



OFFICIAL REPORT
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DRAFT

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Tuesday 23 February 2021

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Scottish Parliament

Tuesday 23 February 2021

[The Presiding Officer opened the meeting at 14:00]

Time for Reflection

The Presiding Officer (Ken Macintosh): Good afternoon, colleagues. As we do every Tuesday, we begin our business with time for reflection. I am delighted to say that our time for reflection leader today is the Right Rev Dr Martin Fair, who is the Moderator of the General Assembly of the Church of Scotland. Good afternoon, Moderator.

The Right Rev Martin Fair (Moderator of the General Assembly of the Church of Scotland): Thank you, Presiding Officer. I extend the warmest greetings of the general assembly to everyone who is gathering in the chamber and online.

Three weeks ago yesterday, I listened with particular interest to the First Minister's daily briefing and to the Covid statistics that she announced. My wife's dad had died on the Saturday, in a care home, having contracted the virus. I guess that I just wanted to hear the numbers and to think that Mickey was included in them. What I would really have liked would have been for the First Minister to actually mention him by name—if she had given the total number of those who had died and then said, "And, of course, that number includes Mickey Wiley."

Of course, that is a daft notion. I understand that. Yet how vital it is—not just important, but vital—that we never forget that behind every number is a name, and that every statistic is a somebody. I cannot put into words how devastated my wife was to lose her dad in those circumstances, without having been able to visit him. I guess that the same is true in all the other similar cases.

If that is true for Covid deaths, it is also true for all the other times when we announce numbers as part of our national record keeping. "Just another" drug death is someone's precious son or daughter—someone who started primary school with all the potential in the world, who could have thrived and who had a name. Our hospital waiting lists name the people who are waiting for referral to a cancer specialist or a mental health service. Every line on every list is a life. We have statistics relating to children living in poverty and documenting the number of families using food banks. Behind every statistic is someone special.

Everyone matters. Names matter. When we meet someone for the first time, we tell each other

our names. We get annoyed with ourselves when we can picture a person but cannot remember their name.

In the book of the prophet Isaiah, we read this:

"The Lord says, 'I have called you by your name and you are mine. Do not be afraid for you are precious in my sight.'"

We all matter in the sight of God. Even the least of us is precious to him. Let it be that Scotland is a country in which everyone matters and in which we remember that behind every number, there is a name.

The Presiding Officer: Thank you for joining us, Moderator. Please accept our apologies for not being able to have you join us in person today.

The next item of business will be consideration of business motion S5M-24213, in the name of Graeme Dey, on behalf of the Parliamentary Bureau, which sets out a revision to business.

Point of Order

14:04

Neil Findlay (Lothian) (Lab): On a point of order, Presiding Officer.

I reluctantly rise to make an urgent request. Last night, we saw publication by the Parliament of evidence that had been submitted to the Committee on the Scottish Government Handling of Harassment Complaints. That evidence has now been withdrawn at the insistence of the Crown Office and Procurator Fiscal Service and the Lord Advocate, who is a member of the Government—the very Government that I presume he advised to pursue the original flawed court case that resulted in its collapsing and £1 million of public money being lost.

This is a crisis for the credibility of the Scottish Parliament. We, as members of the Scottish Parliament, and the public whom we represent, must hear from the Lord Advocate the reasons for that decision. We must make time today for that member of the Cabinet to come before us to answer urgent questions from members on this crisis of credibility, which cannot be allowed just to pass.

The Presiding Officer (Ken Macintosh): I thank Mr Findlay for the point of order. I say for information that the decision was taken by the Scottish Parliamentary Corporate Body and was not taken on the insistence of the Lord Advocate. The matter that the member raises—whether the Lord Advocate should come before the Parliament—is a matter for the Parliamentary Bureau to decide. I suggest that Neil Findlay put his suggestion to his business manager, who can raise it with the bureau.

Neil Findlay: On a point of order, Presiding Officer. As a follow-up to that, we need someone to come and explain to us what has happened, because members who do not sit on the Scottish Parliamentary Corporate Body have no idea what has happened. Can we therefore have someone from the corporate body come here to take questions from members on the matter? We simply cannot allow the matter to pass without members interrogating the decision and finding out for themselves what happened, so that we can reply to the people in our constituencies who are asking the very same question.

The Presiding Officer: I suggest to Mr Findlay that if he has questions for the SPCB, he can raise them by writing directly to me or to other members of the corporate body. As with any other body in the Parliament, such as committees, members elect members to the SPCB and entrust them to make decisions on their behalf. The corporate

body will share information with members when it is fit and proper for it to do so and when it can. That is the trust that we give to every other committee of the Parliament.

Thank you. I do not think that there are any other points of order, so I will go back to business.

Business Motion

14:08

The Presiding Officer (Ken Macintosh): I call the Minister for Parliamentary Business and Veterans, Graeme Dey, to move, on behalf of the Parliamentary Bureau, motion S5M-24213, which sets out a revision to business.

Motion moved,

That the Parliament agrees to the following revisions to the programme of business on—

(a) Tuesday 23 February 2021—

delete

6.00 pm Decision Time

and insert

5.45 pm Decision Time

(b) Thursday 25 February 2021—

after

followed by Scottish Government Debate: Scottish Rate Resolution

insert

followed by Scottish Fiscal Commission (Reappointment)—[Graeme Dey.]

Motion agreed to

The Presiding Officer: Mr Macdonald will take over the chair for the next item of business. I will return for the stage 3 debate later.

Covid-19

The Deputy Presiding Officer (Lewis Macdonald): The next item of business is a statement by Nicola Sturgeon on Covid-19. The First Minister will take questions at the end of her statement, so there should be no interventions or interruptions.

14:08

The First Minister (Nicola Sturgeon): I will set out to Parliament details of the updated strategic framework on tackling Covid that the Scottish Government is publishing today, and I will give an assessment of the current state of the pandemic. I will also set out our initial priorities and an indicative timeframe for cautiously easing restrictions and restoring greater normality to our lives, just as quickly as it is safe and sustainable to do so.

First, though, I will give a brief summary of today's statistics. The total number of positive cases that were reported yesterday was 655. That is 4.8 per cent of all tests carried out, so the total number of cases is 198,839. Currently, 1,076 people are in hospital—65 fewer than yesterday—and 93 people are in intensive care, which is six fewer than yesterday. However, I regret to report that in the past 24 hours, a further 56 deaths were registered. The total number of deaths, under that measurement, is now 7,006.

As the Moderator of the General Assembly of the Church of Scotland has just reminded us in his time for reflection, behind every one of the statistics is a life and a name—the moderator's father-in-law, Mickey Wiley, and thousands of other names beside. Again, I send my condolences to all those who have lost a loved one.

I will provide a quick update on vaccinations. As of this morning, 1,465,241 people have received a first dose of the vaccine, which is an increase of 19,753 since yesterday. That means that almost a third of the adult population in Scotland has received a first dose, which is extraordinary progress. The headline number includes virtually everyone in the top four clinical priority groups that were identified by the Joint Committee for Vaccination and Immunisation—a milestone that is already saving lives.

We are also well on the way to reaching everyone in group 5. As of today, 82 per cent of people aged 65 to 69 have had a first jab and, as of this week, we are offering first doses to people in priority group 6. Group 6, which includes unpaid carers and people with underlying health conditions, makes up more than a fifth of the adult population.

As we anticipated, the daily rate of vaccination has slowed in the past week, due to a temporary dip in supply, the higher than expected uptake so far and the need to reserve stock so that second doses can be offered to people who received a first dose in December. However, as supplies pick up again, the rate at which we are offering first doses will accelerate once more. Indeed, if supplies allow, we will now aim to reach key vaccination targets earlier than previously planned.

Our intention, supplies permitting, is to have offered first doses to everyone on the JCVI priority list by mid-April. That includes everyone over the age of 50 and all adults with underlying health conditions, and it accounts for more than half of Scotland's population. Beyond that, again assuming that we receive adequate supply, we will aim to have offered first doses to the entire adult population by the end of July, rather than September as we previously anticipated.

Our confidence in our ability to achieve that is testament to how the vaccination programme has progressed so far. I want again to thank everyone who has been involved in planning and delivering the programme, and everyone who has come forward to be vaccinated.

I also want to say a few words directly to people who are on the shielding list. They have all been offered a first dose, and the vast majority of them have had one. I know that some in that group are uncertain about whether being vaccinated changes the advice to them. Unfortunately, it does not do that yet. At the moment, we are advising all on the shielded list—whether or not they have had their first dose—to keep following the advice that the chief medical officer sent in recent letters. Those letters, and other information, are available in the shielding section of the mygov.scot website.

The chief medical officer's advice means that anyone who is on the shielding list and lives in part of Scotland that is currently in level 4—that, of course, includes the whole of mainland Scotland—should not go into work, even if they have had one dose or, indeed, both doses of the vaccine. We will, of course, provide an update as and when the advice changes.

Last week, I mentioned that we believe that vaccination is already helping to reduce the number of people dying with Covid in our care homes. Last week's report from National Records of Scotland provided early evidence for that view. Yesterday, the University of Edinburgh reported the initial results of a survey into Covid hospitalisations. It found that, by the fourth week after a first dose has been administered, the Pfizer-BioNTech and Oxford-AstraZeneca vaccines reduced the risk of hospitalisation from Covid by 85 per cent and 94 per cent. That is

extremely welcome and encouraging news. The early evidence on the impact of vaccination on transmission of the virus, including that which has been published by Public Health England yesterday, is also extremely encouraging.

Although our watchwords continue to be caution and patience at this stage, there is little doubt that we now have much firmer grounds for optimism that vaccination, and the other tools at our disposal, offer us a route back to greater normality. Of course, it is by being cautious, careful and patient for the next period, while the vaccination programme has time to progress, that we will make that route as safe and sustainable as possible. Taking off the brakes too quickly will allow the virus to get ahead of us again and put our progress out of lockdown into reverse. I appreciate that that can be—indeed, that it is—a frustrating message, but it is an essential one.

The point is underlined when we consider the current state of the pandemic. On the one hand, we can and should take heart from the fact that the lockdown measures that were adopted after Christmas have had an impact. In the first week of January, an average of 300 new cases a week were being recorded for every 100,000 people in the population. That figure has fallen by almost two thirds and is now just above 100 cases a week. We are also seeing lower test positivity rates and fewer Covid patients in hospital and intensive care.

However, on the other hand, there are some signs that the decline in case numbers is slowing down. Last week, in fact, we recorded hardly any reduction at all. That is likely to be linked to the fact that the more transmissible new variant of the virus now accounts for more than 85 per cent of all cases. In addition, the new variant's greater transmissibility means that it is harder to suppress. Therefore although the reproduction number is currently below 1, it might not be very far below 1 and it would likely not take very much easing right now to push it back above 1.

As I have said, we are very hopeful—indeed, increasingly hopeful—that vaccination will have a significant impact on the R number. However, that will take a bit more time, so the bottom line—and this is the clear message from our clinical advisers—is that at this stage we have quite limited scope for easing restrictions.

Of course, we have just made one significant relaxation of lockdown. Yesterday, children returned to early learning and childcare settings and pupils in primary 1 to 3 returned to school. Some secondary school students are also now going back to school for essential practical work. It is therefore important that we see what impact that has on transmission before we commit to further relaxation.

In short, I would summarise our current position as extremely positive and promising, and we should all take heart from that. However, it is still quite precarious and, if we are to sustain our progress, we will need to exercise care and caution. If we are to minimise the impacts of Covid while maximising our ability to live unrestricted lives, we must get the virus to as low a level as possible and try to keep it there. That is not some kind of ideological goal. We know from experience that it is when the virus is allowed to simmer at relatively high levels in the community that the risk of its accelerating out of control and causing more illness is most acute. It is also when the risk is greatest of the virus mutating and new variants emerging that could undermine our vaccines. Therefore maximum suppression is important for our chances of getting back to normal.

That is the context in which we are today publishing the updated strategic framework. The framework has been discussed with business organisations, trade unions, the third sector and others. I know that other parties took part in discussions on it at the weekend. There will be further discussions over the next couple of weeks as we put further flesh on the plans that we are setting out today.

We intend to publish a further document in mid-March, which will give more detail, beyond what I am able to set out today, on the sequencing of reopening the economy from late April onwards. However, today we set out the overall approach to, and an indicative timescale for, easing restrictions over the next few weeks with a view to more substantial reopening, particularly of our economy, from late April.

In considering the framework, it is helpful to bear this point in mind. At the moment, and for a bit longer, we need to rely very heavily on restrictions to suppress the virus. That is essential when it is so transmissible and when case numbers are still quite high. In time, though, once the vast majority of the adult population has received at least one dose of the vaccine, we hope that vaccination will become our main tool for suppression.

However, the months between now and then will be something of a transition as we gradually rely less and less on restrictions and more and more on vaccination. In order to manage that transition successfully, and so that we can start easing restrictions before the full impact of vaccination kicks in, we will need to use a range of other measures, too. For example, our test and protect system will continue to be vital in breaking chains of transmission as they arise. That is why we are supporting more people to self-isolate when they need to. It is also why we are expanding testing capacity, so that we can test more people at

work—especially those in key public services and critical infrastructure roles—and so that we can use targeted community testing more, especially in areas where there seems to be a stubbornly high prevalence of the virus.

Travel restrictions are also essential and are likely to remain so for some time yet. Over the summer, we saw how new cases were imported into Scotland after the virus had almost been eliminated here. We do not want to have that happen again if we can avoid it. In particular, we want to guard against importation of new variants of the virus that could be more resistant to the vaccines that we are currently using. The strategic framework therefore rightly emphasises the importance of travel restrictions and the test and protect system, both of which will help us to ease restrictions safely.

I turn now to the priorities and indicative timeframe for easing restrictions. As I have already emphasised, the strategic framework is deliberately cautious at this stage. However, I want to be clear that, in the coming weeks, if the data allows and positive trends continue, we will seek to accelerate the easing of restrictions.

However, the framework today provides details on what—as of now—we expect our next changes to be. First, it confirms that, if all goes according to plan, we will move fully back to a levels system from the last week in April.

At that stage, we hope that all parts of the country that are currently in level 4 will be able to move out of level 4 and back initially to level 3, possibly with some revision to the content of the levels, and afterwards to levels dependent on the incidence and prevalence of the virus at that time. The advantage of the levels system is that it will allow us to let some parts of the country move faster than others, if the data supports that. Moving back to the variable levels system at that time will also be contingent on us having vaccinated all JCVI priority groups 1 to 9, which—as I said earlier—we hope to have done by mid-April.

That matters not only because those groups will be more protected but because we believe that vaccinating around half of the population will have a significant effect on reducing transmission across society as a whole; although we do not yet know exactly how big an effect there will be, we hope and believe that it will give us the headroom to carefully ease restrictions. It is therefore from the last week of April that we would expect to see phased but significant reopening of the economy, including non-essential retail, hospitality and services such as gyms and hairdressers. Of course, the more of us who are vaccinated and the more we all stick by the rules now, the faster that

safe pace is likely to be; if we all stay in this together, our progress will be greater.

As I said earlier, we will set out more detail in mid-March on the indicators that will guide our decisions on levels, as well as on any revision to the content of each level, taking account of our experience and of sectoral views and the order in which we expect those parts of the economy that have been restricted to start reopening from the last week of April.

Now, though, I want to set out the journey from here to the end of April. We envisage a progressive easing of the current level 4 restrictions that apply across most of the country at intervals of at least three weeks, along with changes nationally on education and care home visiting. The immediate priority will continue to be the return of schools. All those easings will of course depend on an assessment that it is safe to proceed.

The first easing started yesterday, with the partial return of schools. In addition, universities and colleges are able to bring back a small number of students—no more than 5 per cent of the total—where face-to-face teaching is critical. We will also ease restrictions on care home visiting from early March and guidance on that was set out at the weekend.

The next phase of easing will be a minimum of three weeks later—indicatively, from 15 March. We hope that that will include the next phase of school return, which will start with the rest of the primary school years, from P4 to P7, and with getting more senior phase secondary pupils back in the classroom for at least part of their learning. In that phase, we also hope to restart outdoors non-contact group sports for 12 to 17-year-olds. We will also aim to increase the limit on outdoor mixing between households to four people from a maximum of two households, compared to two people from two households, which is the limit just now.

A minimum of three weeks after that—from 5 April—it is our hope and expectation at this stage that the stay at home restriction will be lifted. We would aim for any final phase of school return to take place on that date. Communal worship will also, we hope, restart around 5 April, albeit with restricted numbers to begin with. However, in deciding the exact date for that, we will obviously take account of the timing of major religious festivals—for example, Easter and Passover—so it may be that communal worship could restart a few days earlier.

We will also seek to ease the restrictions on outdoor gatherings further so that at least six people from two households can meet together. In this phase, we will also begin the reopening of

retail. That will start with an extension of the definition of essential retail and the removal of restrictions on click and collect.

Then, three weeks after that, as I indicated earlier—from 26 April, assuming that the data allows it—we will move back to levels. Hopefully, all parts of Scotland that are at level 4 will move to level 3 at that stage, albeit with some possible modifications, and we will begin to reopen the economy and society in the more substantial way that we are all longing for.

It is of course important to stress that that all depends on us continuing to suppress the virus now and continuing to accept some trade-offs for a period—for example, on international travel—but, if we do so, I am very optimistic that we can make good progress in returning more normality to our lives and to the economy.

I know that this is still a cautious approach that, although absolutely essential to control the virus and protect health, is nevertheless extremely difficult for many businesses. The Scottish Government is committed to continuing support for businesses. For example, provided that we receive confirmation of consequential in the March budget, we will support the strategic framework business fund until at least the end of June. We will also ensure that, when local authority areas move out of level 4, businesses that are allowed to reopen will continue to receive payments from the fund for at least the next four weeks, as they transition back to trading more normally.

We are also considering some form of tapered support for businesses that may still face trading restrictions and reduced demand, even as they are allowed to reopen. The Cabinet Secretary for Finance will set out further details of that shortly. We will work with business organisations on those and many other issues as we continue to emerge from lockdown.

In addition to the concerns of businesses, I know that people across the country are anxious for as much clarity as possible. I want to give as much as possible today while avoiding giving false assurance or picking arbitrary dates that have no grounding at this stage in any objective assessment. I am as confident as I can be that the indicative staged timetable that I have set out today, from now until late April when the economy will start to substantially reopen, is reasonable.

In mid-March, when we have made further progress on vaccines and have a greater understanding of the impact of the initial phase of school return, I hope that we can set out more detail on the further reopening that will take place over April and May and into a summer when we

really hope to be living with much greater freedoms than we have today.

For now, however, the most important priority that we still all have is to continue to suppress the virus. Of course, that means sticking for a bit longer to the current lockdown rules. Therefore, I ask people please to continue to stick to the letter and the spirit of the rules. Please stay at home, except for essential purposes. For now, do not meet people from other households indoors and follow the FACTS advice when you are out and about. Please continue to work from home wherever possible and, for employers, please continue to support your employees to work from home.

By doing all that, we will make it easier for children to return to school more quickly. We can suppress the virus, even as we follow the path out of lockdown. As we do all of that, we can keep one another safe and protect the NHS while giving the vaccination programme the time to do its work.

I know how hard all of this continues to be after 11 long months of the pandemic, but the restrictions are working, the vaccination programme is motoring and we can now see a firm way out of this. We can now say with confidence that, if we all stick together and stick with it, we are looking at much brighter times ahead. Please, for now, stay at home to protect the NHS and save lives.

The Deputy Presiding Officer: The First Minister will now take questions on the issues raised in her statement. I intend to allow around 40 minutes for questions, after which we will move on to the next item of business.

Ruth Davidson (Edinburgh Central) (Con): After a year when all our lives have been put on pause, there is finally a growing sense that it might be over soon. Although it is too early to declare anything like victory, we are starting to win the race between the vaccine roll-out and the spread of the virus, and we are grateful to all who are delivering the vaccine programme.

A University of Edinburgh study that was published this week found that getting the jab can cut hospital admissions by up to a remarkable 94 per cent, which is better than we could have hoped. The success of the vaccine programme means that it is now possible to start to have those important conversations with friends and family about reconnecting, making plans and getting all our lives back on track.

We welcome the information that is contained in the statement today, particularly the details on school return and care home visits. However, there is much that is not in the statement. There is nothing for the thousands of Scots who have had medical treatments, tests or operations cancelled

about when and how services will get back up to speed. There is nothing for those who have already postponed huge life events for a year. For example, for those who have postponed weddings, there is nothing about when they can walk down the aisle in front of family and friends. There is nothing about when measures such as social distancing will end so that we can do something as basic as give a loved one a hug.

The statement and the accompanying documents relate almost exclusively to the time between now and 26 April, when the First Minister intends to move the whole country to level 3 restrictions, pandemic permitting. To be clear, under current rules, that would still prevent people from leaving their council area. However, there is nothing about what happens after 26 April. This is not a route map out of Covid; it is a holding document for the next eight weeks. Everyone understands that we might not be able to give people absolute certainty, but people were expecting the First Minister to give them some kind of hope. Many will have tuned in today precisely because they were expecting to receive that; they did not tune in today expecting to be told to tune in again in three weeks' time, and they have a right to be disappointed.

Why will the First Minister not let the people of Scotland know the plan to get them fully out of lockdown and back to their lives?

The First Minister: On national health service operations and treatments, NHS remobilisation is under way. The Cabinet Secretary for Health and Sport keeps Parliament updated on that, and I will ask her to write to members to give a further update on that as soon as she is able to.

On weddings, I hope that, as we go into the period after the end of April, weddings with greater numbers of people—although the likelihood is that numbers will still be restricted—will be able to take place.

As I have always done, I am trying to be frank with people. I think that we can all be much more hopeful today than we have been able to be throughout the entire pandemic, not just because we have evidence that lockdown is suppressing the virus, but because we have growing evidence that we have an alternative to lockdown restrictions that will suppress the virus instead of lockdown restrictions over the longer term—and that, of course, is vaccination. That allows us to say that we think that, by the time we get to April, we will be able to start to open up the economy and that, between now and April, we will be able to open up in a gradual and phased way some aspects of the current restrictions that are in place.

However, we must balance that with the reality—which is not one that I or anybody

enjoys—that there is still uncertainty. There is still uncertainty about the impact of the vaccination on transmission, although all the evidence that is now emerging on that is positive, and we need to make sure that we do not open up while the virus is still hovering and simmering at levels that are too high for us safely to do that. Therefore, the further into the future we go, the more arbitrary any dates that we give at this stage will be. It is like putting your finger in the wind and coming up with a date that is not firmly based in the evidence. That is the balance that we are seeking to strike.

By mid-March, we will have evidence of the impact of the early return of some pupils to school, and I hope that we will have more evidence on the impact of vaccination, so by then, we will be able to go forward a little bit more and give more detail on the period from April into May. Everything is going in the right direction, but this is the moment when we have to be optimistic and positive but also patient and sensible. The last thing that I want to be doing—the last thing that any of us wants to be doing—at any point this year is going backwards. This must be a firm and sustainable route out of lockdown, and that is what I believe that we are putting in place.

Jackie Baillie (Dumbarton) (Lab): I thank the First Minister for her statement and send my condolences to those people who have lost loved ones to Covid.

Most people make the reasonable assumption that, once they have had their vaccination—the second dose, in particular—they are, in effect, good to go, but the reality is that they can still get Covid, albeit, we would hope, in a much milder form and avoiding hospitalisation. That means that testing is critically important so that we can quickly identify and contain any future outbreaks. Will the First Minister issue a revised testing strategy that includes mass community testing, where that is appropriate?

I want to be optimistic and I am equally patient, but I would like to ask the First Minister what the ultimate goal is, because it is important that people understand what lies ahead. Is it suppression of the virus, using testing, tracing and vaccination, but accepting that there is some risk, as we do with flu each year, or is it elimination—zero Covid—and the prospect of continuing restrictions over a longer period, including further lockdown?

The First Minister: If my memory serves me correctly, I think that the document says this explicitly, but if it does not, it is certainly the intention to publish a revised testing strategy to take account of our increased capacity and the new strategic objectives for testing as we come out of lockdown.

With regard to Jackie Baillie's point about vaccination, there is more than one unanswered question about the impact of vaccination, but the biggest unanswered question—although it is less unanswered than it was a week ago—relates to exactly what impact the vaccines have on stopping people getting and transmitting the virus. The evidence that was published yesterday and the evidence that is emerging from the pharmaceutical companies is really positive, but we still need more data to be certain about that.

The fact that it reduces hospitalisation and deaths is clearly good. That is the principal objective of the first phase of the vaccination programme. However, if the virus is still transmitting, the risk of long Covid and people becoming ill will still be there. We need to have more data that heads in the same direction as the data so far, because that will give us confidence that the vaccine is reducing transmission. The more confident we become about that, the more confident we can be that the vaccine will do the job that the rest of us have been doing for the past year in living under restrictions in order to suppress things.

On the point about elimination versus suppression, the point is that we have to try for as close to elimination as possible in order to keep the virus as low as possible. Even if we do not achieve absolutely no Covid, the very act of trying to do that will keep it at levels at which it is safer for us to open up.

There is a problem, I think, with the flu analogy, although I know what people mean when they use it. We live with flu every year and we will have to live with the fact that Covid is a virus that exists. The problem is that we know that Covid, at the moment, can be more severe for some people, particularly in the shape of long Covid, so being complacent about it would be a really dangerous thing to do.

I had a conversation with the chief medical officer this morning, and he said—I have heard other people say this, too—that a better analogy is perhaps with measles. That is kept firmly under control, but there are outbreaks from time to time that we have to deal with. We keep it really contained and suppressed and we deal with outbreaks. Vaccination or immunisation does the main job of keeping it under control. I do not think that that is a perfect analogy any more than the flu one is, but it is perhaps more accurate.

What is our goal? Our goal is to get back to normal life. Our goal is to be able to hug loved ones and go about our business in the way that we all want to do. I think that we are much closer to that, largely because of the vaccination programme, than we have been at any point in a year. We just need to make sure that we are doing

this sensibly and with an appropriate degree of caution so that we do not send ourselves backwards before vaccination is doing all the work that we think it may ultimately do.

Willie Rennie (North East Fife) (LD): I think that there is broad consensus across the country about the caution that is required. We must never forget that there are many harms, such as the harm to mental health and education, and not just Covid. That is why we need to ease restrictions as soon as we can without allowing the virus to get out of control again. The measures that have been announced today are broadly similar to the early measures that Boris Johnson announced yesterday, with an earlier phased easing for schools and the two-person outdoors limit and a slightly later easing for shops. I support that approach.

There have been many false dawns on care home visiting. My hope is that this is not another one and that families who have been separated for months can be safely together again.

I am concerned that vaccine passports are slowly gaining traction, despite the First Minister's scepticism when I asked about them last year. Can we have an assurance from the First Minister that vaccine passports or certificates will not be used to access public services in this country?

The First Minister: I would not support the access of public services being based on anything like that. I think that it is important that we do not get caught in a preconceived idea of what people mean when they talk about vaccine passports or certificates, because people mean different things. We should not close our minds to that. Yellow fever certificates exist for travel to some countries, and there may well be scope for vaccination giving people the ability to do certain things that, without vaccination, they might not be able to do.

I agree that there are a lot of things—I am not sure that there is a huge amount of disagreement on this, certainly between the different Governments in the UK—that we need to think through. First, we need to understand, as I have talked about in other contexts, exactly what protection vaccination gives people against getting or passing on the virus, and then we need to think about the ethical issues. What would be reasonable to say could be accessed by someone who has a vaccine certificate, and what would be unreasonable? Some people cannot get vaccinated for reasons that are beyond their control, and there are other ethical issues that arise from that.

It is not straightforward or simple. It is one of the things that there is a tendency to try to oversimplify, and we should guard against that. I do not close my mind to the idea but, like

everybody else, we want to think it through carefully. If some such mechanism can give us back at some stage some greater normality that we would not otherwise get, let us think about it, but let us think about it properly.

On the other main point that Willie Rennie raised, nobody wants this to be a false dawn on care homes. What we are saying very clearly just now on care homes—it also applies to schools, because we do not want the children who went back to school yesterday to be out again in a few weeks or months—is that we have got to do this in a steady but sustainable way so that, with the things that we say will open up, we get to keep going in that direction. That definitely includes care homes.

Patrick Harvie (Glasgow) (Green): Every one of us wants this to be over. We would all like nothing better than to get our lives back to normal and for us to begin tackling the deep harm that has been caused by the dreadful year that we have come through. However, the Prime Minister's decision to present specific dates for the lifting of all public health measures four months in advance, and to describe those moves as irreversible when we do not yet know what will happen to the virus in the future, seems extraordinary. Does the First Minister share my concern that many people, including in Scotland, are already taking the UK Government's timeline as a cast-iron promise?

Looking further ahead, I also want to ask about vaccine passports or vaccine status certificates in relation not just to public services but to their potential use in the wider economy. Does the First Minister believe, as I do, that they could risk making the social inequality that we face today even worse, and that they could set a dangerous precedent for the longer term, in that people's civil rights would be dependent on their medical history?

The First Minister: On the first point, when I briefly heard the Prime Minister talk this morning, he certainly presented the 21 June date as an aspiration and candidly, but rightly, said that there were no guarantees. That is a reasonable position to take.

I would love to stand here and say that by 21 June we will all be back to normal completely, but I cannot say that with any certainty at all, because I do not know what the grounding for that is and I do not know what assessment gives confidence of that. Much as I would like to go further out with dates, I do not think that it is fair or reasonable to do that now, because we need to make sure that we have proper assessment and a proper basis for confidence that the things that we are saying, although we might not be able to guarantee them,

have a reasonably good chance of being deliverable.

That is my level of confidence in what I have set out today. In two or three weeks' time, I hope to have the same level of confidence when we look further into April and perhaps even beyond, to May. We have to continue to treat people like grown-ups. People are fed up—we are all fed up with this. We all desperately want it to be over, but we all have developed an understanding that it cannot be magicked away. We have got to get there in the right way and in a way that will prove to be sustainable.

On vaccine certificates or passports—whatever people want to call them—I do not have much to add to what I said to Willie Rennie. Suffice it to say that, yes, we should think properly, without closing our minds at this stage, about what a vaccine passport or certificate might offer us, but I would never support something that deepened social inequalities, put barriers in the way of people accessing public services or took away people's civil liberties in the way that Patrick Harvie set out. That illustrates why we have to take care. We have to think through the practicalities and ethics, and, whatever direction we take, we have to make sure that we have a broad consensus across the country behind it.

Shona Robison (Dundee City East) (SNP): Today's statement gives us hope that there is light at the end of the tunnel. Will the First Minister join me in recognising the extraordinary efforts of NHS Tayside's staff in having delivered the first dose of vaccination to more than 117,000 people, which is more than a third of the adult population of Tayside? Can the First Minister provide any further details about the most recent revised forecast of the vaccine supply as the roll-out continues, so that we can ensure that people not only receive their first dose but move on to the second dose as soon as possible?

The First Minister: Yes, I certainly commend the efforts of NHS Tayside and the commitment and hard work of the vaccination teams across the country who are delivering the programme.

The limiting factor in the programme remains supply. We have demonstrated that we have the ability to vaccinate 400,000 people every week and we would want to increase that even further in the later stages of the programme, but we have to have the supplies of vaccine in order to do that. The reason why the vaccination rate has fallen below that number in the past week is that the supplies have not been there to support it.

We received updated forecasts of supply late yesterday evening, and our officials are currently doing the analysis and modelling work to understand how we should flex the plans based on

those forecasts so that as many people as possible can be vaccinated. Assuming that the supply, based on those updated forecasts, allows it, the targets that I have set out today will become the targets that we will work to—that is, the middle of April for groups 1 to 9 on the JCVI priority list and everybody over 50, and then the rest of the population by the end of July. That is much earlier than we originally anticipated, and it will be extremely good news and very helpful to further easing if that can be achieved.

Jamie Greene (West Scotland) (Con): Figures out today show that the percentage of school leavers going on to positive destinations has fallen to its lowest level in five years and that the gap between pupils from our most and least deprived communities doing that has also increased, which is worrying. Therefore, the importance of getting pupils back into the classroom now surely takes on ever more importance and urgency. By what date does the First Minister expect all pupils to be back in the classroom, based on the road map that she has announced today? If, as it seems, that clashes with the start of the Easter holidays, are there any plans to alter them?

The First Minister: As I set out, we hope that the next phase of the return to school will be from 15 March. We will set that out next week. I anticipate that that will be for at least the rest of the primary school years and as many of the senior phase pupils as we deem to be safe to return at that point. However, we will have some further work to do before we can set that out in more detail. The final phase of the return to school would be three weeks after that if we have not got all pupils back before then. That is what we are able to set out right now.

We will continue to consider how all of that fits with the Easter holidays. Suffice to say, we want to get every young person back into face-to-face education as soon as possible, and we think that we will undoubtedly do that with primary pupils before we achieve it for all the secondary phase on a full-time basis. Our driving imperative remains having as much in-person, face-to-face in-school education as possible as soon as possible.

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): Can patients with myalgic encephalomyelitis, which is otherwise known as ME or chronic fatigue syndrome, be included with those at the highest clinical risk on our shielding list?

The First Minister: I will double-check that, because I do not want to give wrong information in response to Willie Coffey's question. I assume that patients with ME are in the group 6 category, which is the group that is starting to be vaccinated

now, but I will double-check that and get back to Willie Coffey if that is not correct.

Colin Smyth (South Scotland) (Lab): Even with the very limited dates that the First Minister has given, it will not have escaped the notice of businesses that most of them will not be reopening for many months because of the health restrictions. However, there was no real detail in the statement on additional economic support for those businesses. In particular, the First Minister will be aware that the recently launched discretionary funds that are administered by councils and are aimed at supporting businesses that are excluded from other Government schemes, such as the strategic framework business fund, which the First Minister mentioned, are already very much oversubscribed and are limiting payouts.

Is consideration being given to additional support specifically for those discretionary funds, which help many businesses that have been left behind by the funds that the First Minister mentioned in her statement?

The First Minister: I repeat that I hope at this stage that we will see a significant reopening of businesses across many sectors of the economy from the last week in April. The more successful we are now, the more likely we stand to achieve that in that timescale.

I set out in my opening remarks that we intend to continue the business support that is available through the strategic framework business fund, assuming that the consequentials are confirmed in the budget, until at least the end of June, and further, if necessary. We are considering further tapered support. Discretionary funding, which has already been increased in recent weeks, of course, is one of the other factors that the Cabinet Secretary for Finance will be considering continuing and extending should businesses need that for a longer period.

The more we suppress and vaccinate now—this is a bit like my answer on schools—the sooner we will get businesses open and trading properly. I know that most businesses would say that the support that we provide, however important it is, is not a substitute for their being able to trade normally.

Maureen Watt (Aberdeen South and North Kincardine) (SNP): What discussions have been had with the UK Government about the continuation of the furlough scheme to reflect the needs of Scotland's approach to the existing lockdown that the First Minister has outlined today? Will any further discussions take place in the light of today's announcement, and will a tailored approach for specific sectors be considered?

The First Minister: The Cabinet Secretary for Finance will—as she always does—have discussions with and make representations to the Chancellor of the Exchequer up to the date of the budget, in early March. I certainly hope that we will hear from the chancellor about an extension of the furlough scheme for as long as is necessary, because that is really important. There will be a requirement in England for that, just as there is in Scotland. I think that, as was the case last summer, there will be a difference of a couple of weeks in the timing of some sectors coming out of lockdown, but there will not be massive differences, so such support will be needed. It is also important that we have the ability to tailor support in ways that we think are necessary, depending on the exact shape of the path that we take.

Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con): Public compliance is the most important resource that we have for controlling the virus, and the Scottish people are stuck with restrictions and have made difficult sacrifices. After 11 months of restrictions, people need to see hope that there will be an end point. The First Minister said that, in mid-March, the Scottish Government will publish proposals for the further easing of restrictions that will be based on a local approach. However, even under level 0 of the old strategic framework, restrictions will remain. Will the First Minister confirm that, in mid-March, she will use all the data and evidence that she has at her fingertips to give us a full route map for removing restrictions entirely, and will she say why she is unable to do that right now?

The First Minister: I will be blunt. Anybody who stands here right now and says with any certainty that all restrictions, including social distancing, can be lifted three, four, or five months from now is not doing that on the basis of any objective evidence. I hope that that will be the case, and I did talk about the need for us to revise, as appropriate, the content of the different levels because of the vaccinations. The game changer that will get us to a position later this year when we will be able to have something close to normality is a reality. However, tempting though it is to say that by date X we will be back to 100 per cent normality and Covid will be over—I would love to stand here and say that—anybody who does that will not be saying that on any objective basis at all, and I do not think that that is fair to people.

Even if people are frustrated by not getting that kind of information, I would rather stand here and give the information that I am giving, because I can say to people that I have a reasonable and significant degree of confidence that what I say will be delivered. That approach has served us well. It has not made life easy in the past year, but it is the right approach to continue to take.

Gil Paterson (Clydebank and Milngavie) (SNP): I thank the First Minister for her update and note that, rightly, no set dates for easing lockdown restrictions have been given in the new framework, although all the timescales are easing—[Inaudible.]—if the process set out today can be accelerated in any way?

The First Minister: My apologies to Gil Paterson. He froze in the middle of his question—well, the screen froze; he did not freeze—and I missed the middle of it, but I think that I got the gist, which was about whether, if the data allows, we will accelerate easing. The answer is yes. We are being deliberately cautious right now because we do not have the ability to say anything with certainty. However, if we suddenly get evidence that vaccinations are having a greater effect or that we are seeing bigger drops in the rates of the virus, we will accelerate accordingly.

We all want to be out of this as quickly as possible. More than that, everybody wants to be out of this sustainably, so that, when we come to look at next winter, we are not having to contemplate another lockdown. That will continue to mean some trade-offs for a period of time. One of the biggest risks right now is the appearance of new variants that start to undermine the efficacy of the vaccine. That would be a terrible development, which is why we have to be really careful to guard against the importation of new variants—hence the current need for travel restrictions.

Sarah Boyack (Lothian) (Lab): How will the Scottish Government ensure that care home residents and their families will have access to visits, given that that will depend on an assessment? I cannot be alone in having had heartbreaking messages from relatives of care home residents whose mental health and wellbeing has been affected by a lack of contact. What support will the Scottish Government provide to care home providers to ensure that visiting will be safe and will happen?

The First Minister: The health secretary has been working closely with home care providers to make sure that they have the information, guidance and support that are necessary. That will be an on-going process. I will ask the health secretary to provide more information to the member about the detail of that and to answer any further questions that she has.

Joan McAlpine (South Scotland) (SNP): I warmly welcome the Government's announcement yesterday that all people with a learning disability will now be called for the vaccine in group 6. How will that information be conveyed to local health and social care partnerships, and are we confident that that group can all be identified through their NHS number?

The First Minister: First, that is an important commitment that we have made. Previously, group 6 included people with severe learning disabilities, but we have taken the decision—rightly, I think—to include in group 6 people with mild and moderate learning disabilities as well. Our vaccine team will work on making sure that health boards have the support that they need to identify those people. When I set out the commitment yesterday, I said candidly that work will be required to make sure that we are identifying and reaching all people in that group. Health boards, working with general practitioners and, in many cases, with the voluntary sector, are best placed to do that, with appropriate support from our vaccine team.

Edward Mountain (Highlands and Islands) (Con): There are more than 2,000 patients waiting for elective orthopaedic surgery in NHS Highland. Even if operations were being carried out at full capacity, the number would still be increasing. Two weeks ago, a constituent told me that she had been told that she would have to wait six years for her new knees. Patients and consultants in the Highlands would like to know how the huge and ever-increasing orthopaedic backlogs will be reduced following the lockdown. Can the First Minister tell them?

The First Minister: That is hugely important. I do not want anybody to be waiting anything like six years for a knee replacement or any other operation, so we have to do two things. First, we have to reduce the number of beds and the amount of capacity in our health service that are being taken up by Covid right now. That is why suppressing the virus to the lowest possible levels is really important. Any increase in transmission, even if the vaccine is protecting against serious illness and death, will increase the pressure on hospital capacity. That is another reason why we have to suppress the virus as far as we can.

Secondly, we are planning—this is under way—to remobilise and invest in the capacity that will get through the backlog of cases as quickly as possible. There is a real focus in the Scottish Government on doing that. However, I cannot emphasise enough the importance of doing the first part, so that we again have a health service that is focused on the wide variety of needs and that does not have such a significant part of its capacity dedicated to dealing with Covid.

Kenneth Gibson (Cunninghame North) (SNP): Across Scotland, the vaccination programme has been remarkably successful. However, some vulnerable 16 and 17-year-olds who are at very high risk from Covid-19 have yet to be invited for vaccination, despite the best efforts of parents and guardians. Only the Pfizer vaccine is licensed for that group, and it cannot be administered at home or in general practice

surgeries. What reassurance is being given to that vulnerable group of young people and their families that their circumstances have been fully considered and that they will now be prioritised for vaccination?

The First Minister: Anybody who is eligible will be called for vaccination in the priority order that we are following. Group 6, which is being vaccinated as of this week, is a large number of people. It will take some time to get through all of them, but they will all be called. I am happy to look into the particular point that Kenny Gibson is raising and to get back to him with more detail.

This is not necessarily the point that he is raising, but the health secretary and I were having discussions with Pfizer yesterday—I know that other pharmaceutical companies are also looking at this—about the work that is being done to enable the current vaccines to be extended into the child population in due course. We are not in control of the timelines of that work, but we are optimistic about it for the future.

I will get back to Kenny Gibson on the specific point.

Jenny Marra (North East Scotland) (Lab): We have to prepare now for the next couple of years. As the First Minister said, new variants might emerge that may require people to have top-up vaccines, depending on the first vaccine that they received. For that reason, we need to be robust in recording data on who has received which vaccine—Pfizer or AstraZeneca—as well as the date, batch number and so on. Our health records are not as digitised as we would like them to be, and we hear stories of people receiving vaccines outwith official appointments. Can the First Minister assure me that all that data is being recorded assiduously for every vaccine that is administered?

The First Minister: The vaccine management tool that we use records which vaccine somebody gets. The health secretary is telling me—and I will take her word for it—that it also records which arm someone has the vaccine in. It is taking and recording the information that is required.

There are other things that we need to do to guard against new variants, such as having travel restrictions in place for a certain period and genomic sequencing. The UK is a world leader on genomic sequencing, and we are looking at how we can do much more real-time genomic sequencing so that if there are new variants in the country, we catch them before they have the chance to become more widespread. That will become increasingly important.

As well as our discussions with Pfizer yesterday, the health secretary and I have had discussions with AstraZeneca in the past few weeks. The

pharmaceutical companies are already looking at how they adapt their vaccines as new variants emerge. There is a lot of complexity involved, but that kind of work will be increasingly important in the years ahead.

Colin Beattie (Midlothian North and Musselburgh) (SNP): What measures are being taken to vaccinate those in hospital who are not technically classed as long-term patients but who are in for prolonged assessment of conditions such as dementia and whose JCVI target dates have already passed? Several constituents have contacted me to say that local hospitals have neither the supplies nor the intention to vaccinate patients in that position.

The First Minister: Again, I am happy to come back to Colin Beattie with more detail. The general position in hospitals—I covered this in response to a question last week—is that patients will be vaccinated before they are discharged from hospital. The clinician may decide to wait until the symptoms of whatever it is the patient is in hospital for abates, so that there is no confusion between any side effects from the vaccine and the symptoms of the illness that they are suffering from. However, the general position will be that patients are vaccinated before discharge. There will, in all likelihood, be exceptions to that where a clinician thinks that that is necessary. I will come back to Colin Beattie with more precise detail if I have missed anything by way of information that would be helpful to him.

Brian Whittle (South Scotland) (Con): Coming out of lockdown will inevitably focus attention on the deterioration of the country's mental health, which was already in crisis. There is an urgent need to set out a plan that includes support for teachers to deal with pupils returning to school in a heightened anxiety state, and access to enhanced mental health services including opening up access to third sector services. What consideration has the Scottish Government given to developing a structured plan to tackle the mental health crisis?

The First Minister: We had already, before the pandemic, embarked on plans, which have now been taken forward, to ensure that there is access in all secondary schools to mental health counsellors, which is an important part of that support. There is no doubt that support and provision for mental health, not only for children and adolescents but for the adult population, will have to increase in the years to come.

The Cabinet Secretary for Finance set out additional funding just last week, and the Minister for Mental Health, who has already produced the "Mental Health—Scotland's Transition and Recovery" plan, will come back to Parliament in due course with further details of how that

investment will be spent and the structure that will be put in place.

Annabelle Ewing (Cowdenbeath) (SNP): On the important issue of international travel restrictions, can the First Minister advise members on the extent to which the proposed indicative timetable for the easing of lockdown is predicated on international travel restrictions remaining in place? Can she provide an update as to where ongoing discussions with the UK Government currently stand on the desirable more comprehensive approach to international travel quarantine that many of us in Scotland would wish to see?

The First Minister: Constructive discussions with the UK Government have been taking place in the past week or so, mainly at an official level, about ways in which we can work together to deal practically with the fact that there are different approaches in Scotland and England. That is welcome and we hope to continue it. We still favour a common four-nations approach on travel restrictions, and we will continue to try to progress that but, as of this moment, that is not something that the UK Government is planning to do, as far as I am aware.

We do not want travel restrictions to be in place for longer than is necessary and I certainly hope that, as we go further into the easing of lockdown, we can ease travel restrictions within Scotland, so that loved ones who live in different parts of the country can get together again. We all want that.

I think that international travel restrictions will have to be in place for a bit longer, because of the risk of variants and the fact that different parts of the world are at different stages in vaccinating their populations. Unfortunately, no matter how well we do with vaccination here in Scotland and in the UK, we cannot get rid of Covid on our own—it is a global illness—so we need to be mindful of what is happening elsewhere in the world.

I want none of these measures to be in place for a moment longer than is necessary but, as I said last week, there are trade-offs that we need to make over this next period. The more we accept some restriction on our ability to travel overseas, the greater normality we can get back domestically—and quicker than we might otherwise be able to do.

Claire Baker (Mid Scotland and Fife) (Lab): I am looking for clarity on quarantine rules for travellers. People who arrive in the UK for health treatment, and not from a high-risk country, can self-isolate. What are the rules for people who are returning to Scotland having travelled overseas to receive medical treatment that is not available in the UK and that may be self-funded? Those people will often be frail, they will be receiving

continuing treatment and they will be medically vulnerable. Do they have to quarantine in a Government-approved hotel, or will there be an exemption for people in those circumstances?

The First Minister: There is an exemption in the regulations for people who are travelling for medical treatment or for medical reasons. I do not have the regulations in front of me, so I cannot read out the exact wording.

As with all things, whether a particular exemption will apply in a particular case can often depend on the circumstances of that case. If Claire Baker is asking for a constituent in a particular set of circumstances, she can send us that information and we can give a bespoke answer, as opposed to a general answer. There is a general exemption in the regulations around medical treatment.

John Scott (Ayr) (Con): Among all the good will towards the business sector that the First Minister speaks of, one part of that community has slipped through the cracks—namely, the bed-and-breakfast sector. It is struggling hugely and is badly in need of targeted support. Will she consider this problem again and see whether a way can be found to support that sector, which is so important for my constituents in Ayr, Prestwick, Troon and elsewhere?

The First Minister: I am happy to take that point away and talk both to the finance secretary and to the tourism secretary. Fergus Ewing, in the latter capacity, has been assiduous in ensuring that we are trying to cater for the many different aspects of the tourism industry, and we have sought to do that for self-catering accommodation and bed and breakfasts in particular. I will take that point away and I will see whether there is more that we can do, whether there is a particular gap that we have yet to fill and what we can do to try and fill it.

Liam McArthur (Orkney Islands) (LD): The First Minister has spoken about the ambition to move most of Scotland out of level 4 towards the end of April. She will recall that Orkney and Shetland remain in level 3, and people in my constituency would be interested to know what the Government's intentions are in relation to restrictions in our islands and regarding the business support that she has confirmed will remain in place until the end of June. Will that be similarly available to the businesses in Orkney and Shetland that have been as adversely impacted as those in mainland Scotland?

The First Minister: I am not saying this with absolute certainty at this stage, but at the end of April, as all of the mainland and certain other parts of the country that are in level 4 come down to level 3, we would certainly be hopeful that those

parts of the country that are currently in level 3—Orkney and Shetland, for example—would also be able to come down a level. That is the advantage of going back to the level system.

We would also seek to ensure that there is business support. I do not need to tell the member this, but even those parts of the country that have slightly greater freedom at the moment are impacted by the inability of other people to travel there, so trading is restricted. The continuation of business support there will be very important, too.

Neil Findlay (Lothian) (Lab): The latest official statistics that National Records of Scotland has released show that the death rate among homeless people is three times higher than in England. As we come out of lockdown, what is the plan for all the homeless people who currently sit in temporary accommodation? Can the First Minister advise whether a £100 million cut in the social housing budget will help the situation or make it worse?

The First Minister: We are investing in the social and affordable housing budget across the Parliament in a way that delivers record numbers of new housing. We want to do more and will do whatever we can in this budget and—if we are still in government—in future ones to ensure that we maximise our housing investment.

With regard to the deaths of people who are homeless, Aileen Campbell reported to Cabinet on those statistics this morning. We had a pre-existing plan of work, which focused on the housing first approach to tackle homelessness and rough sleeping. That work has continued and, in many respects, has been accelerated during the pandemic. As we come out of the pandemic, we will need to have that firm focus, and the recommendations of the homelessness task force will be taken forward, because we do not want anybody to go back to rough sleeping.

The Deputy Presiding Officer: That concludes questions on the First Minister's statement.

Point of Order

15:12

Jackie Baillie (Dumbarton) (Lab): On a point of order, Presiding Officer. I waited until you returned to your place before raising this.

The Presiding Officer (Ken Macintosh): Thank you, Ms Baillie.

Jackie Baillie: I apologise for not giving you notice, but I have reflected on my colleague Neil Findlay's previous points of order. I appreciate how difficult the situation is for the corporate body, but it has been publicly reported that the Crown Office wrote to the Scottish Parliament last night, threatening it with contempt of court action on the publication of Alex Salmond's evidence. Given that the Lord Advocate is in charge of the Crown Office and a member of the Government, he should be invited to make an urgent statement to the Parliament. Considering the significant public interest, will you publish the letter from the Crown Office to the Parliament so that we can understand the restrictions that are being placed on the corporate body?

The Presiding Officer: I thank Jackie Baillie for the point of order. I recognise the frustration that members are expressing. I know that most members will not be aware of the full context of the matter, because it is a matter of great confidentiality. I will therefore not comment on it specifically. I will, however, bear in mind the request for an urgent statement, and I will consult colleagues on the Parliamentary Bureau. I believe that I now also have a request for an urgent question, which I will have the chance to consider later.

Business Motion

15:13

The Presiding Officer (Ken Macintosh): The next item of business is consideration of business motion S5M-24196, in the name of Graeme Dey, on behalf of the Parliamentary Bureau, which sets out the timetable for the stage 3 consideration of the Heat Networks (Scotland) Bill. We were all set up to move the motion, but the point of order possibly disrupted matters, so we will take a slight pause.

Motion moved,

That the Parliament agrees that, during stage 3 of the Heat Networks (Scotland) Bill, debate on groups of amendments shall, subject to Rule 9.8.4A, be brought to a conclusion by the time limits indicated, those time limits being calculated from when the stage begins and excluding any periods when other business is under consideration or when a meeting of the Parliament is suspended (other than a suspension following the first division in the Stage being called) or otherwise not in progress:

Groups 1 to 5: 30 minutes

Groups 6 to 8: 1 hour

Groups 9 to 11: 1 hour and 40 minutes.—[*Graeme Dey*]

Motion agreed to.

Heat Networks (Scotland) Bill: Stage 3

15:15

The Presiding Officer (Ken Macintosh): The next item of business is stage 3 proceedings on the Heat Networks (Scotland) Bill. In dealing with the amendments, members should have the bill as amended at stage 2, the marshalled list and the groupings of amendments.

As usual, the division bell will sound and proceedings will be suspended for five minutes for the first division of the afternoon, and there will be a one-minute vote on any division. Members who wish to speak in the debate on any group of amendments should press their request-to-speak button as soon as I call the group.

Section 2—Requirement for heat networks licence

The Presiding Officer: Amendment 5, in the name of Paul Wheelhouse, is in a group on its own.

The Minister for Energy, Connectivity and the Islands (Paul Wheelhouse): Part 1 of the bill creates a licensing system for those who are supplying thermal energy by means of a heat network. That is crucial, as it will ensure that those who are supplying the essential service of heat and, in some cases, hot water via a heat network are solvent, skilled and fit and proper persons.

The system will also provide for the imposition of licence conditions, so that networks are developed and maintained to the highest standards. As such, section 2 makes it an offence to supply thermal energy via a heat network without a licence. On reflection, I believe that it would be appropriate to insert a reasonable excuse defence for that offence, which is what amendment 5 will do. Allowing for a defence of reasonable excuse will ensure that, for example, we do not penalise people in the event that a company reorganisation inadvertently means that a licence is no longer in the name of the company that is supplying heat.

There may be other cases in which specific circumstances mean that an offence is committed unintentionally. Of course, it would be for the courts to determine what is a reasonable excuse for supplying thermal energy via a heat network without a licence. However, at this stage, I trust that members agree that, rather than create a strict liability offence, it is proportionate to allow a defence to be made when it can be shown that the person in question has a reasonable excuse.

I move amendment 5.

Amendment 5 agreed to.

Section 5—Heat networks licence applications

The Presiding Officer: Group 2 is on the just transition principles. Amendment 3, in the name of Claudia Beamish, is grouped with amendment 4. I call Alex Rowley to move amendment 3 and to speak to both amendments in the group.

Alex Rowley (Mid Scotland and Fife) (Lab): Amendments 3 and 4 seek to embed the just transition principles throughout the bill. The amendments refer to just transition principles as set out in section 35C of the Climate Change (Scotland) Act 2009. The principles describe the importance of equity in taking action to reduce net Scottish emissions of greenhouse gases and require that that is done in a way that supports

“sustainable jobs ... low-carbon investment and infrastructure”,

that engages

“with workers, trade unions, communities”

and others, that

“creates decent ... and high-value work”,

and that

“contributes to ... sustainable economic approaches which help to address inequality and poverty.”

Amendment 3 would add to sections 5(3) and 5(4). Section 5(3) provides that the licensing authority may grant a licence application only

“if it is satisfied that the applicant has the ability to perform”

the licence activities.

Section 5(4) requires the licensing authority to “have regard” to certain matters in so far as that is relevant in making that assessment. Amendment 3 would add to those provisions the applicant’s ability to operate a heat network in a manner that

“takes account of the just transition principles”.

Amendment 4 would add to section 76A, on the heat networks delivery plan. The amendment would require the just transition principles to be considered by the Scottish ministers when preparing, reviewing and revising the heat networks delivery plan and when reporting to the Parliament on the plan. Embedding the just transition principles at those stages and at the heart of the network’s development would ensure that the benefits of the networks would not come at the expense of equity. In fact, the multiple benefits and opportunities for local people could be seized.

The shortcomings of capturing fair work in the renewables industry have been clear to see, so putting the just transition principles in the text of the bill is meaningful. Claudia Beamish appreciated being able to refine the amendments

in discussions with the minister, Paul Wheelhouse, between stages 2 and 3.

Securing a just transition remains the key goal of Claudia Beamish and the Labour Party in Scotland. Every step on the journey to a net zero emissions economy should be tested against the principles of equity.

I move amendment 3.

Paul Wheelhouse: In 2019, the Climate Change (Scotland) Act 2009 was amended to enshrine in law our commitment to transitioning to net zero, in line with the just transition principles. Those principles set out the importance of taking action to reduce Scotland’s net emissions of greenhouse gases in a way that supports sustainable jobs and low-carbon investment, that develops and maintains social consensus, that creates fair and high-value work, and that contributes to sustainable economic approaches that address inequality and poverty, as Mr Rowley set out.

Our commitment to those principles is unwavering. The just transition principles are at the heart of our recovery towards being a fairer, greener and more prosperous Scotland. It is right that, in lodging amendments 3 and 4, Claudia Beamish asked the Parliament to consider how those principles might be applied to the development of the heat networks sector. In its interim report, the just transition commission highlighted a heat network in Aberdeen as a good example of what is possible when equity is considered alongside the need to reduce emissions.

I am happy to support Ms Beamish’s amendments, having discussed the topic with her prior to and since stage 2, as Mr Rowley explained. I ask members to support them, too. The principles will inform the licensing system as we plan for the long-term and large-scale delivery of heat networks across Scotland.

Amendment 3 agreed to.

Section 6—Heat networks licence standard conditions

The Presiding Officer: Group 3 is on standards of service by license holders. Amendment 50, in the name of Alexander Burnett, is the only amendment in the group.

Alexander Burnett (Aberdeenshire West) (Con): My amendments in this group and the subsequent one relate to clarity and guidance for licence holders. The points that I made about that subject at stage 2 are on the record and I see no reason to repeat them.

I did not press my amendments at that stage. I have since worked to improve the definitions and

to make the amendments compatible with the rest of the bill. I am grateful to the minister and his team for assisting me to achieve that.

I move amendment 50.

Paul Wheelhouse: I thank Alexander Burnett for his positive engagement on the matter. As he indicated, as a general principle at stage 2, we tried to avoid putting standard conditions in the bill. The main reason for that was the need to retain flexibility and to ensure that, whoever the licensing authority is in the future, it has the ability to shape licence conditions as required.

Nevertheless, I recognise the desire for a reference to standards of service to be specified in the bill. Mr Burnett's amendment will ensure that standards of service are clearly set out as a matter that the standards conditions may make provision for. I am happy to support amendment 50, as the clarity will help developers, and I encourage members to do so, too.

Amendment 50 agreed to.

Section 14—Guidance for licensing authority

The Presiding Officer: Group 4 deals with guidance for the licensing authority. Amendment 1, in the name of Maurice Golden, is grouped with amendments 2 and 51.

Maurice Golden (West Scotland) (Con): I thank the minister and his officials for working with me on amendments 1 and 2.

The bill currently provides that the

"Scottish Ministers may issue guidance to the licensing authority about the exercise of its functions"

under part 1. Section 14(2) provides that the guidance

"may, in particular, include guidance relating to the matters mentioned in section 5(4)",

which concerns matters for the licensing authority to have regard to in assessing an applicant's

"ability to perform the activities that would be authorised by the licence."

The amendments specify that the guidance may also, in particular, relate to how functions of the licensing authority should be fulfilled

"in relation to the supply of thermal energy by means of an existing heat network".

With regard to those provisions, ministers may give the licensing authority guidance about the way in which its functions in relation to the licensing of the supply of thermal energy by existing heat networks should be carried out. Those functions include how applications for licences are to be considered and the nature of both standard conditions and of other conditions that may be imposed, excluded or modified.

The guidance will be able to define what is considered to be an existing heat network for the purpose of such guidance. The licensing authority must have regard to any guidance that is issued. Any such guidance would also be published.

I move amendment 1.

The Presiding Officer: As Alexander Burnett has indicated that he does not want to speak to amendment 51, I call Paul Wheelhouse.

Paul Wheelhouse: I thank Maurice Golden and Alexander Burnett for working with me since stage 2 to introduce their amendments today. I will turn first to Mr Golden's amendments, which concern the important matter of how the implementation of the bill will affect existing heat networks, of which we estimate there are around 1,080 across Scotland. I know that those who are operating schemes today are eager to know, for example, whether they will have to obtain a licence and what might happen should such an application be refused. The Competition and Markets Authority has made it clear that regulation of the heat network sector is required, and the licensing regime in the bill will also provide the mechanism for decarbonising the sector. At this stage, I cannot provide the concrete guarantees that existing operators and developers seek about how they will be affected by the bill, but I can assure them that we will work with them as we develop secondary legislation to put in place the full regulatory framework that is provided for in the bill. That will ensure that the system is proportionate and that impacts are properly understood and mitigated as appropriate.

There are mechanisms already in the bill that allow exemptions to be made. Under section 3, there is a requirement to hold a heat networks licence. The ability to apply licence conditions or special conditions to certain licences is provided for under sections 6 and 8, and the ability to modify application fees is provided for in section 77. Those provisions provide the flexibility that is required to implement appropriate transitional arrangements or to create exceptions if that is considered appropriate.

Mr Golden's amendments 1 and 2 would provide further reassurance to operators of existing heat networks by specifying in primary legislation that guidance that is issued to the licensing authority may include guidance on how the licensing authority is to exercise functions in relation to existing heat networks. That is a welcome and proportionate change to the bill, and I am happy to offer my support for amendments 1 and 2. I ask members to do the same.

Turning to Mr Burnett's amendment 51, I believe that we are seeing the benefit of having a member who is experienced in the development and

operation of heat networks take part in consideration of the bill. It is one of the strengths of the Parliament that we have lots of experience across the chamber. I understand that clarity is needed on how the licensing authority is to reach its decisions and on the expectations that operators can have about the dialogue with the licensing authority. Amendment 51 recognises that guidance is the most appropriate place to deal with those issues. I am happy to support that approach, and I ask members to support Mr Burnett's amendment 51.

Amendment 1 agreed to.

Amendment 2 moved—[Maurice Golden]—and agreed to.

Amendment 51 moved—[Alexander Burnett]—and agreed to.

Section 17—Requirement for heat network consent

The Presiding Officer: Group 5 is on minor and technical amendments. Amendment 6, in the name of Paul Wheelhouse, is grouped with amendments 7, 54, 44, 47 and 48. I call the minister to speak to and move amendment 6 and to speak to all the amendments in the group.

Paul Wheelhouse: Group 5 deals with minor drafting amendments, so I will keep my comments as brief as they can be, in describing them.

First, as a result of amendments at stage 2, section 17 of the bill contains sub-subparagraphs (A) and (B); we want to adjust that. Amendment 6 will therefore change paragraph (A) of section 17(2) into a subsection to itself, and amendment 7 will change paragraph (B) of section 17(2) into a new section 17(3).

Amendments 47 and 48 are consequential on amendments 6 and 7 and will change the cross-references in section 83(1) and 83(2) to the definitions in section 17.

Amendment 54 takes account of an amendment that was agreed to at stage 2 that enabled local authorities to become consent authorities. At that time, a consequential amendment was made to section 77(1) that enabled provision to be made about recovery of administrative costs by local authorities. It is also necessary to modify section 77(4) to clarify that local authorities do not have to consider a heat network consent application when an applicable fee has not been paid.

Finally, an amendment was agreed to at stage 2 to insert new section 61B, which is about compensation that may be paid in the event that a network wayleave right is varied. That was done in recognition that a licence holder may in the future need to modify the right that they had secured, which could, in turn, give rise to the need to

compensate the landowner or occupier. The detailed provisions about payment of compensation are to be made by regulations. Amendment 44 will modify section 81 to provide that any regulations about payment of compensation under section 61B(4) are subject to the affirmative procedure. That will provide consistency with the procedure that is to be used for other regulations about compensation throughout the bill.

I urge members to support amendment 6 and the other amendments in the group.

Amendment 6 moved—[Paul Wheelhouse] and agreed to.

Amendment 7 moved—[Paul Wheelhouse] and agreed to.

15:30

Section 18A—Designation of local authority as consent authority for the area of the local authority

The Presiding Officer: Group 6 is entitled "Local authority as heat network consent authority". Amendment 8 is grouped with amendments 8A, 9, 10, 43 and 46.

Paul Wheelhouse: The role of local authorities in the regulatory system for heat networks, particularly in granting consent to the development and operation of networks, has been a major theme during the passage of the bill.

When we first consulted on a heat network consent system, we recognised that local authorities might be well placed to take on the function, given that they already act as planning authorities and because heat networks are local assets, by their nature.

However, as we developed our proposals, it became clear that heat networks would not be developed uniformly across Scotland, meaning that some—potentially many—local authorities would be required to invest in a function that went underutilised. Instead, we sought to maximise use of the capacity and expertise that are already available in the Scottish Government's energy consents unit, which scrutinises renewables and electricity transmission projects. As such, the bill as introduced placed responsibility for administering heat network consents on the Scottish ministers.

However, following the constructive stage 1 debate, I agreed with the Energy, Economy and Fair Work Committee's recommendation in its stage 1 report that the bill be amended to include provision such that responsibility for consents could move to local authorities. With the committee's support, amendments were passed at

stage 2 that enable local authorities that wish to be empowered with that responsibility to become consent authorities, while ensuring that the Scottish Government can carry out the function elsewhere in Scotland, where necessary.

Since stage 2, I have kept in touch with committee members on the issue—in particular, with Andy Wightman. We have reached consensus that part 2 of the bill could be refined further, so as to empower local authorities to take on the role of consent authority. Amendment 8 will amend section 18A to provide that, if a local authority makes a written request to the Scottish ministers to become the consent authority for its area, the Scottish ministers will then be required to make necessary regulations within six months.

Amendment 8A, which was lodged by Andy Wightman, rightly recognises that, having made a written request under amendment 8 to become the consent authority for its area, a local authority might change its mind and decide that it does not wish to become the consent authority. Mr Wightman's amendment provides for that, recognising that where a local authority withdraws its written request, the Scottish ministers will no longer be required to make regulations under section 18A(1) in relation to that local authority. I am happy to support amendment 8A.

Amendment 9 will replace section 18A(3) with an identical obligation to consult the affected local authority and any other appropriate person before making regulations under section 18A(1). The drafting is adjusted in the light of amendment 43, which will alter the parliamentary procedure.

Amendment 10 is a technical amendment that sets out that where the regulations are subject to the affirmative procedure because they will textually amend the legislation, the references in the section to the making of regulations

“are to be read as references to laying ... draft ... regulations ... before the Scottish Parliament.”

Given that amendment 8 would empower local authorities to request to be designated as the consent authority for their area, amendment 43 will remove those designation regulations from the list of powers that are always subject to the affirmative procedure. Therefore, regulations designating a local authority as the consent authority for its area would be subject to the negative procedure, unless the designation regulations add to, omit or remove text from an act. In that case, amendment 46 provides for regulations to be subject to the affirmative procedure.

I move amendment 8.

Andy Wightman (Lothian) (Ind): Since the bill was introduced, I have sought to strengthen the powers of local government in it. It is ironic that a

bill whose drafting was influenced by the Danish experience should have included such a small role for local government, given that Denmark's municipalities—which are much smaller units of local government than ours—have exclusive jurisdiction over the consenting regime and play a significant role, together with co-operatives, in ownership of the pipe network.

The committees stage 1 report noted that, and I was pleased that the minister lodged amendments to allow for transfer of powers to local government by regulation. I lodged amendments at stage 2 that would have given a clear timescale for that. I am grateful to Graham Simpson for having spoken to them because I had to attend another committee at the time. He quite rightly did not press them on my behalf, given that the minister committed to work with me at stage 3. I thank the minister for his constructive engagement.

I welcome the amendments in the minister's name in the group—especially amendment 8, which will give local authorities the statutory right to request, and to be granted, consenting rights. That is an elegant solution that reflects the fact that not all local authorities will want the powers at the same time.

My amendment 8A is minor but important. As the minister said, it would ensure that when a request is made under the provisions in amendment 8, a local authority will be able, should circumstances change, to withdraw that request from the date on which the request was made. It therefore covers an unlikely scenario, but provides additional flexibility.

I move amendment 8A.

Amendment 8A agreed to.

The Presiding Officer: I invite the minister to say whether he will press or seek to withdraw amendment 8, as amended.

Paul Wheelhouse: I press amendment 8, as amended.

Amendment 8, as amended, agreed to.

Amendments 9 and 10 moved [Paul Wheelhouse] and agreed to.

Section 30—Enforcement notice

The Presiding Officer: We turn to group 7, which is on heat network consent: enforcement. Amendment 11, in the name of the minister, is grouped with amendments 12 to 19.

Paul Wheelhouse: The amendments in my name in this group are largely technical in nature, but they provide important clarity on enforcement action in relation to heat network consents.

Amendment 11 modifies section 30 so that it is clear that the enforcement authority is able to issue an enforcement notice to both persons who are constructing or operating a heat network on their own behalf, without consent, and those who are doing so on behalf of another without that other person holding a heat network consent.

Separately, the current provision in section 30(1)(b), which allows enforcement action to be taken against a consent holder, where there is a failure to comply with a condition or limitation of the consent, becomes, with minor modifications, new subsection (1A).

Amendment 12 is a technical amendment that is consequential on amendment 11. It simplifies section 30(4)(a) by providing that an enforcement notice must set out the reasons why the enforcement authority has issued it.

Amendments 13 and 14 are minor amendments that reflect the changes to section 7 that were made at stage 2. They simplify sections 30(5)(a) and (b) to refer to compliance with or failure to comply with section 17(1). As amended at stage 2, section 17(1) now includes both an obligation to hold a heat network licence and an obligation to comply with conditions on or limitations to a consent.

Amendment 15 removes section 30(8), which is no longer applicable given the changes to be made by amendment 11.

Amendment 16 provides a definition of “enforcement notice” in section 30 for the purposes of part 2 of the bill. As a result, it is no longer necessary to provide such a definition in section 36. Amendment 19 therefore removes that section.

Amendment 18 alters section 33(3) to provide persons with a further defence against the offence of non-compliance with an enforcement notice—namely that of reasonable excuse for failing to ensure the taking of steps or the cessation of activities specified in the notice.

Amendment 17 is a technical change to signify new paragraphing of the existing text of section 33(3) in consequence of amendment 18.

I move amendment 11 and urge members to support the other amendments in the group.

Amendment 11 agreed to.

Amendments 12 to 16 moved—[Paul Wheelhouse]—and agreed to.

Section 33—Offence of failing to comply with enforcement notice

Amendments 17 and 18 moved—[Paul Wheelhouse]—and agreed to.

Section 36—Interpretation of Part 2

Amendment 19 moved—[Paul Wheelhouse]—and agreed to.

Section 37—Power to designate heat network zone

The Presiding Officer: We turn to group 8, which is on heat network zoning by local authorities. Amendment 20, in the name of the minister, is grouped with amendments 21 to 28.

Paul Wheelhouse: I apologise in advance, Presiding Officer. This will be one of my longer contributions, but I will try to keep my remarks on the group as brief as I can. In the main they relate to amendments lodged by Mark Ruskell, which I have discussed with him.

I highlight that heat network zoning is probably one of the highest-priority measures for stakeholders. The bill is the first of its kind in the United Kingdom. We already know that stakeholders such as the Association for Decentralised Energy are calling on the UK Government to go in the same direction as we have set out for Scotland. That is because it will bring certainty to local heat planning and empower local authorities to ensure that heat network opportunities are visible to potential investors and local communities.

Heat network zoning by local authorities, as introduced by the bill, refers to two aspects: a duty on local authorities to review heat network zoning in their area under section 38 and a power to designate such zones under section 37. Amendment 20, in my name, is a technical amendment to clarify that a local authority may exercise its power under section 37(1) to designate an area as a heat network zone at any time without having to carry out a review under section 38 beforehand.

I feel that making that small change recognises that those local authorities that have a good picture of opportunities within their areas may move directly to the final designation of the zones without having to carry out a review under section 38 first. Amendment 20 also complements the amendments that have been introduced by Mark Ruskell, to which I will now turn.

First, I thank Mr Ruskell for his positive engagement ahead of stage 3, for which I am grateful. I understand that the underlying intention of his amendments is to maximise instances in which heat network zones are designated, which will, in turn, help to grow the sector.

Without going into too much detail, amendment 21 obliges local authorities to carry out a review under section 38(1) to consider whether one or more areas in a local authority area

“is likely to be particularly suitable for the construction and operation of a heat network”.

Amendment 23 strengthens the provisions in relation to the next steps to be taken by a local authority following the carrying out of such a review. The amendment provides that, should the review find that an area

“is likely to be particularly suitable for the construction and operation of a heat network, the local authority”

may either proceed to consider whether to designate the area or areas as a heat network zone or, alternatively, request that Scottish ministers consider whether to designate the area or areas as a heat network zone.

Amendment 24 removes the option of doing nothing following a review, as currently specified in section 38(3)(b). I believe that it strengthens action to deliver heat networks. In carrying out reviews to determine whether an area is likely to be particularly suitable for the construction and operation of a heat network, amendment 22 requires local authorities to consider

“the matters mentioned in section 39(1)”,

including, for example, fuel poverty.

Amendment 28 enables the Scottish ministers to issue guidance to local authorities about reviews that are carried out under section 38(1), which could include a definition of what is understood by

“particularly suitable for the construction and operation of a heat network”.

Amendment 25 relates to the statement that a local authority must publish following the heat network zoning review. It specifies what such statements must set out. That includes setting out the reasons for the outcomes of the review,

“identifying the area by reference to a map”

where it is considered to be suitable for designation as a heat network zone and providing reasons for a local authority’s decision to either proceed to consider designation itself or to refer the matter to the Scottish ministers to consider designation.

Amendment 26 makes a minor drafting change to the list of additional matters relating to reviews that may be specified by Scottish ministers in consequence of amendment 25.

At stage 2, I highlighted my concern that Mark Ruskell’s original amendments in this area would remove a degree of choice for local authorities following the first step of the review. However, I am now content with all the proposed amendments and confirm that they work within the wider context of the bill. The degree of choice is retained by maintaining the option to request Scottish ministers to undertake the designation on behalf of a local authority. Having discussed the

approach with Mark Ruskell, I am happy to support his amendments, as they will ensure that heat network zones are being designated where a clear opportunity has been identified.

As I said before, heat network zones make up a key piece of the puzzle, which unlocks other elements of the bill, such as heat network zone permits, which are aimed at increasing deployment of the technology across Scotland. They also provide a useful reference point for other policy areas such as building standards, planning and non-domestic rates, which can be used to further drive connections to heat networks within heat network zones. Making sure that those heat network zones are designated at the earliest opportunity will unlock all those opportunities and give us a better picture of the potential for the technology to help us on our journey to net zero.

Mark Ruskell’s amendments have been developed constructively and collaboratively; they strengthen the bill and will have a real impact on deployment in Scotland so I am happy to support each of his amendments in the group and I encourage other members to do the same.

I move amendment 20.

The Presiding Officer: I call Mark Ruskell to speak to amendment 21 and the other amendments in the group.

Mark Ruskell (Mid Scotland and Fife) (Green): I am happy to do so and I acknowledge the creative and constructive discussion with the minister and the bill team in between stage 2 and stage 3; the amendments that are presented are the outcome of that.

I will not go into all the details of the amendments—I think that the minister has already done that—but I will say that all stakeholders need a really clear signal that areas that have been assessed as being particularly suitable for the construction of a heat network will not be unduly held back in that designation.

15:45

Evidence that I read at stage 1 commented that we do not want a situation in which lots of positive feasibility studies are produced about heat networks but very little action is happening on the ground. Therefore, the work to designate suitable heat network zones must progress, and if local authorities are not in a position to drive that forward, under my amendments in the group, they will have the clear option to request that ministers do so instead.

Holding back on designation when areas have been assessed as suitable should not be an option and, under my amendments, it will not be. I again thank the minister for his constructive engagement

on the issue, and I hope that members will vote for my amendments.

Amendment 20 agreed to.

Section 38—Duty on local authority to review heat network zoning in area

Amendments 21 to 26 moved—[Mark Ruskell]— and agreed to.

Section 39—Designation of heat network zone by local authority

The Presiding Officer: Group 9 is on targets and reporting. Amendment 27, in the name of the minister, is grouped with amendments 37 to 40, 52, 41, 42, 53, 45, 55 and 49.

Paul Wheelhouse: I again apologise, as this will be one of my lengthier contributions today.

At stage 2, the bill was amended by Mark Ruskell and Maurice Golden to include new provisions relating to heat network supply targets. Maurice Golden also inserted provision requiring the Scottish ministers to produce a heat networks delivery plan that will relate to the increased deployment and use of heat networks. In essence, those stage 2 amendments aimed to provide clear signalling to the market that is due to develop further following the establishment of a regulatory framework under the bill, and to make the Scottish ministers more accountable for the delivery of the overall aim of the bill, which is to achieve greater deployment of heat networks in Scotland.

Although I had some reservations about the evidence that was used to produce some of the targets, having discussed the matter with members, I am happy to embrace the challenge that statutory targets on heat network deployment bring. Of course, we have always had the ambition for heat networks to be deployed more significantly in Scotland, and I believe that targets will make that more certain.

To ensure that the bill is clear on that matter, it is necessary to reconcile the provisions on heat network supply targets and the heat networks delivery plan, which is why I have lodged a number of amendments that will help to achieve that.

Amendment 27 is consequential on various amendments in the group and adjusts a reference in section 39 to the heat network targets.

Amendments 37 to 39 and 42 relate to reporting requirements in the heat networks delivery plan in section 76A. Amendment 37 ties the reporting requirements in relation to heat network supply targets with the heat networks delivery plan by providing that the plan will set out how the Scottish ministers propose to meet the targets that are

specified in section 76C(1). We feel that alignment of the reporting requirements, both sets of which have two-yearly reporting cycles and require reports to be laid before Parliament, will optimise the use of parliamentary time and provide a fuller picture to Parliament of the state of heat networks.

Amendment 38 provides that any report that is laid before the Scottish Parliament by the Scottish ministers following a review of the heat networks delivery plan must consider what progress has been made in meeting the targets that are specified in section 76C(1).

Amendment 42 removes subsections (2) to (4) of section 76C, which relate to the delivery plan and the reporting requirements regarding targets, as those will now be covered in section 76A.

Amendment 39 moves section 76A so that it follows section 76C, which relates to the heat network supply targets.

Amendments 40 and 41 combine existing sections 76B and 76C, which both relate to the targets, into a single section, but with some modifications. Amendment 40 leaves out section 76B and amendment 41 inserts two regulation-making powers into section 76C that are akin to the powers in section 76B. The first power allows the Scottish ministers to specify by regulations

“an additional target relating to the ... supply of thermal energy by heat networks in Scotland”,

and to

“modify any target for the time being specified”

in section 76C(1). The second power allows the Scottish ministers by regulation to make provision about targets that are specified or modified under that power.

Amendment 45 provides that regulations that specify additional targets, or which modify existing targets, will be subject to the affirmative procedure.

Amendment 49 is technical and makes a change to the long title to properly reflect the fact that the bill also sets targets relating to the supply of thermal energy by heat networks and makes provision about the delivery plan relating to the increased use of heat networks.

We feel that those changes are necessary to tidy up provisions of the bill following stage 2.

In addition, the Scottish ministers taking the power to amend the targets that are set out in the bill will ensure that, once better evidence is obtained through the upcoming national comprehensive assessment and the designation of heat network zones, future Administrations will be able to update those targets by regulation, if required, with that process being subject to the full

scrutiny of Parliament. We have good reasons to believe that the potential for heat networks in Scotland is substantial and that the proposed powers will be used to ensure that we are ambitious.

Other amendments in the group have been lodged by Maurice Golden and Mark Ruskell, who engaged constructively with me and my officials prior to stage 3. Without pre-empting their input to this discussion, I would like to thank them for those contributions and offer a few comments.

Maurice Golden's amendment 52 seeks to adjust the target for the combined supply of thermal energy by heat networks in Scotland to reach 2 terawatt hours of output by 2025 so that the target is, instead, to reach 2.6 terawatt hours of output by 2027. The regulatory system that the bill will put in place provides the structure for growth of the market to ensure that heat networks are developed in appropriate places to a high standard, and that they will provide low and zero-carbon heat to end users, and high levels of service. We anticipate that that system will be operational from 2023. Therefore, having a target that must be achieved by 2025 could carry a risk that the rapid deployment of heat networks that would be needed to meet it would result in heat networks being developed to poor standards, in inappropriate places and with no controls in place to ensure that they are low or zero carbon.

Maurice Golden's proposed target of 2.6 terawatt hours of output by 2027, which has arisen from discussions that we have had with him and Mr Ruskell, will allow more time for the regulatory system to bed in and will ensure that the supply chain is able to develop to deliver on an important challenge. I stress that it is by no means a less ambitious target. In fact, Scotland currently has approximately 34,000 homes connected to heat networks. Alongside non-domestic connections, that amounts to 1.2 terawatt hours of existing supply. To demonstrate the scale of the challenge, we estimate that, if the deployment is linear, the equivalent of 20,000 homes will need to be connected to a heat network every year from 2021 to achieve the 2027 target that is set out in amendment 52.

To put the scale of the challenge into further context, the Queens Quay heat network in Clydebank, which currently supplies a health centre and a care home with heat that is generated from the River Clyde, hopes in time to expand to connect approximately 1,000 homes and 500,000 square feet of commercial space. The heat network at Queens Quay, which is one of the most ambitious in Scotland, has taken five years to move from concept to operation.

Heat networks are large-scale infrastructure projects and, as such, they take time to plan,

develop and commission, and amendment 52 will provide more time and space to identify and develop appropriately sited low or zero-carbon heat networks. It is therefore very welcome.

Mark Ruskell's amendments 53 and 55 make other welcome additions to the bill that will further strengthen it as we seek to achieve our 2045 net zero target. Amendment 53 seeks to place a duty on the Scottish ministers to lay, by October 2023, regulations that set an additional target relating to the output from the combined supply of thermal energy by heat networks in Scotland that must be reached by 2035. Such regulations will be subject to the affirmative procedure.

As well as enabling the Scottish ministers to take account of the best evidence that is provided by initial heat network zoning, that will provide a clear pathway to the future that will give longer-term certainty to local supply chains and drive innovation to identify and deliver further opportunities in the sector. Together with a strengthened heat network zone framework, the long-term target for which amendment 53 provides will provide a strong signal to investors and the supply chain that Scotland is a good place for their business.

To sum up, I encourage members to vote for all the amendments in the group, as they provide an ambitious but balanced commitment and signal that Scotland is serious about its commitment to provide low and zero-carbon heating to our buildings.

I move amendment 27.

Maurice Golden: Amendment 52 seeks to update amendment 155, which was lodged at stage 2. It will introduce a clearly defined delivery target for 2027 of 2.6 terawatt hours. Decarbonising heat will be a big step in reaching net zero in Scotland, and one of the bill's stated aims is to develop the low-carbon heat networks that are needed to do that. Without delivery targets, however, we would have no way of assessing the pace or quality of development that takes place. The target that is cited in amendment 52 follows research from Scottish Renewables and is broadly in line with industry growth estimates. The targets represent a more than doubling of output from current levels by 2027, and they will allow us to ensure that we are on track and that heat is playing its part in reaching our 2045 net zero goal.

I welcome the other amendments in the group and look forward to Scotland achieving the ambitious targets.

Mark Ruskell: We had constructive discussions on this matter between stages 2 and 3, and the amendments in this group, taken together, will set a much better framework for target setting.

I think that we all acknowledge that targets are important—we have seen that in relation to renewable electricity—but they can be prone to either overshooting or undershooting if they do not have a solid technical basis behind them. The terawatt hours targets that were inserted by Maurice Golden's amendment at stage 2 were welcome, but the 2025 target perhaps did not fully align with the tools that the bill will make available to deliver on that timescale.

The minister mentioned what could have been an unintended consequence of that, namely that heat networks would get built quickly but they would be connected to gas. If that happened, we would have another dash for gas, which would not be great in terms of carbon. Although the 2027 target in the amendment is two years later, it matches the trajectory of the 2025 and 2030 targets and it sets a clear and achievable medium-term goal for the industry. It is the right approach.

I turn to my amendments in the group. At the other end of the scale, there is a danger that we will not set targets far enough into the future to deliver the long-term certainty that is needed for investment. It is therefore important that we set in the bill a clear expectation that there will be a robust 2035 target for heat networks.

Thinking of the work that we are doing in the Environment, Climate Change and Land Reform Committee on the climate change plan update, I note that, in the current climate change plan, there is a flatlining of ambition in a number of the sectors as we head towards 2030. Where bottom-up targets can be set within sectors such as the one that we are discussing, it will put more solid blocks of ambition into the full climate change plan when it comes up for a full review in 2023. Where we have certainty, let us build it into the climate change plan so that we can be ambitious and build from there.

In my amendment 53, the date for setting the target for 2035 is October 2023, so the target setting will come at a good time when we are looking at the climate change plan in its entirety. That will mean that the 2035 target is set on the back of a comprehensive national assessment that draws together all the detailed work on heat zones that will come from the councils. It will deliver certainty in a robust and, I hope, ambitious way.

The Presiding Officer: Minister, do you wish to add any comments?

Paul Wheelhouse: I am fine, thank you, Presiding Officer.

Amendment 27 agreed to.

Section 45—Guidance

Amendment 28 moved—[Mark Ruskell]—and agreed to.

Section 47—Requirement for heat network zone permit

The Presiding Officer: Group 10 is entitled "Heat network permits: requirement for permit and enforcement". Amendment 29, in the name of the minister, is grouped with amendments 30 to 34.

Paul Wheelhouse: My amendments in group 10 largely address technical matters that were identified by a review of the bill following stage 2.

Unless an exemption applies, section 47(1) prohibits the operation of a heat network in a heat network zone that is designated by a notice if there is no heat network zone permit for the zone. Amendment 29 will modify section 47(1) to ensure that those who operate a heat network on behalf of a heat network permit holder may do so without having to hold a permit themselves.

Amendment 30 will place the exemptions from the prohibition into section 47. They are essentially those in the criminal offence provision in section 51.

The exemptions from the need to hold a heat network zone permit to operate a heat network within a designated zone apply in terms of new subsections (1A) and (1B) if the person is entitled to operate the heat network immediately before the zone is designated by a notice under section 47(1). That means that when, at the time of designating a zone, a person already holds consent to operate the heat network or is exempt from the need to hold a consent, they are to be exempt from the requirement to hold a heat network zone permit in order to operate the heat network.

16:00

Amendment 31 is a consequential amendment that provides that a heat network zone permit is defined as one that is

"issued by the permit authority."

Amendment 32 replaces the existing subsections (1) to (3) of section 51, as the exemptions that they contained will be moved to section 47 by amendment 30. New subsections (1) and (1A) of section 51 provide that a person who operates a heat network without holding a heat network zone permit, in contravention of a notice that prohibits that operation, commits an offence if they do so on their own behalf or if they engage another to do so on their behalf.

Amendment 32 allows for the defence of reasonable excuse against those offences, which

is similar to the provision in relation to licences in amendment 5.

Amendment 33 is consequential to amendment 32 and ensures that the penalty for the offence of operating a heat network in a designated zone without a permit applies whether a person is operating the heat network on their own behalf or another person is acting for them.

Amendment 34 is also consequential to amendment 32. It removes the definition of a term that is no longer required in the light of drafting changes.

I urge members to support each of the technical amendments in the group.

I move amendment 29.

Amendment 29 agreed to.

Amendments 30 and 31 moved—[Paul Wheelhouse]—and agreed to.

Section 51—Enforcement of requirement for heat network zone permit

Amendments 32 to 34 moved—[Paul Wheelhouse]—and agreed to.

Section 57—Compulsory acquisition of land by licence holder

The Presiding Officer: Group 11 is entitled “Compulsory purchase: Crown land”. Amendment 35, in the name of the minister, is grouped with amendment 36.

Paul Wheelhouse: I am delighted to have the opportunity—oops! Sorry. I have skipped ahead of myself, which is never a good start. I was going so fast.

My amendments in this group provide for how compulsory purchase powers that are conferred on heat network licence holders under section 57 may be exercised in relation to Her Majesty’s private estates.

Section 80 already makes provision in relation to the powers of entry on to Crown land as a result of the powers under sections 34(2), 64(5) and 65(7). On reflection, I believe that it is appropriate that similar provision is made regarding how compulsory purchase powers are to apply to the Queen’s private estates. Amendment 35 therefore prohibits the Scottish ministers from confirming a compulsory purchase order that is prompted under section 37 unless the “appropriate authority” consents. The appropriate authority is defined for those purposes in section 80. Subject to the consent of the appropriate authority, the amendment continues to permit the use of a compulsory purchase order to assemble land for the construction and operation of a heat network.

Amendment 36 defines what is meant by “Her Majesty’s private estates” and “appropriate authority”.

Given the technological nature of heat networks, which are dependent on a density of heat demand being adjacent to a source of thermal energy, it is not anticipated that the exercise of compulsory purchase powers in relation to the Queen’s private estates will be a common occurrence. Nevertheless, given that licence holders will often be private enterprises rather than public authorities, to which compulsory purchase powers are typically provided, it is appropriate that there is further provision for their application in relation to Her Majesty’s private land. I urge members to support both amendments in the group.

I move amendment 35.

Andy Wightman: I oppose amendments 35 and 36. Prior to 1862, the monarch was prohibited from owning land in their personal capacity. The Crown Private Estates Act 1862, which legitimised and allowed the private ownership of land in Scotland by the monarch, was passed only following the death of Prince Albert.

I have no objection to the Queen owning property in a private capacity. However, she cannot, on the one hand, claim rights to private estates as a private citizen and, on the other hand, continue to be exempt from the rules that govern the affairs of all other private citizens who own land—most particularly, in this respect, the risk that, in the public interest, some of one’s land might be subject to a compulsory purchase order.

It is long past time that the 1862 act was repealed. Until the day arrives when it is, we should not be seeking to make any exemptions for Her Majesty.

Paul Wheelhouse: I will keep my response brief. I understand members’ concerns about the amendments, but we have taken care to make it clear that the approach that is being taken is particular to the bill and is not an acceptance of a general principle, as it relates to the specific nature of heat networks and the business models that they often adopt.

I hear what Mr Wightman says, but it is not considered that a precedent is being set, and our understanding is that equivalent provisions have been included in other acts of the Scottish Parliament. For example, subsections (4) and (5) of section 100 of the Police and Fire Reform (Scotland) Act 2012 exempted Her Majesty’s private estate and, indeed, other Crown land from compulsory purchase.

As I previously said, powers of compulsory purchase are more usually conferred on public bodies or bodies with a community purpose, as

the compulsory acquisition of land must be in the public interest. Heat network development is likely to be taken forward by the construction of both large-scale and small-scale heat networks. Therefore, licence holders cannot necessarily be directly compared with public utilities, which provide other services such as gas, electricity and water. In practice, it is probable that many licence holders will be companies that have been created as special purpose vehicles to operate particular heat networks.

In those circumstances, we think that the amendments are required to ensure the smooth passage of the bill.

The Presiding Officer: The question is, that amendment 35 be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division. As it is the first division of the afternoon, I suspend proceedings for five minutes to call members to the chamber and allow members online to register.

16:06

Meeting suspended.

16:15

On resuming—

The Presiding Officer: I remind members that we are at group 11, on compulsory purchase of Crown land. The question is, that amendment 35 be agreed to. Members may cast their vote now. This will be a one-minute division.

The vote is now closed. Please let me know if you have had any difficulty in voting.

The Cabinet Secretary for Environment, Climate Change and Land Reform: On a point of order, Presiding Officer. I could not access the vote Parliament site at all. I would have voted yes.

The Presiding Officer: Roseanna Cunningham would have voted yes. I will make sure that your vote is added to the register.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Motherwell and Wishaw) (SNP)
 Allan, Dr 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) (Reform)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Bowman, Bill (North East Scotland) (Con)
 Boyack, Sarah (Lothian) (Lab)
 Briggs, Miles (Lothian) (Con)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 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)
 Cole-Hamilton, Alex (Edinburgh Western) (LD)
 Constance, Angela (Almond Valley) (SNP)
 Corry, Maurice (West Scotland) (Con)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Denham, Ash (Edinburgh Eastern) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Ewing, Annabelle (Cowdenbeath) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (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)
 Golden, Maurice (West Scotland) (Con)
 Gougeon, Mairi (Angus North and Mearns) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Greene, Jamie (West Scotland) (Con)
 Griffin, Mark (Central Scotland) (Lab)
 Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)
 Harper, Emma (South Scotland) (SNP)
 Harris, Alison (Central Scotland) (Con)
 Haughey, Clare (Rutherglen) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Johnson, Daniel (Edinburgh Southern) (Lab)
 Halcro Johnston, Jamie (Highlands and Islands) (Con)
 Kelly, James (Glasgow) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Leonard, Richard (Central Scotland) (Lab)
 Lindhurst, Gordon (Lothian) (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, Rona (Strathkelvin and Bearsden) (SNP)
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
 Maguire, Ruth (Cunninghame South) (SNP)
 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)
 McDonald, Mark (Aberdeen Donside) (Ind)
 McKee, Ivan (Glasgow Provan) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McMillan, Stuart (Greenock and Inverclyde) (SNP)
 McNeill, Pauline (Glasgow) (Lab)
 Mitchell, Margaret (Central Scotland) (Con)
 Mountain, Edward (Highlands and Islands) (Con)
 Mundell, Oliver (Dumfriesshire) (Con)
 Neil, Alex (Airdrie and Shotts) (SNP)

Paterson, Gil (Clydebank and Milngavie) (SNP)
 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)
 Russell, Michael (Argyll and Bute) (SNP)
 Sarwar, Anas (Glasgow) (Lab)
 Scott, John (Ayr) (Con)
 Simpson, Graham (Central Scotland) (Con)
 Smith, Elaine (Central Scotland) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Smyth, Colin (South Scotland) (Lab)
 Somerville, Shirley-Anne (Dunfermline) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 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)
 Wells, Annie (Glasgow) (Con)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Whittle, Brian (South Scotland) (Con)
 Yousaf, Humza (Glasgow Pollok) (SNP)

Against

Findlay, Neil (Lothian) (Lab)
 Greer, Ross (West Scotland) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Johnstone, Alison (Lothian) (Green)
 Ruskell, Mark (Mid Scotland and Fife) (Green)
 Wightman, Andy (Lothian) (Ind)

The Presiding Officer: The result of the division is: For 108, Against 6, Abstentions 0.

Amendment 35 agreed to.

Amendment 36 moved—[Paul Wheelhouse]—and agreed to.

Section 76A—Heat networks delivery plan

Amendments 37 and 38 moved—[Paul Wheelhouse]—and agreed to.

Amendment 4 moved—[Alex Rowley]—and agreed to.

Amendment 39 moved—[Paul Wheelhouse]—and agreed to.

Section 76B—Heat network supply targets

Amendment 40 moved—[Paul Wheelhouse]—and agreed to.

Section 76C—Heat network supply targets

Amendment 52 moved—[Maurice Golden]—and agreed to.

Amendments 41 and 42 moved—[Paul Wheelhouse]—and agreed to.

Amendment 53 moved—[Mark Ruskell]—and agreed to.

Section 77—Fees for applications etc

Amendment 54 moved—[Paul Wheelhouse]—and agreed to.

Section 81—Regulations

Amendments 43, 44 and 45 moved—[Paul Wheelhouse]—and agreed to.

Amendment 55 moved—[Mark Ruskell]—and agreed to.

Amendment 46 moved—[Paul Wheelhouse]—and agreed to.

Section 83—General interpretation

Amendments 47 and 48 moved—[Paul Wheelhouse]—and agreed to.

Long Title

Amendment 49 moved—[Paul Wheelhouse]—and agreed to.

The Presiding Officer: That concludes consideration of amendments.

At this point in the proceedings, as members may be aware, I am required under the standing orders to decide whether, in my view, any provision of the bill relates to a protected subject matter—that is, whether the bill modifies the electoral system or franchise for Scottish parliamentary elections. It is my view that no provision of the Heat Networks (Scotland) Bill relates to a protected subject matter. Therefore, the bill does not require a supermajority in order to be passed at stage 3.

Heat Networks (Scotland) Bill

The Deputy Presiding Officer (Christine Grahame): The next item of business is a debate on motion S5M-24192, in the name of Paul Wheelhouse, on the Heat Networks (Scotland) Bill. Before I invite Paul Wheelhouse to open the debate, I call the Cabinet Secretary for Transport, Infrastructure and Connectivity to signify Crown consent to the bill.

The Cabinet Secretary for Transport, Infrastructure and Connectivity (Michael Matheson): For the purposes of rule 9.11 of the standing orders, I advise the Parliament that Her Majesty, having been informed of the purport of the Heat Networks (Scotland) Bill, has consented to place her prerogative and interests, in so far as they are affected by the bill, at the disposal of the Parliament for the purposes of the bill.

The Deputy Presiding Officer: I call the Minister for Energy, Connectivity and the Islands, Paul Wheelhouse, to speak to and move the motion.

16:23

The Minister for Energy, Connectivity and the Islands (Paul Wheelhouse): I am delighted to have the opportunity to address members on the Heat Networks (Scotland) Bill. I am also delighted that we have reached this stage, after many years of preparation and extensive stakeholder engagement.

Before I talk about the bill itself, I think that it is important to place in context the work that we are doing here. The bill, complex though it is, is crucial to Scotland's response to the global climate emergency. The way in which we heat our buildings currently accounts for around 21 per cent of Scotland's total greenhouse gas emissions; it is the third largest source of emissions across the economy. However, it is a particularly challenging area to address. As the committee recognised at stage 1, public awareness is key in the transition to renewable heating. Indeed, recent research found that many members of the public simply do not associate the incumbent fossil-fuel heating systems with climate change.

The scourge of fuel poverty notwithstanding, the natural gas that serves the great majority of our buildings is relatively low cost in comparison with the costs of renewable heating. However, we cannot tolerate the status quo any longer: we urgently need transformational change. In the draft heat in buildings strategy that the Scottish Government published earlier this month, we set out our ambition to move 1 million homes to renewable and low-carbon heating by 2030. Heat

networks will have a strong role—perhaps the predominant role—to play in achieving that.

As was mentioned earlier, only an estimated 34,000 homes are currently connected to heat networks, so we know that growth in the sector will have to accelerate significantly over the next few years. That, in essence, is why we need the bill.

In simple terms, a heat network is a distribution system of insulated pipes that carry hot water or steam from a central source and deliver it to our homes and businesses. Heat networks are generally more efficient than individual gas boilers, and they can be run from a wide range of renewable and low-carbon sources. That includes large-scale heat pumps, which extract heat from our rivers, or even waste heat recovered from industrial processes. In the right circumstances, heat networks provide households with average fuel savings of 17 per cent.

Heat networks have health and safety benefits, as there is no need for any combustion, with its consequential carbon monoxide risk, to take place inside the building. As heat networks are long-lived assets, they create long-term, local jobs in maintenance and administration.

The overall aim of the bill is to accelerate the development of heat networks in Scotland, in turn driving down emissions and tackling fuel poverty.

The bill seeks, first, to increase public confidence in heat networks by creating a new licensing regime to ensure that operators are solvent and fit and proper, as well as driving up standards across the sector. The bill introduces a new consenting system to ensure that new networks are developed where they will have the most benefit and that they are tailored to the needs of an area. The bill will put in place arrangements to protect network users by enabling a transfer of operational rights to ensure sustained supply.

Secondly, the bill supports the commercial case for new heat networks by reducing the costs of construction and levelling the playing field with other utilities through the creation of new rights for heat network developers and operators and by identifying the most optimal zones for heat networks and awarding them for development through a competitive process.

I emphasise the positive and constructive role that members of the Economy, Energy and Fair Work Committee and other members have played in the process of strengthening the bill. I believe that, because of that input, the bill is stronger and better than it would otherwise have been. That input is responsible for new provisions that were introduced at stage 2, such as having clear targets for the supply of heat via heat networks, which provides a clear signal to investors and supply

chains about Scotland's intent in the sector, regardless of the composition of future Administrations. There are also new provisions on the publication of a heat networks delivery plan, which will set out how the Scottish Government intends to meet the targets and which will be subject to the scrutiny of Parliament. I welcome those additions and have supported them, as well as the new provisions that allow responsibility for the award of heat network consents to be transferred to local authorities in the future. I am grateful to the members who lodged those amendments for their pragmatism and flexibility, particularly on the setting of targets.

I also acknowledge the constructive discussions that I have had with members on ensuring connections of buildings. I particularly acknowledge Teach the Future's input on the connection of educational buildings to heat networks—a point that Liam McArthur raised at stage 2. I agree that that could unlock even more investment. Although we have not made specific provision in the bill to that end, our heat in buildings strategy contains a commitment to detailed consultation on the matter for a wide range of non-domestic buildings, not only those in the educational estate.

Fuel poverty has rightly been raised by several members during the bill's journey. I reiterate that ensuring that the bill contributes to the eradication of fuel poverty has been, and continues to be, an absolute priority for the Scottish Government. For that reason, and following feedback from the committee at stage 1, I have ensured that consideration of fuel poverty is embedded throughout the regulatory framework. Should the bill pass today, as I hope that it will, we will continue to engage with fuel poverty stakeholders to ensure that we reflect their priorities as we move to implement the necessary regulations. The stronger provisions that are now included on community engagement will help in that regard, and I reiterate that we envisage working with Citizens Advice Scotland in developing the regulations, should the bill pass.

I emphasise that the Heat Networks (Scotland) Bill as it now stands is the product of a significant team effort across Government and Parliament. I look forward to hearing members' views in the debate. I am particularly grateful to my bill team, who have done an exceptional job throughout, as has been acknowledged by members across the chamber. Many colleagues will not know that this has been the first bill for many of them, so I congratulate them on an exceptional effort. I am also very grateful to all colleagues, parliamentary staff and stakeholders for helping us to put the bill together, and I believe that the bill is stronger for their contribution. I hope that they are proud that we have reached this stage today.

I believe that the bill is a very important step in providing Scotland with the warmer, greener and more efficient buildings that we need in order to combat climate change, tackle fuel poverty and live healthier and more comfortable lives.

I move,

That the Parliament agrees that the Heat Networks (Scotland) Bill be passed.

16:30

Alexander Burnett (Aberdeenshire West) (Con): I take this opportunity to acknowledge the hard work that has gone into the bill from our clerks and researchers, and from the external stakeholders, who have contributed to strengthening it. I also thank the minister for his collaborative approach to the bill. Although it was, fortunately, never going to be politically contentious, I believe that it has demonstrated how the Parliament is, on occasion, able to show a more positive side of politics.

I also refer members to my entry in the register of members' interests. As I stated in the stage 1 debate, I started developing heat networks back in 2004, so it has—I assure members—been a long wait for legislative recognition of the sector. The cynicism of experience has replaced my naivety at the time in thinking that successive Scottish Governments since then would move quickly to match their rhetoric with action.

However, the principle of the bill, which is to encourage greater use of heat networks, is welcome. I hope that the bill will encourage their development when it is passed, because Scotland's performance has been woeful, with Scotland having hit only half the target for the amount of heat that is produced by renewables.

We also welcome the provisions in the bill that address consumer protection and the wish of both the committee and the minister to use Ofgem, which is seen as the Rolls-Royce of regulation in the emerging market.

We also have no issue with the many technical definitions. Even now, however, with the bill due to be passed, I am afraid that there are still reservations—many of which are understandable, given the physical complexity of heat networks.

There will be even more responsibility on ministers to get it right, given that most enactment of the bill's provisions will occur through the route of secondary legislation. I agree with Ombudsman Services, which flags up that consideration needs to be given to heat network customers during drafting of regulations, and of the guidance that will be needed to enact the bill. Like Ombudsman Services, we look forward to playing our part in that process.

The main area of concern, which was raised previously, was existing schemes to which the legislation will not apply. They could account for between 20,000 and 30,000 consumers. As an aside, I note that the failure to be able to identify the number accurately is also a concern that I have raised several times. That still seems to be a large discrepancy and a large number for any bill to overlook.

The minister said previously, and we accept, that proposed UK legislation will cover existing schemes. However, there is concern about whether they will be covered in the same way as the bill will cover them, and about what will happen until such UK legislation is passed.

Furthermore, many schemes continue to modify and expand. It remains unclear when such modifications or expansions will be considered to be significant enough to fall under the new licensing regime. That could give rise to a situation in which existing parts of the scheme that the bill does not cover would have to interact with parts of the scheme that future UK legislation, which is as yet unpassed, will now cover. I do not see that being resolved in the bill.

There are a couple of other points to make. The minister has heard my concerns on the supplier of last resort, and has pointed me to various parts of the bill. We will have to accept that we do not know how the provision will work in practice until it is required—which, I suggest, is not an ideal way of operating.

I have also raised specifically the problems of designating heat zones, both for operators' sizing of equipment and building users who are forced to join a monopoly supplier, irrespective of their heat demands.

We have also raised previously the significant issues of how local authorities will resource their new heat zoning obligations with funding, and the specialist skills that are needed. Only a couple of companies with mechanical service skills carry out that work in Scotland, yet local authorities will be expected to acquire that knowledge almost overnight. The resource that is needed to create heat zones and to decide where buildings can be realistically connected is incredibly complex, so I hope that the amendments to address that issue will work in practice.

Similarly, we previously raised questions around revocation or refusal of a licence, the transfer of assets process, the valuation and compensation mechanisms and the lack of an appeals process. The concern unfortunately remains that there is not the appropriate technical and practical knowledge in the Scottish Government. That is far from satisfactory, although we will have to accept that that detail will come through secondary

legislation. We hope to see the knowledge base improving.

In conclusion, I say that we welcome the bill and will support it at decision time. Whether it will achieve

“increased use of heat networks”

as set out in the minister's final amendment today remains in doubt. I sincerely hope that the Parliament will not, in another 15 years, be debating why there has not been growth in the heat networks sector.

16:35

Alex Rowley (Mid Scotland and Fife) (Lab): I am pleased to open for Labour in today's debate.

I am glad that the bill will introduce a regulatory and licensing system for district and communal heating, which is something that we have repeatedly called for and supported. It surely makes sense that heat network consumers should be afforded the same service standards and protections as consumers of the gas and electricity markets.

I am also glad that the bill has been strengthened in scope through the various stages of amendments, and I hope that the bill can be used as a good starting point for the expansion of heat networks—and the benefits, in return—for everyone in Scotland.

I am pleased to see a delivery plan and targets in the bill, particularly given the successes of district heating schemes across Europe and around the world, and the opportunities that they have created. I am sure that we all hope to work towards similar successes, here in Scotland.

Heat networks can use a variety of heat sources that have varying degrees of carbon intensity. They are often more efficient than individual fossil fuel heating systems, and can also be run fully from renewables, recovered waste or surplus heat sources. We have a target to reduce Scotland's emissions of all greenhouse gases to net zero by 2045; heat networks will surely have a role to play in achieving that.

In its briefing for the debate, WWF highlights that

“Currently a quarter of emissions come from buildings and changing the way we heat our homes will be a key part of”

the drive towards net zero. WWF goes on to say that

“Heat networks also represent an economic opportunity to support thousands of jobs in construction, which will be a key part of a just transition and green recovery”,

which I hope is the case.

One of the major takeaways should be that the bill is an opportunity to create jobs and local supply chains here in Scotland for the Scottish manufacturing sector. The Scottish Government climate change plan update states that investment in heat networks

“will provide high quality, sustainable green jobs across Scotland’s towns and cities, such as in specialist design and architecture, equipment manufacturing, civil engineering and maintenance.”

The bill is an opportunity, and I hope that the Government manages to deliver on it. As I said only a few weeks ago during the debate on a green recovery,

“if we are to focus on establishing a greener economy, we must absolutely prioritise the development of skills and jobs.”—[*Official Report*, 9 February 2021; c 69.]

However, the assurances that are needed from the Scottish Government are commitments to ensuring that jobs are created here in Scotland, not shipped overseas, and to providing adequate funding to realise the potential from a massive expansion of heat networks in Scotland.

The Scottish Government has said that around 50 per cent of homes and non-domestic buildings will need to convert to a low-carbon or zero-carbon heating system by 2030. Heat networks will obviously play a key role in meeting that target, and where we can, we will support the Government in its attempts to deliver on that commitment.

As WWF states,

“To reach the scale of output needed, there will need to be a quick ramping up of action, supported by increased capital funding.”

Such action can be taken now, so I would welcome a further outline from the Government on how it will deliver training and apprenticeships in order to develop the new and updated skills that will be needed to fully meet the aims of the bill once it becomes law.

The minister and the Government have worked across the parties on the bill. There is a real commitment to making it happen, so I am delighted that we are progressing towards passing the bill today.

16:39

Liam McArthur (Orkney Islands) (LD): I am grateful for the opportunity to speak on an important piece of legislation that Scottish Liberal Democrats will be delighted to support. I am proud of the role that my party has played in helping Scotland to set stretching emissions reduction targets, and am determined that we will now walk the walk, in respect of meeting targets.

There is no doubt that to make a 75 per cent cut in emissions by 2030 is a significant challenge. It can be achieved only if we pick up the pace in areas such as heat, where—as others have said—progress to date has been glacial.

Over the next decade, we must build confidence in the technologies that are required to make the difference. That is why legislation on regulating heat networks is an essential first step. It is also why the case for developing strong customer protection is so compelling, and why further legislation in that area will be necessary, as Ombudsman Services and others have pointed out.

At stage 1, I noted the constructive engagement between the committee and the minister, and I am pleased that it has continued. One benefit of that has been willingness to extend the powers of local authorities and communities so that they can take the lead, where there is a desire to do so.

Amendments that have been passed at stage 2 and today mean that the challenge of decarbonising heat can be met from the ground up. As the member for Orkney, I am certain that the islands will be ready, willing and able to step up to that challenge. Committee members will know from their recent visit that Orkney has an impressive track record when it comes to turning concepts into practice and innovation into action.

However, as statistics that have been released today remind us, that has not sheltered islanders from the harsh reality of fuel poverty, which is higher in Orkney than it is anywhere else in Scotland. Orkney has four times the national average proportion of homes in the lowest energy efficiency category. Shameful levels of fuel poverty and extreme fuel poverty mean that the revolution in heating technology cannot come soon enough for my constituents.

That underlines why Energy Action Scotland is right to press the Government to do more in its budget, and it highlights why the bill must have regard to the importance of bearing down on fuel poverty. Making energy use more sustainable means making it more affordable for those who must currently choose between heating and eating.

I thank the minister again for the way he has sought to take on board proposals from Opposition members. At stage 2, I lodged amendments that were aimed at increasing our ambition to decarbonise the school estate. I built on the work of the inspiring Teach the Future campaign, which argues that

“If our education system is to teach students about sustainability, the buildings they learn within must be sustainable.”

Although I understand the technical reasons behind the Government's reluctance to include such an ambition in the bill, I welcome the minister's assurances that that aspiration will influence the work that follows the passing of the bill. I am grateful for the specific tribute to Teach the Future in his opening remarks. Young people have shown what is needed to take responsibility for our environmental obligations; the Scottish Government and Parliament must take heed.

I confirm again that Scottish Liberal Democrats will be happy to support the bill at decision time, and I thank all those who have played their part in a productive and genuinely collaborative process.

The Deputy Presiding Officer: I remind members who are taking part in the debate that they should remain in the chamber for the opening speeches, which is particularly pertinent to those who will be closing the debate for their parties.

16:43

Mark Ruskell (Mid Scotland and Fife) (Green): As a member coming to the bill in its later stages, I thank the committee for its detailed stage 1 report, which made the intricacies of the bill much easier to pick up. I thank the minister and the bill team—this is the team's first bill and I hope that there will be more to come—for constructively engaging. I also thank stakeholders, including WWF and Scottish Renewables, for their detailed input, which was very helpful in writing amendments

The committee was right to underline that we face an energy quadrilemma of climate, affordability, and the security and acceptability of supply. The latter three would have been big drivers for the Danes when they began their huge development of municipal heat networks in the 1970s. Today's climate emergency hugely raises the stakes for everyone. With serious question marks over whether hydrogen will be a practical low-carbon replacement for gas, it is right that we build as many resilient low-carbon heat networks as possible today.

The bill is quite a technical one, but more of the regulatory and licensing framework has been fleshed out as it has progressed through Parliament. Having as much of that clarity as possible included in the bill will lead to more certainty, which will lead to heat networks becoming more bankable as investors can more accurately weigh up the risk and the opportunity. However, as Alexander Burnett alluded to, there will still be more detail to come. The bill has gone as far as it can, though, in putting that on the face of the bill.

I hope that there is enough of an incentive in the bill and the accompanying heat and building

strategy to ensure that no low-hanging fruit is missed in the years to come. However, it is infuriating to see in my region, for example, a distillery dumping vast amounts of heat into the sky when its immediate neighbours sit in fuel poverty next to their open coal fires. We cannot miss such opportunities. Heat network zones must spell out the clear win-win opportunities, with costs to be borne if the owners of anchor buildings sit it out on the sidelines and create inertia.

The opportunities are crying out. This building itself has probably gone about as far as it can go in substantially reducing carbon emissions, but the introduction of a heat network for the Canongate would be a game-changer. The future proofing has to start now. We have major housing growth areas that need heat networks built in from day minus one, not day zero. Developers must not be allowed to choose the short-termism of the gas grid, and the Scottish Government has a responsibility to not send mixed messages about the future of fossil gas for heating. I hope that the bill heralds a new chapter in Scotland's energy story. It builds on the experience and expertise of those who pioneered district heating in Scotland and across Europe. It is time to make another big step change for a greener and fair energy system, which is why the Greens will support the bill at decision time.

The Deputy Presiding Officer: We move to the open debate.

16:47

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): The aim of the bill is simple: to encourage greater use of local heat networks in Scotland and thereby move away from burning gas and fossil fuels to heat our homes and buildings; and to provide the supporting legislation, licensing and regulation to bind it all together. At the moment, over half of Scotland's energy consumption is used to create heat and over 80 per cent of our homes burn gas to heat our gas central heating systems.

It is estimated that only about 1 per cent of Scotland's heat demand is met by district and local heat networks, while across in Denmark, as has been mentioned by one or two members, the figure is about 50 per cent. In Copenhagen, though, an incredible 98 per cent of all buildings are connected to a heat network. Denmark started its journey a lot earlier than Scotland, for a number of reasons, but those figures illustrate both the challenge that we face and the gains to be made in our contribution towards reducing CO₂ emissions. We will be the first country in the UK to legislate on the development of heat networks, which will help us meet our target of net zero by 2040 and to tackle fuel poverty, which was a

helpful addition to the bill at stage 2 that committee members requested.

The future of gas grids needs to be clarified by the UK Government, but in the meantime we can make good progress in Scotland using the powers that we have. The bill, if approved, will help us to achieve that. The proposals in the bill stem from recommendations that came from an expert group of industry, consumer groups and local government, and it lines up pretty well with advice from the Climate Change Committee too. The bill marks the beginning of a transformational change that paves the way for Scotland to create the supportive market environment that will be needed to expand the development of heat networks across the country. We must also recognise the potential for new businesses to emerge and provide jobs to support the industry. The Scottish Government is determined to unlock the potential for that sector, wherever possible.

We mentioned Denmark a lot during the committee's work—and rightly so. We heard evidence from the Danish Energy Agency that heat networks cover about two thirds of all households in Denmark and represent about 17 per cent of its national energy consumption.

This is probably stating the obvious, but heat networks are adaptable to whatever new technology develops. The technology delivering the heat is not in the household or building, so any changes to the technology—for example, if hydrogen emerges as a solution—do not affect them at all.

The ability to create local companies and jobs is also clear, and the skills that are needed transfer quite easily from the natural gas sector. Even in my constituency we have a number of examples, such as the HALO project that is under construction in Kilmarnock. That £63 million urban village will be the first net zero carbon energy project in Scotland. It will provide jobs, economic growth, skills development, access to employment opportunities, clean energy and housing. Also, our soon-to-be-refurbished St Sophia's primary school in Galston will be 100 per cent supplied by air source heat pump technology, which, overall, will reduce the school's energy consumption by about 80 per cent.

Passing the bill at stage 3 will set off Scotland in yet another positive direction towards meeting our net zero aspirations. It is important that we do that carefully, with all due consideration being given to drafting all the regulations and licensing arrangements, opening up opportunities for local businesses—and, I hope, co-operatives—to emerge and exploit the potential of heat networks, and, probably most important of all, taking the public along with us on that journey to net zero.

I am happy to support the bill at stage 3. I look forward to it being agreed to at decision time.

16:51

Gordon Lindhurst (Lothian) (Con): These measures to tackle Scotland's move to zero carbon by the middle of the century will no doubt be welcomed by all parties.

When the bill came before Parliament at stage 1, I noted that modern district heating systems were pioneered in New York in 1877, where Birdshill Holly, having noticed the abundance of thermal energy in towns and cities, realised that it could be repurposed and piped into homes to meet public demand. That is a case study of initiative and the free market making lives comfortable with minimal additional impact on our environment. The question of why it has taken so long over the past almost century and a half for the idea to catch on here might arise, but it is reassuring to know that a similar idea has finally caught on and seems to be at the centre of the bill. It must be implemented by action.

There is the undesirable possibility that regulated and licensed energy and heating networks could lead to rising prices and a disproportionate impact on the least well-off. That is what we do not need.

An excellent Great Britain-wide framework demonstrating the benefits of our great union is what we do need. A single British regulator—the Office of Gas and Electricity Markets—might be able to ensure that matters proceed in an organised fashion to the benefit of us all. Effective solutions are needed.

The bill's narrow purpose conceals a vast number of policy areas, which include efficiency, climate targets and land rights. I am pleased to see amendments that will, for example, require developer engagement with local communities before seeking consent for new developments. Local consultation is a good thing in instances where Government action can cause significant disruption. Indeed, communities should be at the heart of the bill's operation.

At stage 2, Citizens Advice Scotland described the aims of the bill as "admirable" but cited troubling cases of those who have had their heat turned off after accruing arrears.

The Scottish Conservatives called for the expansion of district heating in our manifesto five years ago and for the networks in 2017. The Scottish National Party in government has often missed its own loudly hailed targets. I accept that this is an energy quadrilemma for us all. Let us hope that the commitments that are set out in the bill do not disappear in the mists of future time.

My party and I support the bill.

16:54

Sarah Boyack (Lothian) (Lab): The debate on the bill has been really constructive. We are now living in a climate emergency and we need to take steps across all sectors to reduce our carbon emissions, so the bill's provisions will be critical. New heat networks will require strategic thinking and a lot of detailed work to enable us to build in the opportunities that new technologies will deliver in the years to come. It is vital that our infrastructure is future proofed, is affordable for those who use and rely on it, and works for all.

Heat networks are a key aspect of our net zero infrastructure. As Alex Rowley said, they bring us in Scotland a big opportunity to invest in local jobs, with apprenticeships and roles in designing, building and installing projects, all of which could be spread right across the country. It is also vital that such networks help us to tackle fuel poverty, and enable the green recovery that we urgently need to deliver good-quality, long-term employment and training opportunities for our communities.

Heat networks are also vital infrastructure elements in the context of our national climate targets. However, alongside that, maximising local decision making will be critical. There is a need for leadership at both Scottish Government and local government levels. The Scottish Government needs to use its leadership to support information exchange and to work with local authorities to ensure that they have the funding to lead on the planning and implementation that will make such goals a reality. Crucially, though, and as the Local Government and Communities Committee discussed last week, such leadership must be used to help to de-risk projects. That was the key message that came across from the committee's witnesses.

My amendment to the Non-Domestic Rates (Scotland) Bill enabled infrastructure that will contribute to our net zero goals to be exempt from non-domestic rates, or at least have them significantly reduced. My colleagues in the previous Labour leadership of Glasgow City Council led the way for heat networks to be deployed, only for them to be hit with the prospect of huge NDR bills that made the project totally unworkable. However, the work in Glasgow is an excellent example of anchor institutions—the council and the University of Strathclyde—working together to drive innovation in the city. We need to see such an approach being replicated right across Scotland. I am therefore delighted that the statutory instrument on non-domestic rates and heat networks will be considered at tomorrow's meeting of the Local Government and Communities Committee. That will be really good progress.

Quite a few of the members who have spoken in the debate mentioned Denmark. I went there as a minister 20 years ago, when it was miles ahead of us. We are still miles behind, but we can learn from its example. It was focusing on heat networks that actively encouraged municipal and local ownership and planning, in close co-operation with local industries and businesses. We need the same leadership and support to enable us to maximise the development of local investment so that the benefits of community-owned networks can be recycled into our communities. Community wealth building needs to be built in from the start.

Given the growing demands on local government budgets and resources, it is critical that we get the right support to our local authorities. Given the pressures that they are under, in-house knowledge and experience need to be developed across the country. Leadership from the next Scottish Government will be absolutely critical. Ministers must take the political lead to support authorities through finance, policy and technology, or exchange of experience. However, local authorities must also begin to take on their leadership roles and seek to plan head successfully. Both aspects of government must work together, and in conjunction with the UK Government, so that everyone is aligned to deliver. That will be a key issue if we are to be successful—and the climate emergency demands that we be successful. We can do so by supporting our communities and seeing manufacturing happening in Scotland. We need people to work together, but we also need there to be the right incentives and support.

We need to ensure that whoever is here in 20 years' time will not be talking about missed opportunities and the need to catch up. We now have good examples in the UK and Denmark—and also in Scotland—from which we should learn. Let us get going, and let us ensure that the bill makes a real difference and that we get the low-carbon investment that our country urgently needs.

The Deputy Presiding Officer: I call Alex Rowley to close the debate on behalf of Scottish Labour.

16:59

Alex Rowley: This has been a really good debate. I again pay tribute to the minister, Paul Wheelhouse, for the way in which he has engaged with other parties across the Parliament. That is the right way to make legislation, as was evidenced by all the amendments to the bill being dealt with in record time. I am grateful to the minister and also to the bill team, whom he rightly thanked for all the work that they have put into this important bill.

I was interested in Mr Wheelhouse's point about the need to get buy-in, including from communities. I have experienced that. My first experience of a district heating system was many years ago, when I first visited Lerwick and was made aware of the district heating system there. What struck me then was that people there had really bought in to the district heating system. They told people about it and they were quite proud of the fact that they had that system, so I get the point that people would feel a bit concerned about that need for buy-in.

Interestingly, Gordon Lindhurst mentioned cost and looking at how we do cost. There is a district heating system in Dunfermline that is run from the Wellwood tip. It heats not only the Carnegie leisure centre and the multistorey flats, but Tesco and a social enterprise that is next to it. Yesterday, I was contacted by the social enterprise, which told me that Fife Council has three different tariffs for the different providers. Tesco is on a much cheaper tariff than the social enterprise. I will be following up on that, but it was only yesterday that I became aware of the issue. Cost is important; these things have to be affordable. That is important.

The Deputy Presiding Officer: Mr Rowley, there is time in hand so you do not need to worry about that; you can take longer if you need it.

Alex Rowley: Thank you.

The Government's progress on community ownership of renewable energy is behind—I think that 70 per cent of the target was achieved by 2020—so there is a lot of work to be done on that. Community ownership of district heating systems is an important way forward and we need to look at how we can support it.

I take on board Alexander Burnett's point about the need to have expertise in and knowledge of this type of system. I remember that, when I was leader of Fife Council, we put in £X million to erect wind turbines across Fife. The intention was to then get the payback from them and inject that into the community. It did not quite come off and I believe that one of the reasons for that was that we did not have that level of expertise within the local authority and we had not accessed or been able to buy in that level of expertise. If we want to reach the point that Denmark is at, it will take time, but we have to start somewhere and it is important to build up that expertise if we can.

A point about fuel poverty has always struck me. A number of years ago, I was campaigning in Paisley and knocking on doors there. I got talking to a lady who had just moved into a new housing association house. The key point that she made to me was that the house that she lived in previously, which was also owned by a social landlord, was

damp and it cost a fortune that they could not afford to heat the house. Most importantly, during the winter months in particular, her daughter suffered from chest complaints and asthma and was never away from the hospital. The lady told me that, after she moved into her new house, not once had the daughter had to attend hospital.

Fuel poverty comes in many forms and the level of fuel poverty that we have is absolutely appalling, but when people live in fuel poverty, it impacts on the health and education and every other part of families' lives. That is why we have to tackle fuel poverty and why I am quite excited by the progress that has been made.

I hope that I will be back in the next parliamentary session, but I certainly look forward to the Parliament, in the next session, doing the work and taking the bill forward so that, once and for all, we can tackle fuel poverty and invest in training, skills and jobs. That is what we need to see coming through under this new green agenda—jobs. I can understand why the trade unions are sceptical—I have raised the issue with the minister before. We have to deliver and we have to deliver jobs. The potential for Scotland is endless; we can do so much. I am pleased that there is unity in the Parliament to drive this agenda forward. That is a good start.

The Deputy Presiding Officer: I call Graham Simpson to close for the Conservatives.

17:04

Graham Simpson (Central Scotland) (Con): I apologise for briefly leaving the chamber during the debate, Presiding Officer.

It has been a very good debate. Alex Rowley summed up why the bill is so important. He spoke eloquently about fuel poverty, and he mentioned a three-tier tariff scheme in Dunfermline, both of which are issues that the bill tackles. On fuel poverty, if we have more district heating schemes, we can potentially drive down the cost of heating. I say "potentially", because that is not a given and will not be automatic.

That will be one of the two tests of the bill. The first is whether it will lead to greater take-up and use of district heating, and we do not know the answer to that. The second is whether consumers will be better protected as a result, and the jury is out on that, too. That is an important issue. As a number of members have raised during the process, if someone is tied into a district heating scheme, what happens if they do not like it and want to switch supplier? Those of us who are not in a district heating scheme can pretty much do that any time. There are difficulties with that issue.

What happens if a company supplying a district heating scheme goes bust or just decides that it does not want to do it any more? That brings me on to the question that Alexander Burnett raised about the supplier of last resort. Mr Burnett said that what is in the bill in that regard is not ideal. I agree—there are still questions to be asked about that.

I, too, must praise the minister for his approach. I do not want to embarrass him too much, but I have to say that he has given something of a masterclass in cross-party co-operation. The process has been driven by the minister. He has managed to get people virtually round the table and to agree on pretty much everything. He was doing so well until the final group of amendments, when Mr Wightman decided that the minister could not have it all his own way. Anyway, I say to the minister, “Well done—really well done.” As we have heard, there is cross-party consensus on the issue, which is important.

The minister started by telling us what a heat network is. I assume that people know this, but it is a network that delivers heat—obviously—most commonly through hot water or steam from a central source. There are a number of ways of doing that.

At all stages of the bill, we have heard various examples from across the country of heat networks that already exist, but we want the provision to expand. Members have mentioned the Danish experience. As we have heard, heat networks cover about 50 per cent of Danish heat consumption and two thirds of households, representing 17 per cent of national energy consumption. Therefore, as Sarah Boyack said, we have a long way to go. I did not realise that Sarah Boyack was a minister as long as 20 years ago—she certainly does not look it, does she, Presiding Officer? I am praising everyone today. However, if we have not made progress in 20 years, that is not a good record.

There are a number of issues still to be tackled, such as the issue that Citizens Advice Scotland raised about what happens when people’s heat is turned off by the network. However, we are fully behind the bill, as are all the parties.

The Deputy Presiding Officer: I call the much-praised Mr Wheelhouse to close the debate on behalf of the Government. Minister, you can have 10 minutes if you wish.

17:09

Paul Wheelhouse: Thank you very much, Presiding Officer. I thank all members for their contributions to today’s debate and getting the bill to this point. I will try to cover as many of the

points that have been raised as I can and to provide clarity to the members who raised them.

Alexander Burnett was right to raise the issue of the importance to heat network customers of the role of Ofgem, which I will come on to when I talk more formally about our engagement with UK ministers. He also mentioned the existing schemes and the importance of them being covered by the bill.

I recognise that, as Mr Burnett mentioned, the bill creates a large number of delegated powers. That reflects the fact that the bill is regulating a market from scratch; I know that Mr Burnett appreciates that. The Delegated Powers and Law Reform Committee scrutinised the bill on 11 August, and it has had the opportunity to scrutinise the amendments that we put forward at stages 2 and 3. I believe that it is comfortable with the use of delegated powers in the bill, and it raised only one question with us, which I hope has been addressed.

We will certainly try to give Parliament as much early sight of subordinate legislation as possible, as it comes forward. We have not had draft orders ready to present to committee during the passage of the bill, but I can confirm that we will be ready to consult on regulations later this year and to get moving on that. We will, of course, continue to use the experience and knowledge of our heat networks regulation working group, and others, as regulations are developed. I hope that members find that helpful.

Sarah Boyack raised the issue of non-domestic rates. I am grateful to her for the engagement that she has had on that in relation to other legislation. We have introduced a district heating relief, which provides a discount of up to 50 per cent on rates bills for premises that are used for district heating. That relief is unique to Scotland—it is not offered anywhere else in the UK. To provide certainty, this year we will introduce regulations that will extend that relief out to 2032.

In addition, we have committed to laying regulations that will provide 90 per cent relief for renewable heat networks, as well as those running on waste heat or energy from waste, which a number of members mentioned. That will begin on 1 April. That will incentivise clean heat networks prior to the implementation of the bill. The business growth accelerator, which applies to a number of types of business, already provides 100 per cent relief for new-build premises for up to 12 months after they are first occupied. That goes for heat networks, too. It also guarantees no rates increase on building improvements for 12 months. Therefore, a district heating scheme that was built after 1 April 2018 can already claim 100 per cent relief for the first year, and 50 per cent relief thereafter. We are obviously looking to implement

the other change that I mentioned—90 per cent relief—through regulations. I hope that that is helpful in addressing the points that Sarah Boyack raised.

Alex Rowley made many fair comments, including on the importance of heat networks for the economy. I was particularly struck by his point about how important good-quality, warm homes are for people in relation to their health and their education. We know how debilitating a cold home can be for people's health and wellbeing, and Mr Rowley was right to make that point.

Alex Rowley also made an important point about the supply chain opportunities, which is an issue that Claudia Beamish—who cannot be here today—has previously raised. I agree. It is clear that there are economic opportunities, and it is right to mention that. For example, in 2020 the heat networks industry council found that, on a UK-wide basis, the heat networks sector could grow to support between 20,000 and 35,000 new direct jobs in the sector by 2050, as well as additional, indirect and induced jobs in the economy, and investment of up to £50 billion into the market by the same year. Scotland would like to get a large share of that, and because we are moving quickly on legislation, we are giving ourselves the best possible chance to have early sight of the pipeline and an early opportunity to capitalise on the job opportunities that come from that, whether in manufacturing equipment or the installation and maintenance of heat networks.

Alex Rowley also raised the issue of skills, which is already on the radar of Skills Development Scotland. SDS, along with the green jobs academy and the Energy Skills Alliance, is looking at the potential for heat network development to stimulate job opportunities for young people, in particular, and, in the context of a just transition, to provide new opportunities for those who move out of industries such as oil and gas. I hope that that is welcome.

In addition, Alex Rowley rightly highlighted the role of the trade unions. From the Government's perspective, I give an undertaking that we want to work closely with trade unions to make sure that we seize the opportunities as they arise.

I thank Alex Rowley and Mark Ruskell for their kind words about the bill team, which has done a sterling piece of work. Other colleagues mentioned that, too.

Mark Ruskell made important points about a transition in technology and the need, in the context of the energy quadrilemma, to look at the use of hydrogen. We are already actively thinking about that, and I give an undertaking that we will do whatever we can to maximise the opportunities

and to look for the low-hanging fruit and the wins that he described.

Willie Coffey rightly raised Denmark, which gives me an opportunity to thank the Danish Government for the solid support that it has provided in giving the Scottish Government the benefit of its experience. Colleagues in Norway have also done that. We can learn something from the way that Denmark implemented heat networks and then switched the heat engines to lower-carbon alternatives as it went along. We will have to short-circuit that process and move straight to low-carbon and zero-carbon heating systems, but we can also learn from the way that that has proved to be less painful for consumers. I also thank Willie Coffey for raising some good examples in his constituency, such as the one in Galston.

In the remainder of the time available to me, I will cover the next steps. It seems to me that we have arrived at a point where the bill has broad support and consensus among members and we can now look forward to the work that lies ahead of us, as Alex Rowley said. The process of turning the legal framework in the bill into a fully functioning regulatory system will require a series of implementing regulations that will shape precisely how each element will work in practice—licensing, consenting, permitting, zoning and so forth. I thank Mark Ruskell for recognising that we have gone as far as we can without going to the Delegated Powers and Law Reform Committee to take that work forward.

The bill contains a large number of delegated powers and we must be realistic in our expectations on timing, but I anticipate that the new system will be in place by 2023. We are already working towards implementation. The introduction to the bill of a delivery plan through an amendment at stage 2 was a welcome development. The plan will drive the work forward and we aim to have it in place by April 2022. As I said earlier, I expect the first of a number of detailed consultations on the regulations to take place later this year.

I believe that we will continue to move forward in the collaborative way that has been demonstrated today. We intend to relaunch our stakeholder working group to maintain close co-operation with the heat networks and housing sectors. I take this opportunity to thank all those who are involved with the working group for the fantastic input that we have had, which has helped to inform the detail of what is a technical bill.

The UK Government has announced that it intends to introduce consumer standards to the heat networks market, which goes a long way to addressing some of the issues that colleagues

have raised today. I will briefly update Parliament on our collaboration on that front.

Lord Callanan, Parliamentary Under Secretary of State at the Department for Business, Energy and Industrial Strategy, wrote to me last week in reply to my earlier correspondence and reaffirmed the UK Government's commitment to working with Scottish ministers and Scottish Government officials in the development of the UK Government's primary legislation to introduce consumer standards, which will apply across Great Britain.

I welcome that commitment, although not necessarily for the same reasons that Gordon Lindhurst did so. We want to ensure that we have the power to appoint the consumer standards body for Scotland. It is still our intention to appoint Ofgem, which a number of members have praised today. The consumer standards body and the licensing body that is created by the bill can be one and the same, which will reduce costs and confusion for consumers and the industry alike.

We should not forget that Ofgem already has a 300-strong team in Glasgow that provides an excellent service in relation to the electricity and gas markets. There will be opportunities in due course to look at different energy sources and, for example, dual-fuel billing between heat networks and electricity.

The nature of heat networks means that local authorities will be vital if we are to make such systems work in practice. We will invite local government representatives to work in partnership with us to help to ensure that we end up with processes and regulations that are manageable and affordable for everyone. We have worked with Parliament to augment the role of local authorities in the regulatory system.

I am enormously grateful for the enthusiastic and constructive role that members in the chamber and particularly the Economy, Energy and Fair Work Committee have played in getting the bill to this point in such a strong shape. I believe that it has shown the Parliament in its best light. I hope that the rest of the work that needs to be done will benefit from the same spirit of co-operation and consensus. As many of the regulations that will flow from the bill will be subject to the affirmative procedure, Parliament will have direct oversight of them. I look forward to full implementation of the act in due course—like Alex Rowley, I hope that I will be here after the election to see that.

The targets that are now embedded in the bill are undoubtedly challenging. They will require the equivalent of approximately 650,000 domestic premises to be connected to heat networks by 2030. The fact that just over 32,000 homes are

connected today shows the scale of the task that is ahead of us.

The bill will be fundamental to that, but it will not act alone. The 2020-21 programme for government committed us to invest £1.6 billion over the next five years to get things rolling. A recent estimate indicated that the total cost of transforming our homes and buildings is likely to be in excess of £33 billion.

I thank members once again for their contributions to the debate today and throughout the passage of the bill over the past 11 months, and I thank my exceptional bill team for all that they have done. I hope that all members feel that they can get behind and be proud of the bill and that they will vote in favour of it. I urge them to support the Heat Networks (Scotland) Bill and I am proud to have moved the motion.

The Presiding Officer (Ken Macintosh): Given that we have reached the end of scheduled business, I am minded to accept a motion without notice, under rule 11.2.4 of the standing orders, that decision time be brought forward to now.

Motion moved,

That, under Rule 11.2.4, Decision Time be brought forward to 4.32 pm.—[*Graeme Dey*]

Motion agreed to.

Decision Time

17:21

The Presiding Officer (Ken Macintosh): There is only one question. The question is, that motion—*[Interruption.]* Ah, sorry—I am going to stop there. I am conscious that some members have already accessed the voting app to vote this afternoon, but some members might not have done so. Before I put the question on the bill—we will have to vote, because it is legislation—I will suspend the meeting for a few moments to make sure that the few members who might not already have accessed the voting app are able to do so.

17:22

Meeting suspended.

17:25

On resuming—

The Presiding Officer: We are back in session, and we will move straight to the vote on motion S5M-24192, in the name of Paul Wheelhouse, that the Heat Networks (Scotland) Bill be agreed to. Members may cast their votes now. This will be a one-minute division.

The vote is now closed. Members should alert me if they had any difficulty in voting. I think that a couple of members who are online had difficulties.

Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con): On a point of order, Presiding Officer. I would have voted yes.

The Presiding Officer: Thank you very much, Ms Hamilton. I will make sure that that vote is added. You voted yes to the bill.

Claire Baker (Mid Scotland and Fife) (Lab): On a point of order, Presiding Officer. Apologies—I could not connect. I would have voted yes.

The Presiding Officer: Thank you very much, Ms Baker. You would have voted yes. I will make sure that that vote is added to the voting register.

Keith Brown (Clackmannanshire and Dunblane) (SNP): On a point of order, Presiding Officer. I could not vote. I would have voted yes.

The Presiding Officer: Thank you very much, Mr Brown. I will make sure that your yes vote is added to the list.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Motherwell and Wishaw) (SNP)
 Allan, Dr 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) (Reform)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Bowman, Bill (North East Scotland) (Con)
 Boyack, Sarah (Lothian) (Lab)
 Briggs, Miles (Lothian) (Con)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burnett, Alexander (Aberdeenshire West) (Con)
 Cameron, Donald (Highlands and Islands) (Con)
 Campbell, Aileen (Clydesdale) (SNP)
 Carlaw, Jackson (Eastwood) (Con)
 Carson, Finlay (Galloway and West Dumfries) (Con)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Cole-Hamilton, Alex (Edinburgh Western) (LD)
 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)
 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)
 Golden, Maurice (West Scotland) (Con)
 Gougeon, Mairi (Angus North and Mearns) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Greene, Jamie (West Scotland) (Con)
 Greer, Ross (West Scotland) (Green)
 Griffin, Mark (Central Scotland) (Lab)
 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)
 Halcro Johnston, Jamie (Highlands and Islands) (Con)
 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)
 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, 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)
 McDonald, Mark (Aberdeen Donside) (Ind)
 McKee, Ivan (Glasgow Provan) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McMillan, Stuart (Greenock and Inverclyde) (SNP)
 McNeill, Pauline (Glasgow) (Lab)
 Mitchell, Margaret (Central Scotland) (Con)
 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)
 Ruskell, Mark (Mid Scotland and Fife) (Green)
 Russell, Michael (Argyll and Bute) (SNP)
 Sarwar, Anas (Glasgow) (Lab)
 Scott, John (Ayr) (Con)
 Simpson, Graham (Central Scotland) (Con)
 Smith, Elaine (Central Scotland) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Smyth, Colin (South Scotland) (Lab)
 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)
 Wells, Annie (Glasgow) (Con)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Whittle, Brian (South Scotland) (Con)
 Wightman, Andy (Lothian) (Ind)
 Wishart, Beatrice (Shetland Islands) (LD)
 Yousaf, Humza (Glasgow Pollok) (SNP)

The Presiding Officer: The result of the division on motion S5M-24192, in the name of Paul Wheelhouse, on the Heat Networks (Scotland) Bill, is: For 119, Against 0, Abstentions 0.

Motion agreed to,

That the Parliament agrees that the Heat Networks (Scotland) Bill be passed.

The Presiding Officer: That concludes decision time. Members who have to leave should please ensure that they follow the one-way systems, wear their masks and follow all the social distancing rules around the building.

17:29

Members' business will be published tomorrow, Wednesday, 24 February 2021, as soon as the text is available.

Scotland's Railways

The Deputy Presiding Officer (Lewis Macdonald): The final item of business is a members' business debate on motion S5M-24139, in the name of John Finnie, on investing in Scotland's railways. The debate will be concluded without any question being put. Members who wish to speak in the debate should press their request-to-speak buttons now.

Motion debated,

That the Parliament believes that investing in expanding, upgrading and decarbonising the rail network could play an important role in Scotland's economic recovery from the COVID-19 pandemic, creating jobs and reducing emissions from other forms of transport; welcomes the growing debate around future investment plans for rail, including the proposals set out in the *Rail for All* report; notes the view that upgrading and electrifying the Highland Main Line in particular could be of strategic importance, given its importance to Highland communities; understands that transport freight by rail to the Highlands could make a significant contribution to reducing emissions and relieving congestion on roads, and notes calls for the rapid decarbonisation of Scotland's rail network in line with the country's climate targets.

17:30

John Finnie (Highlands and Islands) (Green): Greens believe that investing in, expanding, upgrading and decarbonising the rail network could play an important role in Scotland's economic recovery from Covid-19. We know that those things would create jobs and reduce emissions from other forms of transport. I welcome the growing debate around our future investment in rail, and I thank members who signed my motion, as well as those who will contribute to the debate tonight.

My focus will be the "Rail for All" report, which I commissioned and which was welcomed by many people, from rail and engineering professionals to trade unions, as well as David Prescott and David Spaven, who are acknowledged industry experts. It is a 20-year, fully costed £22 billion plan of investment for Scotland's railways that seeks to build a modern zero-carbon network that is affordable and, importantly, accessible to all. It makes rail the natural choice for commuters, businesses and leisure travellers. We believe that such an investment should be a central component of the green recovery from Covid.

The plan is based on the principle that everything that is proposed comes from existing technologies. The rail network should be zero carbon, and full electrification is the way to achieve that. The oft-suggested alternative of hydrogen from renewable energy is a limited resource and would be best used in sectors in

which there are no alternatives, such as heavy industry.

Journey times could be significantly reduced, and all communities of more than 5,000 people should be connected to the rail network. When that is not possible at a realistic cost, a coach route and bus network should be part of the integrated transport network. To that end, the Scottish Government should activate the Transport (Scotland) Act 2019 provisions that allow local authorities to run their own bus services.

The pandemic has shown that rail freight is resilient, and a continued shift from road to rail would substantially reduce carbon emissions and ease congestion on roads. The Scottish Government's own infrastructure commission said that priority should be given to the maintenance of the existing road network, and we know that there is a maintenance backlog of £1.8 billion and £1.2 billion for local authority and trunk roads, respectively. Therefore, that, rather than expansion of the road network, should be the focus.

The motion mentions the Highland main line, and there is no doubt that upgrading the Highland main line is of strategic importance. There is an immediate comparator, because, for many miles of the journey, the line runs alongside the A9, which has received £3 billion for its extension to four lanes for motor vehicles, whereas there is only one track for the train. We have recently seen the value of redirecting traffic following the—*[Inaudible.]*—Aberdeen to central belt lines. The motion also calls for rapid decarbonisation of Scotland's rail network, in line with our climate targets, which will support long-term services and be of benefit to future generations.

That is not to say that there have not been improvements. We know that there have been improvements to the Anglo-Scottish services and those in and around Glasgow and Edinburgh, but the network north of the central belt has largely been neglected, and passengers are dependent on an ageing network that performs poorly. The historical comparators are well known by many, and we could have drawn similar—*[Inaudible.]*—Victorian times.

To facilitate the expansion and improvement of our rail network, we urgently need to reform the institutions and decision-making processes. Everyone must be aligned behind that goal, and the work must be co-ordinated and streamlined. As things stand, all transport infrastructure investment projects have to go through the STAG—Scottish transport appraisal guidance—process, which is extremely detailed, complex, time consuming and costly. Sadly, Transport

Scotland applies the guidance—as it does on many issues—in a pedantic way.

Of critical importance in achieving the Scottish Government's 2035 rail decarbonisation target is the need to treat core rail electrification as a single project with a single appraisal to be delivered through a number of discrete contracts, much as the Scottish Government has done with—ironically—its projects for dualling the A9 and the A96. It is also important that we reintegrate ScotRail and Network Rail into one publicly owned company, with oversight by the Scottish ministers. There is no place for private profit for offshore companies from vital public services.

The incoming Scottish Government must, at the earliest possible opportunity in the next session of Parliament, make it clear that it prioritises delivery of a modern zero-carbon rail network that is accessible to all, and key institutions such as Transport Scotland must be fully aligned with that aim. In order to do that, the incoming Government will need to establish a task force. Examples of early successes that could be delivered include provision of additional stations; the opening of existing freight lines for passenger trains, as the United Kingdom Government is doing; and the initiation of a rolling programme of electrification. I recognise the work that has already taken place in that regard.

There could be some small-scale electrification to eliminate pockets of diesel working, generally in areas where electrification already exists. There is also the possibility of using electric and battery bi-mode trains, and other things could be done around charging points for electric vehicles at stations and better access for biking and walking. Part of the report focuses on the much-publicised Forth tunnel. There are real benefits to be had from that, because it would free up capacity at Haymarket and allow greater movement to the west as well as to the north.

There is so much that could be said, but, in the limited time that I have left, I will simply say that the most cost-effective and cheapest way of expanding the network would be to introduce services on existing freight lines. We can see that, and my colleague Mark Ruskell might talk about it later. Rail is the most efficient and sustainable means of shifting freight, particularly for long journeys. Unfortunately, however, it has a modest share of the market despite road haulage having issues with climate change, air quality, congestion and safety.

In commending the report, one of its authors, David Spaven, said:

"Based on our long experience in the industry—and taking account of international best practice—we put together a programme focused not just on rail's crucial

contribution to decarbonisation, but also on the wide range of other environmental, social and economic benefits”.

I commend the report, and I look forward to the other contributions.

17:38

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): I draw members’ attention to my entry in the register of members’ interests in relation to my being honorary president of the Scottish Association for Public Transport and honorary vice-president of Railfuture UK. I thank John Finnie for the opportunity to discuss railways—in particular, how they might be part of the post-Covid world.

John Finnie mentioned Mr Spaven, and I have his wonderful book “The Railway Atlas of Scotland”, which presents a historical view of the railways of Scotland. My wife gave it to me as a Christmas present some years ago. It is an excellent book, and I commend it to all members.

The railway is, without question, the most comfortable way to travel. When I compare my driving from home to Parliament with, alternatively, making the journey using a train for all but my 15 miles to the station, I see that it costs half as much to use the train. More to the point, it is substantially more environmentally friendly, and under Government plans it will become even more so. The steam trains on which I travelled in the 1950s—I remember, in particular, a trip from Benderloch to Oban in 1956 to attend hospital after getting sunstroke—were fascinating. They were noisy and aromatic, with all the mechanical gubbins reciprocating in full view, as well as engaging to the eye, but environmentally friendly they most certainly were not, through burning coal and emitting vast amounts of smoke and particulates.

Today’s trains are faster, smoother and quieter, and they are increasingly powered by renewable energy. The refreshments from the on-board trolley, on a longer journey, are tastier and use more locally sourced ingredients. The overnight sleeper is the only way to travel south, if travel to the south is something that you must do.

I am old enough to remember when the Highland main line was dualled—at least, I am fairly certain that it used to be dualled all the way down to the central belt. We live with many of the short-sighted decisions that were made in the 1960s. We all remember the Beeching report, but focusing on that element alone would represent an unfair description of what actually happened. Beeching was paid a considerable amount to implement a policy decision that emanated from the desk of the then UK Minister of Transport, Ernest Marples. He was the managing director of

Marples Ridgway—a road construction firm with substantial interests in building motorways. It might tell us all that we need to know about his motivations and actions to remember that he ended up fleeing the House of Lords to Monaco to escape prosecution for tax fraud. We should perhaps remember that inglorious period in our railway history as the “Marples Catastrophe”.

We now have the opportunity to improve the railways that we have and to extend their reach. In my part of the country, it is time to look at taking the railway back to Ellon and then to the biggest non-railway towns—Peterhead, with a population of 19,000, and Fraserburgh, with a population of 15,000, both of which are in my constituency.

My favourite mode of transport is the railway. It makes economic, environmental and energy sense, and I have happy memories of travelling on bits of the network that no longer exist. Brought up in Cupar, I used to choose to go the long way round to Dundee to the swimming baths, via Tentsmuir, Tayport, Newport and Wormit. That line is no longer there, but perhaps it might return in the future.

I once again thank Mr Finnie, and I thank the Government for its support of our railways. I also thank you, Presiding Officer, for calling me to speak this evening.

17:42

Graham Simpson (Central Scotland) (Con): I, too, thank John Finnie for bringing the debate to the chamber. I hope that he is still watching—although he is entitled to make contributions remotely, quite a bit of the important stuff that he said was lost. That is a shame, because this is an important debate. I was happy when I saw that we would be debating Scotland’s railways, although I was less happy when I realised that it would involve my looking at the Scottish Green Party’s website to find the report that is mentioned in the motion.

Nonetheless, the proposals in “Rail for All” make for interesting reading and show that there is not a great deal of difference between parties when it comes to rail. We all agree that we need to decarbonise the network and that there needs to be a push towards electrification; the Greens do not seem overly keen on hydrogen, but I think that it could have a place. The Greens want to connect more communities by rail, and so do the Conservatives, which is why we are saying, both north and south of the border, that we should look at reopening old routes. The Greens want to move freight from road to rail, which is sensible where it is possible.

The report suggests a number of projects. One is for two 9-mile tunnels under the Firth of Forth,

from Abbeyhill, which is just along the road from the Parliament. I am not in any position to criticise ambitious tunnelling plans, but that does not look likely to happen any time soon. There is also a proposal for a new overground station at Argyle Street in Glasgow. It would be above the car park behind the St Enoch centre; I am not sure how feasible that would be. There are a host of other proposed projects—the report is very thorough, and I commend Mr Finnie and the Greens for commissioning it.

Our railways can be an important part of a green recovery from Covid. They can help to decarbonise our transport system. A modern efficient public transport system with clean trains—or buses—that run on time and produce low emissions can and should encourage people away from cars.

Neil Findlay (Lothian) (Lab): I do not disagree with anything that Graham Simpson has said so far but, given the track record of privatisation, how can we have any faith that that model would provide the type of rail service that he says he wants?

Graham Simpson: I am not as obsessed by ownership as Neil Findlay is. What matters is the service that is delivered to the public; that is what counts.

The motion mentions the Highland main line. The report says:

“The Highland main line is two thirds single track, putting severe restrictions on capacity and speed. Electrification could bring substantial journey time savings.”

I agree with that. It is absurd that such a line, running broadly alongside the A9, is two thirds single track, so we must consider that. There is a similar issue in my patch, where the line from East Kilbride to Glasgow is not fully dualled, which has caused issues. I am delighted that the line is to be electrified and twin-tracked, and I praise the cabinet secretary for helping to deliver that. Work is starting on the project as we speak.

I thank John Finnie for a useful debate on a useful motion. The report is also useful. I do not agree with everything in it, but it has helped to spark debate, which is a good thing.

17:46

Colin Smyth (South Scotland) (Lab): I refer members to my entry in the register of interests, which states that I am the volunteer chair of the campaign for the re-opening of Easttriggs railway station.

I thank John Finnie for his motion and for providing the opportunity to debate the importance of investing in our railways. I know that this will not be his final contribution in the chamber, but it

might be the last members' business debate that he leads. In case it is, I place on record my appreciation for the many thoughtful contributions from him that I have had the privilege of hearing in my short time in Parliament. John Finnie brings knowledge and wisdom to debates. It will not do his legacy any good to say so, but we share many of the same principles, and particularly a belief in public ownership of our railways.

I thank Mr Finnie for his support in the Rural Economy and Connectivity Committee. I suspect that, on many occasions, we both felt that we might be ploughing a lone furrow in trying to amend Government legislation. I do not know how many 9-2 there were during committee meetings, but there were many, and Mr Finnie and I were always the two. We were both in good company.

It is appropriate for Mr Finnie to bring the issue of investment in our railways to the chamber, as it is a subject that he is passionate about. His motion highlights the need to upgrade and electrify the Highland main line. My colleague Rhoda Grant has been working tirelessly with the Friends of the Far North Line on its campaign for more frequent services and for improvements to a line that has lacked investment for far too long.

Last weekend, the Highland main line was again closed by flooding, which cut off direct rail links to Edinburgh and Glasgow and again highlighted the lack of resilience on the line and the need for a plan for much-needed improvements, including a clear timetable for electrification.

Sadly, that is also the case with rail investment in many other neglected parts of Scotland, including in my South Scotland region. If the Government is serious about delivering inclusive economic growth and meeting our climate change targets, we must have an equitable sharing out of infrastructure investment across Scotland. I will highlight some examples.

As is the case with many routes in the Highlands, the current line from Glasgow to the south-west, which runs between Glasgow and Kilmarnock before branching off in two directions, to Stranraer in the west and Carlisle in the east, has lacked investment for decades. The issue was exposed when the west coast main line was closed due to storm damage, and the Nith valley line was used as a diversion. Trains that normally travel at more than 100mph on the west coast main line crawled their way along the diversion route. There is a real need to upgrade that line from a rural line to a main one. That should include electrification, not only from Glasgow to Kilmarnock but along the full length of the line.

Sadly, the Scottish Government has excluded the Girvan to Stranraer stretch from the electrification proposals in its plans, despite the

growing importance of the Cairnryan ferry port and our links to Northern Ireland. That stretch of line is one of the most antiquated in the country. Traditional physical tokens are still used for signals, it suffers poor speeds, and it is not able to carry heavy freight. The line is badly in need of investment.

There has been a great deal of debate about investment in that part of the country, including discussion of a link between Wigtownshire and Northern Ireland—first a bridge, then a tunnel. At the weekend, I read that it might involve four tunnels crossing over on the Isle of Man. Perhaps the next proposal will be for a zip wire. If both Governments have billions of pounds to spend on improving infrastructure between Scotland and Northern Ireland, they could invest in improving the A75 and A77 and, ideally, reopen the Dumfries to Stranraer railway, a project that is missing from the Green Party's document referred to in Mr Finnie's motion.

There are also strong cases for new stations across the south-west, such as at Thornhill on the Nith valley line and at Easttriggs. There are campaigns for the reopening of Cumnock and Mauchline stations in Ayrshire, which I fully support. There are other opportunities to improve the infrastructure right across the south-west, but we need real investment in it.

I have highlighted a number of projects, in the south and the north of Scotland, that could make a real difference to the communities concerned, to the economy and to our environment. One other improvement that would make a difference is to bring the railways under public ownership. The Welsh Government recently led the way, bringing the Wales and Borders rail franchise into public ownership. It really is time for the Scottish Government to follow that example with the Abellio ScotRail and Serco Caledonian sleeper franchises, so that we can have a rail service that puts passengers first, not profits.

17:51

Mark Ruskell (Mid Scotland and Fife) (Green): I join other members in thanking John Finnie for using this opportunity, in what I think will be his last members' business debate at Holyrood, to highlight this important issue. John has done a power of good on the Rural Economy and Connectivity Committee working on rail issues over many years, and I am sure that he would want to thank Colin Smyth and other members for their kind words tonight. The report leaves us with a strong legacy for the future—not just for John Finnie's constituents in the Highlands and Islands but for people across Scotland.

One of the first emails in my inbox when I was finally re-elected in 2016 was from the Levenmouth rail campaign, asking me to back the call to reconnect that community of more than 35,000 people to the rail network. Politicians from across the chamber got behind that campaign. The scheme demonstrates the transformational power of rail, especially for communities that have been left behind by industrial decline. I am delighted that, as we head to the end of this session of Parliament, work is under way to reopen the line by 2023. I am sure that the cabinet secretary, alongside me and other local members, looks forward to seeing the first train leave from Leven for many years, together with the opportunities for work, education, leisure and investment that will follow for local residents on the back of that reopening.

That must not be the end of Scotland's rail revolution; it should be seen as only the beginning. The "Rail for All" programme of the Scottish Greens is an ambitious plan to ensure that everyone in Scotland benefits from the transformation that rail can bring.

Thinking about other places in my region, the success of the Levenmouth campaign has been a real boost for other communities that are looking to be reconnected to the rail network. Over the past five years, I have worked with campaigners in St Andrews, Newburgh, west Fife and Clackmannanshire, alongside those from Levenmouth, in a Fife rail forum, which has provided mutual support and guidance with the often glacial appraisals process through which the campaigners have had to work.

That forum's collective work led to our budget win in 2018 to create the local rail development fund, which has since funded feasibility work on 17 projects across Scotland. A further £5 million, which we secured from last year's budget, is now funding work to extend the Alloa rail link to Longannet, as well as providing a new platform at Milngavie. However, there is still a long way to go, however, to complete the full redoubling that the Milngavie line needs and to secure a firm commitment to reopen the Alloa line right through to Dunfermline.

Feasibility studies can, however, all too often be used to frustrate rather than deliver progress. As the LRDF-funded studies come to a conclusion in the coming months, we need ambition and leadership from Transport Scotland and the cabinet secretary, and a commitment to deliver a rail network that is fit for the future.

That is what "Rail for All" proposes, and perhaps the most ambitious proposal of all is for a tunnel under the Forth. Why should Scotland not aim for modern and fast underground connections, which are common in other parts of Europe such as

Switzerland and Scandinavia? To date, improvements on the east coast network have been hampered by the bottlenecks created at the Forth rail bridge and Haymarket. Adding new services along the reopened Levenmouth to St Andrews and Dunfermline to Alloa routes will be extremely restricted as long as a single broken-down train at Haymarket can bring the whole network to a standstill.

The proposed tunnel between Leith and Kirkcaldy would not only slash journey times to east Fife, Perth and Dundee but would free up the capacity that is needed to address the chronic issues on the current Fife circle route to places such as Dunfermline. A significant number of people from Fife still commute to Edinburgh by car, because the current rail service is convenient only for those who work in the city centre. A new eastern approach to Edinburgh via Leith that connects to a reopened south Edinburgh suburban line, as is also proposed in the report, would greatly increase the viable commuting options, encouraging more Fifers to leave their cars at home and choose low-carbon public transport.

Ultimately, we need low-carbon rail to be the first choice for as many people as possible, and that will require not only fast electrification but an ambitious expansion of the network across Scotland to finally deliver rail for all.

17:56

Neil Findlay (Lothian) (Lab): I thank my friend John Finnie for bringing forward the debate. John will be a great loss to Parliament, but I am sure that, like me, he does not intend to go away and will continue to campaign outside Parliament on the issues that he feels strongly about. We have spent almost 10 years together as members of the National Union of Rail, Maritime and Transport Workers parliamentary group, which discusses issues around rail.

I begin by declaring an interest as a member of the union Unite, and I put on record my thanks to the Associated Society of Locomotive Engineers and Firemen, the RMT, the Transport Salaried Staffs Association and Unite for the work that they do in the rail sector and all the support that they have given me over the past decade as a member of the Scottish Parliament. The relentless campaigning of the rail unions, working alongside some politicians, community groups and passenger organisations, has made the now irrefutable case for our railways to be returned to where they should always have been—in public ownership.

I contend that all the essential major infrastructure that we need in the economy should be held publicly and owned and controlled by the

people for the people. Our railways, which are so vital for our economic and social lives, should never have been run by privateers whose sole motive was shareholder return and profit maximisation. I say the same for water, energy, telecoms and broadband, airports, ferries, prisons, council and NHS services, the Post Office, buses and hospitals, and I go further: we should be producing generic pharmaceuticals publicly as well.

Covid has shown the folly of those who worship at the altar of the so-called free market. If it had been left to market forces, the railway would have been shut down many years ago, and over the past year, people would have gone unpaid, businesses across the board would have closed and there would have been an even greater level of hunger and unemployment than we have now, which would have inevitably resulted in social unrest and the breakdown of law and order as desperate people tried to survive.

We have only got through this because Governments, against their every political instinct, have been forced to take an interventionist role. People being paid wages for no work, businesses being given money not to open and trains being subsidised to run empty are anathema to those who adhere to the free market, but all are actions that have been absolutely essential to maintain a relatively civilised society.

I hope that we learn one big lesson from the pandemic: if the state can intervene in such a massive way in times of crisis to support people and industries, why can we not do that in times of relative calm to create the good society, starting with the most obvious place, which is the railways?

During the years that Abellio has been running the franchise, the service on our railways has been appalling. We can all recall the skip-stopping, the cancelled trains and the packed carriages—and then, every year, customers being rewarded with another fares increase.

The Scottish Parliament information centre told me today that, between 2015 and 2020, the state paid £1.5 billion to run Scotland's railways. However, fares have increased every single year since 2005, amounting to a 50 per cent increase in the past 10 years, as money has been sucked out of the system by those who have extracted profit from it.

The Scottish Government has come up with all sorts of excuses for not bringing the railways back into public ownership. We know that those excuses have all been nonsense, because we see that the Labour Government in Wales has done exactly that. I argue that we need public ownership if we are to create a sustainable, integrated

transport system—for an effective, value-for-money railway that is based on service provision and not profit maximisation; a green, sustainable future; economic recovery; and staff who are proud to serve and passengers who are proud to use the service.

I am more than happy to support ASLEF's call for devolution of powers over rail, but that should not be used as a shield for lack of action now.

18:01

Pauline McNeill (Glasgow) (Lab): I, too, thank John Finnie for bringing the motion to the chamber, for his contribution to the debate and for the many contributions and everything that he has brought to the Parliament over the many years that I have known him. I also want to put on the record that Neil Findlay has been a stalwart in the campaign for publicly owned railways in Scotland. I am sure that he will continue his work away from the Parliament.

I, too, declare my membership of the RMT parliamentary group. I thank the RMT for all that it has done to keep its members safe. I also thank ScotRail for providing information in its most difficult year, during the pandemic.

Investment in our rail services has huge public support. People love railways and they like to travel on trains as their preferred choice of public transport. As such, there is huge support for publicly run railways. The RMT brought together a coalition of organisations, with many MSPs from different parties joining together last year to call for the appointment of a public rail operator as soon as possible.

I believe that the time is right to end profit-run railways in Scotland. We should run a service that is accountable to the elected Government but which also gives travellers a much greater say in how their service is run and ends the practice of fares escalating above the rate of inflation. It is time to take public control of the system—not for its own sake, but to give people a better travelling experience.

John Finnie rightly spoke about rail being crucial to the zero-carbon agenda. However, if we are serious about that, I believe that we must be much more ambitious. In Parliament, I have continued to call for implementation of a crossrail system for Glasgow and the west of Scotland, which would provide an essential link between Glasgow Central station and Glasgow Queen Street station, and would address a major weakness in the greater Glasgow train network. The proposed project would electrify and reopen the city union line for regular passengers, and would be done in conjunction with the laying of new track. The line would connect with Ayrshire, Kilmarnock and

many other parts of the west of Scotland, which would make a huge difference to reducing congestion in the region and would allow rail users real choice. It would include a new station at Glasgow Cross, potentially connecting to the interchange on the Argyle Street line, and the opening of further new stations in the Gorbals and beyond. To me, implementing the cross-rail project is still an essential element of any serious ambition for our railway. Scottish Labour supported the proposal in its 2016 manifesto, and I know that Mark Ruskell of the Green party has also voiced his support for it as a means of reducing congestion.

Importantly, if we want a serious alternative to travelling by air from Scotland's major cities to the south, we must provide an improvement. As the co-convener of the cross-party group on rail, I have attended most of the meetings with the rail operators. I have been really shocked to learn that, on the west coast main line, there will be no reduction in the travel time from Glasgow to London during the next five years. By and large, the journey still takes more than four hours. If we do not get that down, I do not think that people will choose rail. Obviously, it is difficult to make that assumption when we are just coming through a pandemic and we do not know what the future of air travel is, but I have always believed that we must get the travel time down.

We have not debated Sunday services in depth. I have raised that critical issue with ScotRail over the years. In some communities, the service is only every two hours. We must address such issues through our rail infrastructure, and we must discuss with trade unions and the rail operators the ways in which we can continue to make dramatic improvements to rail services.

As far as I recall, we have not debated HS2—high-speed 2—in Parliament. HS2 will be a serious feature of the rail network across the United Kingdom in the years to come. We need to assess whether there are benefits to Scotland. It is time that we had a debate about that. The future that I want is one in which Scotland has publicly owned railways, the public are given a bigger say and we are more ambitious for rail, all round.

18:06

The Cabinet Secretary for Transport, Infrastructure and Connectivity (Michael Matheson): I, too, am grateful to John Finnie for securing the debate. I know that he has had a long-standing interest in the issue and that he has been a long-time campaigner for improvements not only to the Highland main line but to rail and the public transport system as a whole. His voice, and how he has articulated those views over the

years, will certainly be missed when he leaves this place before the coming election.

I have listened with interest to all the members' points on a whole range of rail projects that they would like to see in their areas. That brings me to John Finnie's point about the nature of the STAG process, which Mark Ruskell also mentioned. He might be aware that, as part of our national transport strategy, there is a review of the STAG process. However, the very fact that there are bids for projects in Fife, south-west Scotland, Glasgow, the west coast main line, Lanarkshire and the Highlands demonstrates that there needs to be an appraisal process to determine where the investments can be made, because there is a limited amount of funding available in any control period to invest in our rail infrastructure. That is the reality. That said, our investment during control period 6 is at record levels, with £9 billion being invested in our rail infrastructure since 2007.

I want to pick up on a couple of key points that are important when considering the future of our railways. To date, a lot of the planning that has taken place for future infrastructure investment in the rail network is on the principle of ever-increasing demand for rail services across the majority of the network. However, it is uncertain whether changes in travel behaviour and work patterns as a result of the pandemic will have an impact on demand across our rail network. The industry, the Government and other stakeholders are trying to understand what future demand will be as a result of those behaviour changes.

Businesses that did not previously support home working or flexible working in which people could work from home a couple of days a week have now put in place such arrangements during the pandemic. That is likely to have a lasting legacy on our transport network, including our rail network, that needs to be factored into our future plans and thinking.

The Scottish Government has set out an ambitious plan to decarbonise our rail network by 2035. I know that John Finnie wants to see rapid decarbonisation. That is the most rapid decarbonisation plan that can be taken forward because significant development is still taking place on a range of traction options that are zero-emissions forms of trains.

Hydrogen trains are currently still at the concept development stage. We are supporting that development through our hydrogen accelerator, which we are taking forward in partnership with the University of St Andrews. Through that project, one of the retired ScotRail 314 trains is now undergoing a refit at Bo'ness, where it will be turned into a hydrogen train to test out the concept. We are also discussing with manufacturers the potential use of battery electric

trains which, again, could play an important part in shaping our future electrification programme.

When people say to me that we need to electrify the whole Fife circle or all of the Highland main line, they have to consider a number of factors. First, could hydrogen trains play a part? Secondly, could battery electric trains play a part? That would mean that we would have to electrify only part, rather than all, of the line, because the batteries are rechargeable. Thirdly, if we electrify the line, what would that do to the line's resilience? In certain geographical areas, the weather can be significantly challenging at times, and the introduction of electrical overhead cables could result in low levels of resilience on the line. All those factors need to be taken into consideration in thinking about how we can improve our transport and rail infrastructure.

Neil Findlay: Given all those potentially exciting developments, does the cabinet secretary believe that the closure of the Caley rail works was industrial vandalism?

Michael Matheson: I want to look forward, rather than go over past issues. As the member will be aware, a private sector company was running the Caley works, and there was no longer a purpose for the site. I know that members such as Neil Findlay would say to me, "Look, just bring it into public ownership"—but to do what with it? The industry says that the site is not required at present. We have seen the same in other parts of the rail network, where things have had to be changed. Is it possible for the site to be reused at some point in the future, given the new developments in the rail industry, such as new types of traction? It could potentially be reused, but at this stage the opportunity is not there. That is why it is critically important that we invest in areas in which we know that we can deliver change and improvements in our rail network.

A number of members, including Pauline McNeill, referred to the fact that rail is a very popular form of public transport. Nonetheless, we need to keep in mind that rail provides about 20 per cent of our public transport capacity. The vast majority of people depend on bus services, which is why, in designing a rail network, we need to ensure that it fits into our wider approach to investment in our public transport infrastructure.

It is worth reflecting on the fact that almost 70 per cent of all passenger journeys in the Scottish network now take place on electric trains on electrified lines. There has been massive investment in the reopening and electrification of the Airdrie to Bathgate line and the electrification of the Glasgow to Edinburgh line. We also have plans to partially electrify the Borders line, which we reopened, in order to potentially introduce battery electric trains to remove diesel from the

system. In addition, we are looking at partial electrification of the Fife line, and at other parts of the network where electrification, or partial electrification, could play an important part.

Mr Finnie raised an important point about provision for freight in our rail network. Greater electrification of our infrastructure can play an extremely important part in increasing the level of freight that we can use across our rail network, largely because the lines can take longer trains and heavier goods levels. It could therefore play a big part in helping to support our significant programme of work to try to increase current levels of rail freight.

We are already taking forward that work with the timber industry; Mr Finnie will be aware of the project that was undertaken on the northern line. We are also working with the food and drink industry to look at expanding its use of rail freight, as demonstrated by the investment at Blackford to support Highland Spring in making greater use of rail freight. There are a range of areas in which greater electrification and different traction types would not only help to support our desire to decarbonise our rail network, but improve passenger services. Such development can also be good for our economy.

Members raised a number of points regarding investments that they want to see in their area, but I am conscious of time. I will finish on the point about public ownership that was raised by Colin Smyth, Neil Findlay and other members. I believe in, and support, public ownership of our rail network, but it is important to recognise that simply taking the rolling stock into public ownership would not address the systemic problems in the rail industry regarding the disconnect between the infrastructure and the rolling-stock element.

We can look at what has been done in Wales, where the Welsh Government took over a previously struggling franchise as an operator of last resort, ahead of when it had intended to do so, because of the financial problems. However, the rail infrastructure in Wales includes significant private sector involvement, which is something that I do not support. I believe that both parts of the network should sit within the public sector, and they should be integrated in a way that helps to improve passenger services, so that passengers can see the benefits that come from that arrangement.

That is exactly what we are doing through the work that we, in the Scottish Government, are taking forward. We are not simply saying that we want the rail network in public ownership—we are thinking about how that can be achieved in an integrated fashion that improves services for passengers and delivers democratic accountability in respect of how rail services operate. That is the

approach that we will take forward when the franchise ends next year.

I hope that members will recognise that we, as a Government, have ambitious plans, and that we are committed to decarbonising our rail network. Alongside that, we want to expand the network into communities that have previously not had railways or which have been disconnected for many decades, while looking at how we can reform our rail system to improve the way in which services are provided to members of the public when they use the network. I am grateful to all members for their comments this evening.

Meeting closed at 18:17.

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