast upgrade and the planned high-speed rail link to London would lead to the projected journey time on the Scotland to London route being reduced to three hours and 15 minutes. That is with no upgrade at all for Scotland. What is your comment on the feasibility or worthiness of that?

Keith Brown: For some time, Virgin has held the position that substantial improvements in journey time can be made without a high-speed line coming right to Scotland. We have listened to what Virgin has had to say, and if there are any ways in which we can improve journey times in advance of there being a high-speed link to Scotland we should certainly explore them.

However, we do not accept the point that Scotland should not have its own high-speed rail link.

On behalf of the UK Government, Patrick McLoughlin has said that he wants to see sub-three-hour journey times between Scotland and London. I am interested in finding out how he believes that that can be achieved. I cannot imagine it being achieved, even given what Chris Gibb has said, without a full high-speed line. We are therefore in discussions with the Westminster Government about how we can pursue proposals for a high-speed rail link to Scotland. We have announced our proposal for a high-speed rail link between Edinburgh and Glasgow to accommodate and encourage that move.

Given the limited line that the UK Government has announced, which should be completed by 2032, we anticipate—and most people in the industry agree—that a substantial upgrade to the west coast main line without the high-speed link will have to happen by around the mid-2020s; otherwise, the capacity will be exceeded and there will be real issues for both freight and passenger services on the line. It is common sense to say, “Let’s do the whole thing” and to start it now. Let us take the high-speed line right the way up to Scotland.

Although there are still people who do not think that a high-speed rail link is the way to go, there is virtual unanimity in Scotland among the trade unions, the business organisations, the Government and civic Scotland, through the partnership that we have, that we want high-speed rail to come to Scotland. If there are any interim benefits to be gained from some of Virgin’s suggestions, of course we should consider them, but I do not think that we should take our eye off the ball.

Scotland needs, deserves and will benefit from—and the UK will benefit massively from—high-speed rail coming to Scotland. The cost benefit ratio of what the company proposes in its business case would be massively better if high-speed rail came to Scotland. We would also start to see a substantial modal shift if people could make a train journey of three hours or less instead of going via Heathrow or Gatwick, which takes substantially longer than that.

It makes sense for us to proceed in that way. Although what Chris Gibb says is interesting and might provide scope for interim improvements, it is no substitute for high-speed rail.

Gil Paterson: Chris Gibb mentions a journey time of three hours and 15 minutes. To give us an idea of the difference between that and the journey time on a direct route, can you tell us the likely journey time if the high-speed line came all the way from London to Scotland?

Keith Brown: I have mentioned Patrick McLoughlin’s target of sub-three hours, which is what we have always understood that we could achieve through high-speed rail. Perhaps Aidan Grisewood can respond on that issue.

Aidan Grisewood: We will sit down with Chris Gibb to find out more about what is involved in achieving a journey time of three hours and 15 minutes. We also need to distinguish between the direct end-to-end journey times of a non-stop service and a stopping service that is similar to what we have now. There are trade-offs around all of that. As the minister said, we are keen to understand what can be done to make incremental improvements in the meantime and to know the basis for the projected journey time of three hours and 15 minutes.

Gil Paterson: That is a question that I had not thought about. Does the time of three hours and 15 minutes include any stops or is it the travelling time?

Aidan Grisewood: That is what we need to clarify. We need to talk through with Chris Gibb the objectives around, for instance, the four-hour journey time, in a shorter timetable, on the basis of a non-stop service—I think it was three hours and 59 minutes—between London and Glasgow.

Gil Paterson: That is extremely important. The figure mentioned in other places was sub-three hours. I wondered what the difference was between two hours and 59 minutes compared with three hours and 15 minutes and what amount of money would be involved in that. We need to be in a position to compare apples with apples and not with pears, so that would be useful information.

On the part that is under your control, minister, can you provide an update on planning for a high-speed railway between Glasgow and Edinburgh and on what dialogue is taking place with the Department for Transport and HS2 in London about what we plan to do here in Scotland?

Keith Brown: The situation has not changed much from the last time that I spoke to the committee. I said at that point that the Government expects to have a business plan by spring next year. It will take some time to consider the Edinburgh to Glasgow high-speed rail link. Aidan Grisewood will know more detail, but I understand that we are having discussions with the UK Government that are quite constructive—perhaps more so than in the past—about the ability to include Scotland in the scheme for, as it calls it, a stage 3.

As with our earlier discussion about AWPR, we have never accepted that the project has to start in the south and come north. We have always said—as we say with the Borders railway—that things can be done at different points. We do not have

the same legal planning and consensus issues in Scotland as there are in England, given that there does not seem to be the opposition that has existed elsewhere, so perhaps we can make even quicker progress in Scotland.

Aidan Grisewood is more involved with the discussions with the DFT, so he may be able to say more.

Aidan Grisewood: As the minister said, we have had constructive discussions about the remit for the future work, in terms of planning and route options, for high-speed rail beyond Manchester and in the east of Scotland. That has been very useful. There was a meeting in May on on-going matters and a subsequent meeting with the Department for Transport. The Scottish partnership group has been reformed and there was a meeting on 22 April to update that group on the progress made so far on the high-speed link to London and on proposals about the Glasgow service. We agreed the remit of the group, feeding into that work.

The Convener: Do you have a timeline for the electrification of the Glasgow to Edinburgh via Falkirk line and when the end-to-end journey is likely to fall to 42 minutes, as I think was mooted?

Keith Brown: I think that we said previously that the electrification would take place by 2016; that remains our target. At that point we have to incorporate rolling stock that is suitable for electric lines. That process will take us until 2018 to complete, so that is when we will get the full journey time reductions.

The Convener: Is it in 2018 that the end-to-end journey time is likely to be 42 minutes?

Keith Brown: There will be progressive improvements in the journey time between 2016 and 2018, but the full effect will be in 2018.

The Convener: Do you have a timeline for the electrification of the Alloa-Stirling-Dunblane line?

Keith Brown: We have said before that we expect to have that completed within the control period up to 2019, but we now expect to achieve that earlier, not least because work is on-going just now. I was on the line last night; many of the bridges have already been raised to accommodate the work, so we should see completion by 2018.

I announced last week that the Whifflet project is about four years ahead of schedule. I am not about to announce that the Alloa-Stirling-Dunblane line will be finished four years ahead of schedule, but we have learnt lessons from the Paisley corridor project—namely, that things can be done more quickly, substantially and cost-effectively. We will keep an eye out for any way that we can bring forward any element of the project.

The Convener: Thank you, minister. Given that we have no more questions, you have more time to get to Aberdeen for 3 o'clock. The committee will suspend briefly to allow the minister and his officials to leave.

11:30

Meeting suspended.

11:31

On resuming—

Subordinate Legislation

Home Energy Assistance Scheme (Scotland) Regulations 2013 (SSI 2013/148)

The Convener: Item 3 on the agenda is a negative instrument on home energy efficiency. The regulations make provision for the making of grants to improve the thermal insulation and energy efficiency of dwellings and to provide advice to reduce or prevent the wastage of energy in a dwelling.

The Subordinate Legislation Committee determined that it did not need to draw the instrument to the attention of the Parliament. The committee is invited to consider any issues that it wishes to raise in reporting to Parliament on the instrument. Members should note that no motions to annul have been received.

Does the committee agree that it does not wish to make any recommendations in relation to the instrument?

Members *indicated agreement.*

The Convener: That concludes our business in public. As previously agreed, we now move into private session.

11:32

Meeting continued in private until 12:03.

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