

LOCAL GOVERNMENT AND TRANSPORT COMMITTEE

Tuesday 30 November 2004

Session 2

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LOCAL GOVERNMENT AND TRANSPORT COMMITTEE 27th Meeting 2004, Session 2

CONVENER

*Bristow Muldoon (Livingston) (Lab)

DEPUTY CONVENER

*Bruce Crawford (Mid Scotland and Fife) (SNP)

COMMITTEE MEMBERS

*Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP)

*Dr Sylvia Jackson (Stirling) (Lab)

*Michael McMahon (Hamilton North and Bellshill) (Lab)

*Paul Martin (Glasgow Springburn) (Lab)

*David Mundell (South of Scotland) (Con)

*Tommy Sheridan (Glasgow) (SSP)

Iain Smith (North East Fife) (LD)

COMMITTEE SUBSTITUTES

Bill Butler (Glasgow Anniesland) (Lab)

Colin Fox (Lothians) (SSP)

Mr Bruce McFee (West of Scotland) (SNP)

Mr Brian Monteith (Mid Scotland and Fife) (Con)

John Farquhar Munro (Ross, Skye and Inverness West) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Gordon Dewar (FirstGroup plc)

Neil Greig (AA Motoring Trust)

James King (Rail Passengers Committee Scotland and Caledonian MacBrayne Users Committee)

Robert Samson (Rail Passengers Committee Scotland and Caledonian MacBrayne Users Committee)

Gavin Scott (Freight Transport Association Ltd)

CLERK TO THE COMMITTEE

Eugene Windsor

SENIOR ASSISTANT CLERK

Alastair Macfie

ASSISTANT CLERK

Euan Donald

LOCATION

Committee Room 4

Scottish Parliament

Local Government and Transport Committee

Tuesday 30 November 2004

[THE CONVENER *opened the meeting at 14:06*]

Transport (Scotland) Bill: Stage 1

The Convener (Bristow Muldoon): I open the 27th meeting in 2004 of the Local Government and Transport Committee. The main item on the agenda today is our further consideration of the Transport (Scotland) Bill, on which we will take evidence from four groups of witnesses. I welcome our first witness, Gordon Dewar, who is the commercial director of First ScotRail. Thank you for your submission, Gordon. I invite you to make some introductory remarks, after which we will move to questions from the committee.

Gordon Dewar (FirstGroup plc): Thank you, convener. It is a great pleasure to be before the committee and to have the opportunity to give evidence again. As you said, my title is commercial director of First ScotRail, but I am before the committee as a representative of FirstGroup plc, which means that I am representing both its bus and rail interests. The committee has our submission and I will not dwell on the evidence that it contained, other than to pick out a few of the salient points that we raised.

We broadly welcome the creation of a single transport agency and the regional transport partnerships that underpin the agency and provide a mechanism for going forward. The creation of a single transport agency also represents the creation of a single transport plan for Scotland. That will mean that some of the interruptions of the current three-year spending cycle will no longer apply, as there will be more surety of funding as we go forward. It will also allow us to look across authority boundaries and so remove a constraint that has been on transport for a number of years.

As I am sure all committee members are aware, First is the largest surface public transport operator in the United Kingdom. It is also the largest operator in Scotland, given our recent acquisition of the ScotRail franchise. We look forward to engaging with the transport authority and the transport partnerships and to taking up our role in delivering many of the exciting schemes that the Scottish Executive and its local authority partners are considering.

We are delighted by the way in which the Executive is going forward on concessions, a

subject on which I have given evidence before. It is a key area, on which we can make quick progress through the new agency to deliver a national scheme that is sustainable, fair and equitable. It is also important that the scheme has a longevity, as that will allow operators to respond in a way that will deliver the benefits that customers want within a scheme that society has decided is the right way in which to confer the benefit.

The current concessions were delivered quickly, effectively and in partnership in a short space of time. We are sure that the national scheme, as it is set out in the bill, will allow us to address the residual issues. The new scheme will give us a fantastic foundation on which to go forward and upon which to build.

The Convener: Thank you for those introductory remarks.

Bruce Crawford (Mid Scotland and Fife) (SNP): I want to have a quick chat with you about regional transport partnerships and the transport agency. In your written submission, you say:

"The creation of statutory Regional Transport Partnerships also gives the potential for strategic transport decisions to be taken more effectively, across a wider geographic area."

Decisions might be taken more effectively, but will that be effective enough, particularly given section 8 of the bill—headed "Duty of constituent councils and other public bodies as respects transport strategies"—which says that a council will comply "so far as possible"? Do you think that the regional transport partnerships will have enough teeth to do the job? They might do it more effectively than it is done at present, but will they be able to do it as effectively as they could?

Gordon Dewar: In advance of seeing how the RTPs deliver transport projects, it is impossible to say how that will work out. However, the creation of the new boundaries and the fact that the funding for the projects will come through the RTPs will remove the two most obvious hurdles that are holding things back at the moment. In most of the exciting projects that we are considering, there are cross-boundary issues. That is certainly the case for projects that involve the largest cities in Scotland, in which the surrounding authorities' interests and needs tend to be a little different from those of the cities. Most such projects have funding cycles that genuinely need to be longer than three years—with the planning stage, the cycles can often be five or six years. To be able to set up project plans, involve others—including the operators—in the partnerships and have a plan of delivery over five or six years, which typically includes the first two years of operation, gives us a huge advantage over our starting point.

On whether we will be in a position to do everything that we want to do, the proof of the pudding will be in the eating. I see a huge amount of ambition in the local authorities, which is sometimes matched by frustration about the long-term planning and the resources that are available to them. The RTPs will be bodies to which the operators can talk and they will enable the setting up of skill bases and the provision of resources that are capable of delivering the demanding projects that we are signed up to delivering in consensus.

Bruce Crawford: There might be consensus about what needs to be done, but my concern is that achieving consensus about how to apply the cash from the various local authorities might be a different issue, particularly as the bill contains an opt-out that says that the local authorities will comply "so far as possible". We have evidence that, although the transport partnerships that already exist, such as the west of Scotland transport partnership and the south-east Scotland transport partnership, can pull a transport plan together, the local authorities cannot match the plans with resources, so what makes you think that it will be any different for the regional transport partnerships?

Gordon Dewar: My understanding is that a regional transport partnership will be an organisation with a long-term future, on which specific duties are imposed; it will have the funding to match those duties and will be able to use that funding because it will have the resources for the planning and delivery of the project management and can bid for capital and revenue funding. That is what is missing at the moment. Bodies such as WESTRANS and SESTRAN are a good start and have demonstrated that the position is much improved when there is consensus across local authority boundaries, but they do not have teeth. The bill provides for a huge amount of what they are missing. We need to follow that through and ensure that we give the RTPs the tools that they need to enable them to start delivering.

Bruce Crawford: I will just dig underneath the issue of whether the regional transport partnerships will have teeth, because that is the crux of the matter. A local authority will be able to decide that it is not going to play ball with the regional transport partnership. My understanding is that the RTPs will have no more teeth than do the transport partnerships that already exist. There will be a statutory requirement for the councils to talk to one another, but will the RTPs have enough powers to make things work?

Gordon Dewar: We are still at an early stage as far as developing the detail is concerned, but my interpretation is that, in their residual areas of involvement as stand-alone organisations, the

councils' most important role will remain the granting of planning permission. The provisions that relate to powers for highways development, the ability to promote bills and the ability to spend the cash that will be allocated to the partnership rather than through the councils' block grants seem to supply most of the tools that are needed to deliver most of the transport projects that are currently on the drawing board.

14:15

Bruce Crawford: The submission from FirstGroup says:

"The creation of a single Transport Agency to prepare and oversee a National Transport Plan will facilitate the delivery of the large-scale infrastructure investments".

Why can a single transport agency do that better than a Government minister can?

Gordon Dewar: There would be benefits of having a bespoke agency that would have continuity of staff and the ability to buy in specialist transport skills. The agency would also provide a structure that enabled us to harness the best of what Scotland has to offer and, I hope, to attract people from outside Scotland to bring in some of the expertise that we perhaps do not have at the moment. Stability would be provided and the funding streams and commitments would be understood.

There would be no harm in a slight separation from the political cycle, as that would mean that people could look beyond the next election and acknowledge that we need to make hard decisions, fight our corner for projects and be aware of what has to be in place to deliver challenging projects. A single transport agency would provide for the lifespan for some of the large-scale infrastructure on the five to 10-year horizon, rather than just considering the two to three-year horizon. The longer-term horizon is challenging in the current environment and we must make progress in that respect. I can envisage no better mechanism for doing that than an agency that would take a longer-term view, which is what the bill offers.

Bruce Crawford: That is useful.

The Convener: The FirstGroup submission says:

"the boundaries for Regional Transport Partnerships should be contiguous with existing local authority boundaries and should use travel to work areas as watersheds."

However, it has been suggested that some local authorities have two travel-to-work areas. For example, the northern part of Fife gravitates towards Dundee, whereas the southern part gravitates towards Edinburgh. How would

authorities such as Fife Council fit into the framework that you describe?

Gordon Dewar: A couple of authorities are pegs that do not fit as easily into the holes as others might do—Fife is a good example. That is why we suggest that authorities should have the opportunity to be observers in partnerships of which they are not necessarily a full member. As operators, we would be comfortable with and support such a pragmatic mechanism to allow for the sensible representation of constituency and local issues.

The Convener: You welcome the opportunity for RTPs to include non-local authority members, including representatives of the business community. Which organisations from the business community would be appropriate RTP members? Are you thinking about individual transport operators or umbrella organisations that represent business interests? Would there also be a role for bus user or rail user representation?

Gordon Dewar: I think that the answer is yes to all of that, but it is horses for courses. When we were thinking about the benefits of the involvement of the business community, we had in mind in particular the north-east Scotland transport partnership model, which has worked extremely well. NESTRANS includes representatives from umbrella organisations such as Aberdeen and Grampian Chamber of Commerce, as well as individual operators, because there are not many such operators. However, in areas where there are many more operators, the involvement of an umbrella organisation that represents operators has worked well and provided a good voice for the industry.

There is no need for an umbrella organisation that represents rail operators, because there is only the ScotRail voice and some smaller interest from Great North Eastern Railway Ltd and Virgin Trains, or whoever is successful in securing franchises in future. That is a small enough number of players to allow for an individual view to be taken. However, there would need to be a manageable process for the representation of bus operators, perhaps by including the Confederation of Passenger Transport UK or another organisation that operators would accept as representative.

The Convener: Would RTPs help to secure partnerships between the public and private sectors and improve public transport?

Gordon Dewar: I think so. There is a huge appetite out there for the private sector to get involved, particularly in infrastructure projects. Companies consistently see the absence of that involvement as a constraint on their economic development and their ability to expand their

businesses. Their involvement would have two benefits. First, there would be an increased understanding of the genuine constraints and challenges that face us, both as operators and as providers to the public sector. Secondly, private sector companies have a huge amount to offer when they get involved in projects, whether in project management skills, in promoting projects or in looking for more innovative sources of funding.

We must not forget that one of the most successful ways of talking to the commuter market is through the employer. That avenue has been underutilised—there is a raft of benefits to be gained from engaging with the private sector and employers. However, we need to find an efficient way in which to do that. The system will not be welcomed if it is another talking shop that makes huge demands on people's time; there must be a focused engagement that allows people to comment on strategy and support the development of specific projects.

Paul Martin (Glasgow Springburn) (Lab): I have two brief questions. First, on the boundaries issue, I will ask the same question as I asked other operators last week. How would you be willing to change the structure of your company to fit in with the boundaries relating to the partnerships? FirstGroup is telling us that we should consider amending the boundaries, but what are you willing to do to fit in with those structures?

Gordon Dewar: It is probably best if I use First ScotRail as an example, as it is the national rail network and will have to deal with the regional partnerships. We have given a commitment to, and we are rolling out, regional forums that are deliberately designed to fit with what we anticipate the regional partnership boundaries will be. We see that as essential, because our future projects will be managed through those forums—that will be where funding will come through and where we will get engagement, develop consensus and agree how to prioritise and deliver projects. That is an obvious way of setting up the structure and of finding a mechanism—with agreement—to plug in our customer relationships, our stakeholder relationships and, of course, our partnership relationships with the regional authorities.

Bus operations fall quite neatly into the boundaries, as bus companies tend to operate over smaller geographical areas. The only area where we would straddle a boundary, under the current proposals, is in the east of Scotland. The Stirling area of our east operations, which is under one company, would fall under whatever we call the central transport partnership, whereas the rest would fall under SESTRAN. We would make every effort to understand that. We would have

representation on both sides and would reflect the interests of the areas through our involvement with the regional transport partnerships.

Paul Martin: Secondly, you mentioned the need for politicians to look much further ahead than the two to three-year gains and the next general election. Is there also a need for the industry to look further than just profit, towards strategies? What evidence is there that your organisation has a five or 10-year plan that is motivated not only by profit, but by the need to deliver an effective service?

Gordon Dewar: I do not see the two as mutually exclusive. Only by delivering a good and effective service will we have more customers and, therefore, improve our bottom line. I see the two as being absolutely in agreement with each other.

Every time we invest in a vehicle that has a 15-year lifespan, that is a demonstration that we are prepared to invest in the future. Some of the largest-scale investments of the past 20 years have been made in the past five years in Scotland, and our bus fleet is now much more modern than it was 10 years ago. We also have ambitious plans, under the new ScotRail franchise, for £40 million of investment and a whole raft of improvements covering property, fleets investment, closed-circuit television and so on. We very much view the five-year horizon as the minimum horizon: that is, effectively, where our assets start to produce a return on the investment.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): On the issue of business representation, does FirstGroup recognise the need to have a voice for freight on the RTPs, if we are to have them? Up to now we have—as I think we will hear later—focused on the carriage of people, whereas roads are used largely for the transport of freight. That is likely to continue to be the case for the foreseeable future.

Another issue to consider is tourism. I was at the Scotland united conference in Aviemore yesterday, where the clear view was expressed—I think that Marjory Rodger might have articulated it—that, as we want people to come to Scotland, we must consider what the tourists want and must think about what they are looking for from their perspective. The utilities are the other major organisations that are affected. I could go on; I will certainly not mention RSPB Scotland. Freight, tourism and utilities are three key areas. Would it be sensible for their voices to be heard on each of the RTPs?

Gordon Dewar: That must be sensible. How such bodies choose to be represented effectively is a matter for them and for the partnerships. Wherever freight, tourism and so on share infrastructure, whether road or rail, it is essential

that we take a balanced view of what is in our best interests. A huge amount of public money is going into supporting the infrastructure, whether road or rail, and we need to know that that investment is being utilised in the best way for the wider economy, the wider environment and society as a whole. That is an ambition and a requirement that we understand. Naturally, we will fight our corner by making the case for where we think that we can make a contribution to what our customers need, but we fully understand that a balanced view must be taken across all those areas.

Fergus Ewing: Spoken like a true politician, if I may say so.

I have a slightly more challenging question. We are not entirely sure what the Executive wants the RTPs to do, other than to produce regional strategies. At the moment, that will be their sole duty. The explanatory documents suggest that they may be given other powers, but we do not know what will happen. As you have reminded us, we know that FirstGroup has the ScotRail franchise, which I think is for seven years, and that it has an option to continue thereafter—

Gordon Dewar: For a further three years.

Fergus Ewing: So for a decade the franchise is set and the routes are specified. Would I be right in saying that the role of the RTPs means that they will not be able directly to require any additional routes? That ability will remain with the Executive, but I presume that it will not choose to exercise it, given that it concluded the new franchise arrangements only recently. Do the RTPs have any role to play in the rail service and, if so, what? Setting aside the case of Strathclyde Passenger Transport, would FirstGroup prefer those matters to continue to be dealt with at national level?

Gordon Dewar: It is essential that the overall authority to change the franchise stays at national level, because some very large sums of public subsidy are associated with the franchise. As the railway is a national railway, any decision that we make on it has national implications for the timetable and the interaction of the rolling stock, for example. That is not to say that there is not a great deal that regional transport partnerships can do. I fully anticipate that delivery of some of the schemes will be dealt with most effectively at regional level.

I will mention a few examples from recent years and some things that we plan to do in the future. The Invernet project, which will start in December 2005, was initiated by the Highlands and Islands strategic transport partnership and the Highland rail partnership. It is a fantastic model for engagement, which we want to adopt in the franchise. Funding was sought from the Executive, but the specification for what the partners wanted

to do was drawn up in co-operation with the operators through the franchise process. The authority to proceed has been provided and we are planning to deliver the project from December next year.

There have been a huge number of small developments round stations, such as improvements in access. Examples of other interesting developments are additional services and tweaks to the timetable. All those improvements can be delivered at regional level, in so far as their implications are regional. It is only matters such as the authority to spend on a substantial, large-scale project that has wide implications that need to come back to the centre. That is a good model with which to proceed.

David Mundell (South of Scotland) (Con): I remain unclear about why the new arrangements are necessary if local authorities can work together under the existing arrangements. At our evidence session with the Scottish Executive, we were informed that one of the reasons for bringing forward the bill was that local authorities could not work together, yet so far we have not had any evidence of a major project being impeded because local authorities were not working together. Can you present any evidence from your long experience of buses or your short experience of rail franchises of any strategic development or planning being impeded because local authorities were not working together?

14:30

Gordon Dewar: It is difficult to prove a negative. However, although there is a huge degree of consensus on some of the projects that we need to deliver, there has been a limited amount of delivery in the past five to 10 years, which leads me to conclude that something is not working as well as we would like it to.

In the past few years, there has been no shortage of available funding from a number of grant opportunities through the Scottish Executive. I have spent the past five years of my career talking to local authorities about shared ambitions and projects that we all agree should be delivered, but few of those projects turn up in concrete form. We should celebrate the ones that we have delivered—I do not slight them—but there is frustration at the fact that we could have done much more had we found the mechanisms to get over the funding barriers and to agree prioritisation of competing projects.

Although I cannot point at a specific example of where things have broken down through lack of co-operation, the fact that at local authority level we are all individually competing for restricted funds and—necessarily, perhaps—fighting our

own corners means that the consensus has not been realised as readily as it might have been.

David Mundell: I do not know whether you are familiar with it, but at last week's evidence session Glasgow City Council presented us with the model of a joint board working arrangement with other authorities in the former Strathclyde Regional Council area. I am not clear why that model, which does not require legislative change, would not be better at delivering the aspiration that you refer to than the requirement to set up another organisation.

Gordon Dewar: With a will and a lot of effort, almost any organisational structure can be made to work, if there is a consensus. The difficulty arises with long-term planning and funding, which has involved people expending a lot of energy trying to do things to an unrealistic timescale or reinventing the wheel. When the round of funding dries up, people have to go through another round of funding to prove the business case again, to redesign the issues and to go back through consultations whenever there has been a change. We are talking about trying to take a streamlined project management approach that crosses the political boundaries of local authorities and crosses the boundaries and timescales of the budget.

The willingness of Glasgow and the surrounding authorities to co-operate on some of the projects that we have been involved with, such as quality bus corridors, and the huge amount of investment that has been attracted from public transport funding regimes and us as an operator show what we could have done. It is hugely frustrating that it has taken so long to get to where we are and that we do not already have another three schemes on the back burner ready to go when the current scheme is completed. That is largely because of the huge effort that has been required to co-ordinate getting us where we are. We have proved that there is willingness to co-operate, that schemes can work and that it is possible to fund them, but we do not have a mechanism that makes them consistently and efficiently deliverable.

David Mundell: Is that not a strong argument for the Executive to fund partnerships directly, rather than use the proposed funding mechanism, which is effectively a form of requisitioning funds from local authorities? You will probably know that there is controversy over voting arrangements, which means that the proposed mechanism is likely not to be the smoothest. If we are going to have partnerships, should the Executive not directly fund them?

Gordon Dewar: I do not have strong feelings on how the funding works, as long as it is ring fenced and reliable. However, there is a huge amount of

value in retaining local input. Expecting the centre to understand the nuances of local priorities and conditions is probably asking a little too much.

There is no doubt that a regional understanding from transport professionals who know their patch well and who understand where the constraints are and the history will be a huge asset in ensuring that we do the right things at the right time. If we have project-by-project funding, to which you may be referring, we lose the ability to manage limited resources sensibly in a tight timeframe. I would be reluctant to lose that ability.

Continuity of staff resources and funding at a reasonable level that allows people genuinely to understand the transport network and the infrastructure with which they work adds value. How funding is secured for that group of knowledgeable individuals is not for me to comment on.

David Mundell: You touched on boundaries at the start. The committee has had much discussion of where Dumfries and Galloway will fit into arrangements. The area is in a rather unusual position in relation to your rail franchise, for example, as no trains that you operate stop at Lockerbie station, because they are not cross-border services. If Dumfries and Galloway Council was allowed to be in a partnership on its own, would that cause you difficulty?

Gordon Dewar: I have no strong view about boundaries, as long as they follow the rule that the areas should be big enough to allow sensible strategic projects for the region to be deliverable and yet small enough to achieve balance in Scotland as a whole, so that partnerships have a fair crack of the whip at being properly resourced and being represented at political and practical levels.

From my point of view as a rail operator, Dumfries and Galloway is a completely different market from the wider SPT area. We intend to have a separate forum to represent interests in Dumfries and Galloway. The partnership of which that area needs to be part is a matter for other people. It is important to have the scale reasonably well balanced, to avoid overemphasis on one or two partnerships. The scale must be such that all members feel that they have a chance to have their views heard.

Dr Sylvia Jackson (Stirling) (Lab): I will ask about buses and utilities road works, which keep cropping up. Your submission says that you

"welcome the proposals on the enhanced management of roadworks contained within the Bill where poor quality and badly managed roadworks represent a very significant cause of delay that impacts disproportionately on bus services."

Will you elaborate on the changes that you would like to be made to road works provisions?

Gordon Dewar: It is worth expanding on why the impact on bus services is disproportionate. The effective work-around on road works is to advertise planned road works and diversionary works. People respond to conditions, which we all know can be unpredictable. The most knowledgeable transport planner sometimes gets wrong the implications of road works.

Unfortunately, as a bus operator, we have fixed routes and fixed diversions, so we depend wholly on others to manage the process. A car driver can decide to travel at a different time of day or to take a different route, and can respond tomorrow to what he found today after trying a route that he thought would work but which did not. The options that are open to car drivers are not so open to public transport. We are hit hard by such problems.

Our big road works issues are the proportion of roads that are reinstated to a poor quality and which require reworking, and the lack of co-ordination of repeat road works when two utilities companies enter an area one after the other without any thought about co-ordination. Another problem is the total lack of incentive to complete projects on time. The implications of delays, overruns and poor on-street management do not seem to be understood.

A cursory look at road works on streets around Scotland will show that, often, they do not need to be operated in the peak hours during the morning rush, when the implications can be far greater than they would be an hour later. Often, people carelessly and unnecessarily park works vans in areas that are constrained by the loss of lanes and signals. We need to set far higher standards for utilities companies and their contractors to require them to take responsibility for the implications of their work. The most profound measure that we could take, which would be the easiest one to police if we could get it right, would be to ensure that if reinstatements are substandard, compensation and probably a penalty for causing unnecessary problems would be paid.

Dr Jackson: I assume that you are talking about compensation for bus companies, but we have heard a suggestion that compensation should be paid to the local authority if an inspection must take place. What is your view on the payment of compensation to different bodies?

Gordon Dewar: I do not think that it is necessary to pass compensation on to the road user. There should be an incentive regime that prevents problems from arising in the first place, by ensuring that utilities companies manage their work so that they never have to pay a fine or

compensation. I suspect that that would be sufficient payback for most road users and operators. We should incentivise companies to manage their work properly in the first place.

It would not be for us to determine the details of how compensation would be paid or how administrative charges would be funded in such a regime; such issues would need to be worked out among the utilities companies, the local authorities and the Scottish Executive. It is absolutely clear that the current system is unbelievably inefficient, because there is no recognition of the implications of failure to do a job properly in the first place. I cannot think of many industries in which such laxness would be acceptable—certainly not when the implications are passed on to third parties as visibly as in situations such as we are discussing.

Dr Jackson: You stressed the importance of RTPs in bringing people together. Could the issue about road works and the utilities be addressed at regional level? I acknowledge that a national solution is important, but that might not happen overnight and a more local approach might be needed. RTPs might provide a useful forum in that context.

Gordon Dewar: A national scheme must identify the duties of the utilities companies and their contractors and should set out reasonable management techniques for the incentive regime, so that there is a fair and even situation throughout Scotland and the utilities can be clear about what is expected of them. It would not be right if completely different management techniques were used on different sides of a geographical boundary. However, work with utilities and contractors to minimise day-to-day management issues is very much a local matter that relies on local transport professionals' knowledge and on there being understanding of local issues.

The approach should also consider the importance of the utilities' work and the speed at which it must be delivered—we do not forget that the utilities carry out essential works that often deliver major benefits. Work with the utilities on the management and monitoring of their work to minimise disruption should take place at regional level. In that context, management of the roads network and the public transport networks would be of use, so there would be a good fit.

Bruce Crawford: I think that we all acknowledge that the current process is inefficient. However, at the committee's meeting two weeks ago, civil servants told us that the Scottish road works commissioner's office will in effect be two men and a dog—the size of the operation will be such that very few people will be monitoring the process. If that is the case, is the establishment of a Scottish road works commissioner worth the

effort? Would it be better to give local authorities and the utilities a statutory responsibility to work together to put together the Scottish road works register, instead of adding another layer of administration?

Gordon Dewar: I am probably not best equipped to comment on how we deal with management of the process. The key principles are that there should be an incentive regime and a realistic checking procedure, which is properly resourced to ensure that the regime is rigidly adhered to. We can consider whether one organisational structure would do that better than another, but the procedures can be made to work.

The important thing is that enabling powers are in place—as long as we are realistic about how we will manage things and as long as we understand the scale of the task, understand what a sensible sampling regime will be and understand that a sensible administrative scheme will be one that works efficiently and at relatively low cost. All those considerations will be important, although it is probably not for me to say exactly what the best structure would be.

14:45

David Mundell: The congestion that bus operators experience does not depend on who is carrying out road works; the congestion when the works are carried out by a utility company will be the same as the congestion when the works are carried out by a local authority.

Gordon Dewar: Yes.

David Mundell: The point that I will eventually put to the minister is that, if minimising congestion is the aim, there is no point in having a different regime for utilities and local authorities. The impact of their road works is the same.

Gordon Dewar: The need to develop best practice—and to understand the implications of failure to follow best practice and to manage a site well—should be understood equally by local authorities, utilities and other contractors. In principle, I agree with the point that the same impact is felt regardless of who is digging up the road. However, a different management regime is required because of what motivates a local authority and what motivates a contractor or a utility company. A different administrative approach may be required, but the understanding of how and when we should manage a project should be consistent.

The Convener: We move now to the final part of the bill, on concessionary travel.

Tommy Sheridan (Glasgow) (SSP): First, I would like to touch on something that Gordon Dewar just said. You represent the largest

transport operator in Scotland, and you are keen on rigorous penalties for problems involving reinstatement of road works. Is that a fair comment?

Gordon Dewar: We would like an incentive regime that imposed a duty of care and in which not carrying out that duty of care would have implications. We have no interest in having associated revenue streams or compensation; we are interested in roads being reinstated to a high quality and on time.

Tommy Sheridan: I just wanted that point to be clarified so that we can pursue it with the minister.

You say that you would welcome a national concessionary fares scheme. You go further by saying that the Welsh model offers an "excellent way forward". Why do you think that?

Gordon Dewar: First and foremost, in Wales there is one formula that is well understood by all local authorities and operators. The formula takes into account the number of people who travel because a journey is free, as opposed to the number who would have travelled if they had had to pay. The formula also includes the costs to operators of having to put in additional resources. There is compensation to take account of lost fares and an adjustment to take account of people who are now travelling who would not previously have travelled. Compensation is based on the average adult fare. The formula is realistic and covers operators' costs with a bit of a margin. Operators are therefore in a position to invest further, to gear up to carry people, and to ensure that the fleet is kept up to date.

In Scotland we have 16 schemes—there is a huge advantage in Wales because of the simplified administration. The same conditions can be offered to all passengers, as opposed to a geographically based offer being made that has boundaries and conditions that are different from what is on offer in other areas. I do not understand why it is reasonable to expect a pensioner in one local authority to receive a completely different offer from a pensioner in another area. I suspect that that is what is driving the legislation.

As with any product, it is important to be able to explain to customers the conditions that are attached to it. Customers have to know what to expect when they get on a bus, so that they can better enjoy the service that is being provided.

Tommy Sheridan: From what you say, I take it that you would support a non-time-limited scheme, similar to the Welsh scheme. One of my worries is that the Executive might still be considering an off-peak travel scheme. In Wales there is no time restriction, which helps with the simplicity of the Welsh scheme. As the largest operator in

Scotland, would you suggest that there is no requirement for a time-restricted scheme?

Gordon Dewar: Because of the importance of the morning and afternoon peaks, there would be a cost implication to making the travel scheme apply at all times; it would affect the number of buses that we need in the fleet to enable us to carry all the passengers. However, if compensation to the operator in terms of revenue lost was sufficient to cover that cost—as it is in Wales—and made investment in additional resources sensible, most operators, and certainly FirstGroup, would have no problem in offering that.

At the moment, however, we are carrying all the concessionary passengers under various schemes at a loss. Therefore, there is no prospect of our responding to an all-day travel scheme at those levels because the only way we could recover the money that would be lost would be to put other people's fares up, which would be nonsensical and would fly in the face of policies that are trying to encourage people to use public transport.

Tommy Sheridan: When you talk about simplicity and ticketing incentives and schemes, you seem to be suggesting that we could have a multimodal concessionary scheme that would operate not only on buses. Do you agree that the technology exists to enable us to develop a multimodal ticket for bus, train and ferry travel?

Gordon Dewar: There would need to be significant investment in the technology. However, we do not need technology to run free travel schemes, as there is no value in the token. That said, there is a significant challenge to our ability to implement a free scheme on trains. A free scheme generates twice as many customers as there are when everyone pays the full adult fare. Although it is easy to add capacity to bus routes, that is not the case with rail. There would be a significant problem in trying to accommodate the level of growth that would result if rail travel were free. It is more difficult to introduce additional capacity into the rail system than it is to do so into the bus system because of the infrastructure and rolling-stock implications. We can go out and buy hundreds of buses over the next three years, but we cannot go out and buy lots more railway in the next three years.

Tommy Sheridan: As you are the new operator of the ScotRail franchise, I hope that you will accept that you have not been able to deal with the overcrowding problems in Scotland's busiest networks and that, often, you supply far too few carriages for those networks at peak times and far too many carriages at off-peak times, when you operate with empty carriages. Do you think that there is a role for you, as the manager of this mode of transport, to try to get that balance right?

The Convener: I am not sure that that is entirely related to the Transport (Scotland) Bill.

Tommy Sheridan: It probably is not, but given the amount of times in the morning and night that I get it in the ear from people who have to stand for entire journeys, I felt that I had to take the opportunity to raise the issue with Gordon Dewar.

Gordon Dewar: I will be happy to go through those points after the meeting.

Tommy Sheridan: Okay.

As a result of the Welsh Government's ability to accommodate a free and non-time-restricted scheme, there was a massive increase in journeys taken. The report that we have seen tells us that that was dealt with consensually by the industry, the Government and the users. Do you, as the largest transport operator in Scotland, believe that a similarly consensual and positive scheme could be developed in Scotland?

Gordon Dewar: In relation to buses, we could do exactly what Wales is doing, as long as the funding was in place and we had a sensible administration scheme that would let that happen efficiently.

Paul Martin: You have stressed continually the need for the scheme to be appropriately funded. There are a number of companies that provide support to the elderly in various forms—for example, some do-it-yourself stores provide subsidies to the elderly. Why should not operators such as FirstGroup take a hit with regard to providing help in relation to elderly people's social need? Why should the Government have to fund a multimillion pound company that already receives substantial subsidies?

Gordon Dewar: There are a number of points to make. First, bus operations are not substantially subsidised—that is simply not true. About 5 per cent of our total income, other than from concessionary fares, comes through such things as tendered network. The subsidy of concessions is not a subsidy to the public transport operators, but to passengers, for example those who travel for free.

You referred to the DIY stores of the world. DIY stores cut their margins—they do not sell at a loss. Currently, we are carrying every passenger under the free concession scheme at a loss; I am not aware of any commercial company that would consider that to be a sustainable option. That means that we can recover a sustainable position—as any viable business must—only by overcharging on other fares. We have avoided doing so to date, but we have lived with the problem for two years and the situation is not sustainable. It is absolutely essential to put the free concessionary scheme on a sensible footing

that will allow us to continue to invest to improve quality and expand the public transport network, which we have been doing. We are hugely ambitious to do that, but we cannot do it if there is no return.

Paul Martin: Do you accept that things are not as simple as you say they are? There will be times when you will run buses when you would be running them anyway and concessionary fares fill buses during those periods. It would be difficult to quantify the loss that you have mentioned.

Gordon Dewar: We have quantified it and have given evidence to the Scottish Executive and our local authority partners. About 15 per cent of all our passengers are passengers only because there is a free-fares scheme. Also, to say that we would be running buses anyway is simply not true. If 15 per cent of my passengers vanished overnight—which they would do if we abolished the concessionary scheme—we would no longer run 1,000 buses in Glasgow, 400 buses in east Scotland and 250 buses in Aberdeen.

Paul Martin: Perhaps there could be independent scrutiny of the issue.

Gordon Dewar: Information is on the record with the Convention of Scottish Local Authorities and the Scottish Executive, and through a number of papers that I have given at conferences.

The Convener: I thank Gordon Dewar for giving evidence.

I welcome our second panel, which is made up solely of Gavin Scott, who is the policy manager for the Freight Transport Association. I thank you for coming to the meeting and for the advance paper that you have submitted. I invite you to speak to that paper—if you want to do so—before we move to questions.

Gavin Scott (Freight Transport Association Ltd): There is not much that I want to add to the paper. Perhaps we could explore parts of it in more depth later. I reiterate the fact that the Freight Transport Association is a multimodal organisation. The vast majority of our work is road based, but we are certainly interested in other modes, too, although not in passengers.

The Convener: How well does the freight transport industry interact with the existing voluntary partnerships around Scotland? How could that interaction be improved or developed and greater cognisance be taken of the views of the freight transport industry in developing transport strategies?

Gavin Scott: I suppose that we have had mixed meetings with the various partnerships. We have a strong link with the north-east Scotland transport partnership, as we have a freight quality partnership that is based in Aberdeenshire, which

has helped the work with NESTRANS. We exchange minutes with the Highlands and Islands strategic transport partnership—that is about the size of it—and we have had various meetings with it. We keep in touch with some members of such organisations, probably more on a personal basis than on a formal basis. We are in touch with SESTRAN and WESTRANS, but do not deal with them in any great depth.

15:00

The Convener: Looking to the future, what are your views on how the regional transport partnerships that are proposed would best interact with the freight transport industry? Do you agree with Mr Ewing that the freight transport industry should have representatives as partners in those organisations?

Gavin Scott: The proposals deal only with the movement of people. Why that should be, I do not know. It does not matter where we go, we deal with movement of people. As far as the vast majority is concerned, transport is about people. Transport is not in my opinion given the profile that it deserves, probably because it does not have a vote. The problem that we have is that when the word transport is used, people immediately think of buses and trains, and the movement of self-loading freight—as I sometimes call people—rather than the movement of goods and services. I hope that if the transport partnerships are set up, they will include representation from the freight side, merely to act as a brake—if nothing else—on some of the potential excesses if the partnerships concentrate purely on transporting people.

The Convener: What do you mean by “potential excesses”?

Gavin Scott: When we consider the movement of people, there are many things that can be done that are not in the best interests of movers of goods. Gordon Dewar talked about bus quality partnerships. They are fine, but every time we put in a bus corridor we take away road space from other road users; the road users that I talk about are the freight interests. Here in Edinburgh we are just about to open the Straiton to Ocean Terminal bus corridor, which will take a lot of space from other road users. We can say that we do not give a damn and that car drivers can do what they like, but we have to remember that the vast majority of goods in this country are moved by road, and that the shops need to get the goods so that the shoppers who are coming on those quality bus corridors can buy them when they get to the shops. That is the problem. There is the potential for a dilemma, and there exists the potential that if the partnerships deal purely with the movement of people, there will be a downside for the freight industry.

The Convener: You said, quite correctly, that the vast majority of freight is transported by road. Do you think that the proposed national transport agency and the regional partnerships will be able to develop further the amount of freight that is transported by rail or sea?

Gavin Scott: There is potential for that. We have achieved a lot in Scotland over the past few years in respect of movement of goods by rail—especially—and by water. Water freight is one area in which we can make fantastic savings, for example by shifting stuff from Campbeltown to Ayr, rather than moving it all the way by road. That is a perfect example of something that can be done by modal shift. However, the problem is that modal shift is limited, mainly in that it is good for long distances, although one organisation is considering the possibility that moving freight from Grangemouth to Hunterston might be economically viable by rail. Generally speaking, we are talking about bulk goods.

The vast majority of goods in this country move very small distances—the average distance is about 50km or 30 miles. Such distances will never be viable by rail, except in particularly specialised merry-go-round trains that shift aggregates over short distances, which means that the vast majority of goods will for the foreseeable future be moved by road, particularly in urban areas.

Michael McMahon (Hamilton North and Bellshill) (Lab): I represent the Bellshill area and I am sure that you will be aware of the problems relating to the A725 Bellshill bypass, which has Shawhead junction at one end and Raith interchange at the other. That area has been identified as an area of major road distribution and many companies have set up at Righead industrial estate, Strathclyde business park and Motherwell food park specifically because of the road network in that area. However, I am constantly speaking to companies in that area that have never had any discussions with either the local authority or the Scottish Executive about what is required in order to establish better transport for the public in the area. Obviously, the nearby Eurofreight terminal is specifically located in the area in order to take freight from road on to rail. Do you feel frustrated that the bill might have missed the opportunity to bring an organisation such as the Freight Transport Association into the regional transport partnerships?

Gavin Scott: You say that the companies there do not get in touch with the local authorities. We see our role as being to represent those companies in contacts with local authorities and the Scottish Executive. You will be aware of the policy document that we produced in June and the trade routes document that we produced for road and rail. Our members identified the contents of

those documents as being the needs of the transport community.

We need to say where we want to be in 20 years' time. Various people will have various suggestions as to how we might get there, but we need to agree on the vision. The transport partnerships offer the possibility of doing something along the lines of what we have suggested. When we first discussed how many transport partnerships there should be, we said that there should be only one because travel-to-work areas are not relevant to goods transport. However, that is a freight pipe dream. I can see the arguments for having more than one partnership in relation to the movement of people.

Bruce Crawford: Your written submission says:

"The proposed boundaries of the RTPs are based, once again, on the travel patterns of people".

However, if most of the journeys involving the transportation of goods are less than 30 miles and most of them are done in urban areas, how is that different from travel-to-work areas?

Gavin Scott: It is true to say that the movement of goods in the urban areas tends to be over short distances. When we are talking about the average 30-mile journey, we are including refuse collection vehicles, for example, which make 5-mile journeys. Obviously, some journeys are much longer than that. Most supermarkets, including those in Inverness and Aberdeen, are served from the central belt—from the very places that Mr McMahon was just talking about. Everything comes from that M8 corridor, from where goods are transported right up to Stornoway, Lerwick and Shetland.

Bruce Crawford: I understand that, but I am still trying to unpick exactly how we can best help the freight industry. You have said that most of the journeys that involve the transportation of goods—whether they involve a refuse wagon or a joiner's van—will take place within the travel-to-work area. It is quite important to establish that if we are trying to find a way to help the freight industry. I think that you are talking about how to get the freight industry much more involved in the national plan on how we deliver throughout the whole of Scotland. I would like to know how that can be done better, how the industry can be better involved and how the new transport agency might allow you to participate much more in developing that national plan.

Gavin Scott: I take your point about a lot of journeys being made in the travel-to-work area. We could probably play a role in that context with the transport partnerships—I would certainly not like to take my bat and ball away and say that the partnerships have nothing to do with us because we do not think that there is the right number of

them. We would certainly want to be involved with such things. The business community and the logistics community—whether it is the Freight Transport Association or other bodies such as the chambers of commerce—need to get involved with the partnerships. We are talking about the infrastructure that we all want to use and there are differences—although this does not sound sensible—between what the passenger-carrying industry and the goods-carrying industry see as an ideal. There must be a compromise between the two.

Fergus Ewing: I hope that most of us recognise the essential role that heavy goods vehicles play. Some MSPs seem to be very much against freight, as if it is a sort of original sin. Admittedly, some of those MSPs are in the Green party and have not shown a particular interest in turning up to the committee yet.

On the problems that the freight industry faces, am I right in saying that there is an immediate problem with the working time directive, which will be the subject of statutory instruments that are about to be introduced fairly quickly, although you do not know what they involve?

Gavin Scott: We have the draft instrument now.

Fergus Ewing: Secondly, in the longer term, the iceberg on the marine horizon is the introduction of lorry road-user charging as a pilot. Charging would affect lorries but not cars, for some reason. You should feel free to mention other problems, but I mention those two matters because, with respect to the bill, the ministers have a proposed national function and you call for a national strategy. You also seek representation—or at least to be heard in some way—in the regional transport partnerships. What do you and representative colleagues in the Road Haulage Association want most? Do you want a national strategy or a place in the regional transport partnerships, or will both be required to ensure that haulage interests are not overlooked? To me, that seems to be an extreme danger from the bill and the apparatus that it proposes to create.

Gavin Scott: Let us have everything. If regional transport partnerships are to be set up, we will certainly look for representation of the movement-of-goods industry on them. However, we would like to see a national freight strategy for Scotland. We have done a lot of work in other parts of the country on freight strategies, such as for the north-east and north-west of England, and we would certainly like to look towards a national freight strategy for Scotland. To a certain extent, we are talking about a national transport strategy for Scotland, and we should put freight within that strategy.

You mentioned problems that are on the horizon. Several bits and pieces are coming up. On the working time directive, if the regulations stay in their current format and are not changed to any great extent, things might not be as bad as we thought they would be come 25 March next year. However, we have another problem, which perhaps impinges on the evidence. The European Union is currently considering a redraft of the drivers' hours rules. In its current format, it is likely to take away the exemption for highway maintenance operators, so they would not have the facility that they currently have to work, in effect, for seven days a week, if that is necessary. Workers would say on Friday night at 5 o'clock, "That's us for the weekend, guv. We've got to have our 45-hour weekend break." If we cannot get that exemption put back into the legislation, a problem might arise.

On lorry road-user charging, again we have the potential for some problems, particularly in relation to Scotland. What the Treasury and HM Customs and Excise want to do is not clear. We hear all sorts of wheezes and buzzes, but I do not think that they are clear about it. One of the indications that we have had is that there will be differential charges depending on what road one is using. Therefore, when we get the whole scheme in all its beauty, motorways will be cheapest, to encourage us to use motorways, and urban roads will be the most expensive. We are all well aware that there are no motorways north of Stirling and that it is all trunk roads from there. If lorry road-user charging comes in on the basis of differential charging, we shall be arguing strongly that trunk roads in Scotland should be treated as motorways as far as the charging regime is concerned.

15:15

Fergus Ewing: As far as it is possible to glean what the Department for Transport is proposing, it does not seem to be arguing for that. It seems to be proposing simply that motorways should have the lowest charges, but the fact is that Scotland has the lowest number of motorways.

The Convener: I would like to encourage us to go back to issues relating to the Transport (Scotland) Bill rather than Westminster issues.

Fergus Ewing: I was thinking of section 12 of the bill, which gives Scottish ministers powers to bring forward a national strategy. I thought that, as we have Mr Scott here, we should give him an opportunity to explain some of the problems that might be faced in that regard. However, I appreciate that that is not directly relevant to the bill. It might be in the future, though.

Mr Scott, do you think that regional transport partnerships should consider all modes of

transport or that their role should be restricted? What functions should they have?

Gavin Scott: It is funny that everything that the Executive produces on the subject of transport seems to be about people and roads. There seems to be little effort being put into an examination of the other modes, such as train and ferry. It seems stupid that a regional transport partnership in the Highlands and Islands would not deal with ferries and the few train services that there are in the area as well as road usage.

Similarly, given that people are talking about the possibility of having fast ferries across the Forth from Kirkcaldy to Granton, it would seem stupid for a regional transport partnership not to have some influence over that sort of service.

David Mundell: I fall into one of the categories that Fergus Ewing was talking about in that I am supportive of the freight industry. However, I would be interested to know what you would like to contribute to discussions in the regional transport partnership and what conflict issues you think might arise as a result of a distinctive contribution being made by the freight industry.

Gavin Scott: In the first instance, we would like to have a watching brief. Almost inevitably, the transport partnerships will concentrate on the movement of people. That is axiomatic. Therefore, we would like to ensure that, when people formulate policies, they do not forget the people who move goods and, instead, take a step back and ask what effect the policies will have on the logistics industry.

In a similar way to what we envision in that regard, we have representation on the Caledonian MacBrayne shipping service advisory committees. The vast majority of the work that those committees do relates to passenger movement, but the logistics industry needs to have an input into the committees so that someone can make them step back and think about the effect that, for example, certain timetable changes might have on the industry.

We would hope to act as a moderating influence rather than as a force that pushes forward the freight industry's point of view.

David Mundell: Would there be any scope for a discussion on a regional level of, for example, agreed routes?

Gavin Scott: Again, we have been involved in that sort of thing, in connection to the timber transport routing work that is being done in the south-west and in Perth and Stirlingshire. If industry can get involved in discussions on areas like that, we can help.

The ideal would be that anybody could drive anywhere they like and take anything anywhere.

However, we have to be sensible and accept that we cannot just keep on doing that for ever. We have to be much more sensible and say that we will move goods only on roads that are suitable for moving them. Sometimes, we might want to use a particular route because it is a service road or something but, increasingly, the industry is prepared to accept voluntary routing of vehicles, in the first instance. As I said, we have been doing a lot of work in that regard. South of the border, where there are many freight quality partnerships, as we call them—in Scotland, we have only one, in Aberdeen and Aberdeenshire—much work is being done on lorry routing and the production of maps of those routes. That is something that we could work towards with the transport partnerships in Scotland.

Dr Jackson: I do not think that anyone disagrees that the national freight strategy needs a more Scottish focus and, having been involved with some of the timber transport meetings in Stirling, I know that a lot of work has been done in that regard already. Obviously, however, there is a lot of work still to be done. What other work have members of your association done to get a more co-ordinated vision?

Gavin Scott: There is still a lot of work to be done. The problem that we have is that, although all of our members are involved to a greater or lesser extent in the moving of goods, they are a disparate bunch of people and organisations, ranging from the joiner with bits and pieces in his van to Exel, which is the biggest logistics company in the world. The problems that they have are extremely different and the problem that we, as the organisation that represents them, face is trying to bring together all the needs of those people.

As I said, in England, my colleagues have been working on freight strategies for the Government office areas, which follow a sort of natural boundary. It would be our ambition to do something similar for Scotland. Of course, it would not just be us; we would have to involve bodies such as the various chambers of commerce, the Confederation of British Industry, the local authorities and, where appropriate, the Scottish Executive—I ain't going to do it myself.

Dr Jackson: On road works, your written submission says:

"FTA understands that due to financial constraints less than ten per cent of reinstatements are inspected. Further works caused by poor reinstatement is a major cause of disruption."

It goes on to say that if the local authorities were permitted to recover 100 per cent of the inspection costs, that could prove to be an effective method of making them better in the first place. Could you elaborate on that point?

Secondly, your submission states that it would be good for various local authorities to come together to co-ordinate road works. Given that that involves cross-boundary working by local authorities, would that be one of the jobs for the regional transport partnerships?

Gavin Scott: I would certainly hope so. The problem is that each proposed regional transport partnership would share a boundary with another RTP, so there would have to be co-ordination in some cases. The last thing that we need, for example, is for Kincardine bridge to be closed for painting when the A8000 is being upgraded. However, that area comes under SESTRAN, so I hope that such a scenario would not happen. You will get the drift of what I am trying to say, though.

We need co-ordination when work is being carried out on roads, to ensure that there is as little disruption as possible to traffic flow. In the past, when roads have been blocked to allow work to be done on them, natural alternative routes have been closed at the same time, for whatever reason, which has caused massive disruption. It was known in advance, in such cases, that a route would be blocked—there was no emergency situation. There must be co-ordination to avoid such cases happening.

No doubt, people think that they are doing that kind of work as well as they can, but there must be much more co-ordination between local authorities when they allow roads to be dug up. Similarly, the utility companies must co-operate when they plan to dig up a road so that we do not get situations like the one on Old Dalkeith Road in Edinburgh many years ago, when some part of the road or another was being dug up over a 10-year period. They would get to the bottom of the road, then start at the top again and dig up the same trench. The joke went round that the foreman had lost his lighter and they were looking for it.

Dr Jackson: You suggest in your written submission that local authorities could claim for 100 per cent of the cost of inspecting road reinstatements. Do you have ideas for any other measures?

Gavin Scott: That suggestion arose from the fact that less than 10 per cent of reinstatements are inspected—one of my colleagues got that figure for me—so there is a fair chance that many bad reinstatements will be overlooked. There must be a better way of operating than inspecting less than 10 per cent of the reinstatements. For example, local authorities could do reinstatements and charge contractors for that, or local authorities could do proper inspections of reinstatements and recover the cost of doing that from contractors. I am not qualified to say whether it should be one or the other, but there must be a better system than the current one, in which only one in 10

reinstatements of roads that have been dug up is properly inspected by a roads engineer.

Michael McMahon: On the idea of utility companies co-ordinating their work, I have spoken to utility companies about that and they hold up as an example a road work that was conducted in the centre of London near Buckingham Palace. The utility companies agreed to dig one hole and to do their repair work at different times. However, the problem is that utility companies work at different levels in a road because gas pipes are at one level, electricity cables are above that and so on. Although the authorities in London gave that work an award, the utility companies found the work problematic because the road remained dug up for much longer than it would have been if the companies had done their repairs at different times of the year. Have you heard of arguments along similar lines?

Gavin Scott: I am aware of that example. The question is whether it is better for utility companies to dig up a road at three separate times or to do one big job together. That question would need a bit of working on to decide what kind of working would cause the least disruption. I do not know whether it would be less disruptive if, for example, there was three months between each utility company working for a week in a particular road, or whether it would be better if all the companies worked in the same road for a solid month.

There must be forward planning when utility companies want to do work that will disrupt roads. There are situations in which a company says, "Here is my 10 days' notice that I am going to dig up the road, Mr Local Authority, thank you very much," then off he goes, dig, dig, dig. Two weeks after he has patted down his lump of tar on top of the filled-in hole, the next utility company comes along and says, "Here's my 10 days' notice, Mr Local Authority." There must be forward planning for such work. Emergencies are obviously a different matter, but there must be a way of co-ordinating utility companies' planned work in roads. It might cause less congestion if utility companies did such work at separate times. However, somebody should be able to work out the best way of doing it and that is what we should work towards.

15:30

The Convener: That brings us to the end of the questions for you, Mr Scott. Thank you for your evidence. We will move on to the third panel.

I welcome to the meeting representatives of the Rail Passengers Committee Scotland, particularly Robert Samson, the director, and James King, a member of the RPC. The committee has given us a written submission, but I invite Robert Samson

to make introductory remarks before we move into question and answer mode.

Robert Samson (Rail Passengers Committee Scotland and Caledonian MacBrayne Users Committee): I thank the committee for the opportunity to give evidence.

There is not a great deal to add to our written submission. However, the bill's explanatory notes refer to the need to get business involvement in the proposed regional transport partnerships. There must be recognition that, as well as getting the business, tourism and freight sectors involved in the RTPs, there should be a mechanism for the RTPs to capture the passenger voice. We are concerned that the RTPs might get a bit unwieldy because everybody wants to be part of them in one form or another. It would be difficult for us, as a consumer organisation, to be part of an RTP while at the same time standing back from it and commenting on it. Therefore, we want a mechanism that would allow us to engage with RTPs in the future.

Bruce Crawford: Your written evidence shows that you feel that HITRANS, NESTRANS, SESTRAN and WESTRANS do a good job, despite being inadequately funded. If those non-statutory bodies do a good job, how could the proposed RTPs take on their work more successfully, given that the bill states that councils would take part in the process only "so far as possible"? How would the RTPs improve matters?

James King (Rail Passengers Committee Scotland and Caledonian MacBrayne Users Committee): The proposed strategic set-up would have three advantages over the current largely voluntary set-up. First, the proposed RTPs would have a greater engagement with their various user communities and would allow for a better articulation of such communities' needs.

Secondly, RTPs would be able to engage in more regionalised experiments that could lead to best practice. We are bringing out a report next week on an experiment that we undertook in relation to the Executive's choose another way campaign. In co-operation with ScotRail, we gave 10 car drivers free rail season tickets and encouraged them to keep diaries for a month on their experiences of journeying by rail. Five months later we went back to look at what had happened to their mode of transport. We discovered that seven out of the 10 had transferred to rail, largely because they were now previously aware of its benefits, and that another two were potentially going to transfer to rail. The conclusion that we drew from that was that, by encouraging a sustained trial, modal shift can be achieved and we can get commuters out of their cars. That is exactly the kind of experiment that a regional transport partnership could encourage.

The third point, if I have not already mentioned it, is that passengers and freight users would benefit from the sharing of best practice among the RTPs.

Bruce Crawford: Okay, engagement, sharing best practice and running pilots are all good things that the RTPs could do, but what would happen if the local authority were to invoke its powers under section 8(1) and say, "Sorry, we're not giving you the cash"? Would the RTPs have the teeth to be able to make the changes that are required?

James King: We support the answer that Mr Dewar gave to that question. That is where the national strategic body comes into play.

Bruce Crawford: But the local authority still has an opt-out, because the bill says that it will partake of the RTP's activities "so far as possible". The organisations that you have already named in evidence—HITRANS and SESTRAN, for example—have done a job and the regional transport partnerships will take that job on a bit, but will they be effective enough? Will they have real teeth?

James King: We have not so far spoken about what is core here, which is the fact that what is in the interest of business, a local authority and passengers is usually largely the same. It is a matter of degrees of what can be achieved, so I perceive much more consensus on the RTPs than your question implies.

Fergus Ewing: I was interested to hear about the experiment that you mentioned, but regional transport partnerships are not necessary for us to be able to run such experiments.

James King: Indeed, but the experiment is an example—the only one that we have to hand—of an easily controlled, localised experiment that has led to considerable benefits.

Fergus Ewing: However, surely HITRANS, for example, could have done that.

James King: Yes. Earlier, Mr Mundell asked Mr Dewar to give an example of local authorities not working together, and I will answer that question. Cast your minds back to the consultation on strategic priorities for Scotland's railways. During that consultation, it fell to a local consumer pressure group—rail action group east of Scotland—to try to co-ordinate a common view from Scottish Borders Council, East Lothian Council and Midlothian Council on the strategic priorities for the east coast main line. There was no joined-up thinking between those local authorities, and that is exactly the kind of scenario that an RTP could address.

Fergus Ewing: I understand that, but you are answering not only another member's question, but another member's question to a different

witness, which is a novel and innovative approach to questions. You represent rail passengers, and although, as we heard from the self-same Mr Dewar, the regional transport partnerships will not be able to do very much about rail transport, you are ultra-enthusiastic about them, despite the fact that, as you have just said, HITRANS could carry out the experiment that you mentioned. That was one of the three reasons that you gave as to why you should support the partnerships, but they are not required for that, and you do not seem to be bothered by the evidence that we took in our meeting with local authority representatives from the Highlands and Islands—perhaps you are not aware of that evidence. I think that it was the councillor from Shetland Islands Council who argued that the local authorities will have to pay up to four times as much as they do currently because the funding is being requisitioned. If the local authorities have difficulty in coming up with the funding, will that not jeopardise the efficacy of the RTPs and would that not be a reason to oppose them, rather than give them a blank cheque as you seem to be doing?

James King: Robert Samson is rather more familiar with that evidence, so I will ask him to answer that question.

Robert Samson: You have rightly highlighted a potential problem. However, one of the frustrations for passengers is that there is a myriad of proposals for improvements, not only to railways but to bus services. As has been highlighted, one of the RTPs' core responsibilities—if not the only one—will be to produce a regional transport strategy, which will tie into the national transport strategy. Because there will be some form of prioritisation not only for a two or three-year period, but for a 10 or 15-year period, passengers will be able to draw down a menu and see when a certain improvement will come about. That is one way in which the regional transport partnerships will bring about improvements and be of benefit to passengers.

There are a number of projects of one form or another that have stalled for various reasons. For example, the redevelopment of the interchange at Markinch station in Fife has been going on for a number of years. The regional transport partnerships will, we hope, be able to engage proactively not only with the operator but with the railway infrastructure owner, Network Rail. The lack of such engagement is one of the major stumbling blocks. If passengers can see the menu and if, rather than fighting about the merits of one station or service over another, we can get some form of consensus on how to make progress, it will be far better than working on the small cycles on which we work at present.

You have rightly highlighted a problem, but we consider that to be a potential solution.

Fergus Ewing: You might be right about the long-term nature of the strategies that the RTPs will have to devise, but where in the bill does it say that they must be long-term strategies or, indeed, strategies of any specific duration? I cannot see anything in the bill that says that. If I have just missed it, I put my hands up and admit it, but if I am right, are you not assuming something that is not in the bill?

Robert Samson: You are correct that it is not specifically stated in the bill, but, from the lessons that we have learned over the past four or five years, it would be foolish for a strategy to cover only a small timescale. One of the arguments that we have made time and again when we have meetings with the Scottish Executive is that the problem with the railways is that, unlike with buses, there is a long lead-in time for projects. To deliver a project from inception to completion, we need continuity of funding, resources and operations. One way to achieve that is to have a long-term strategy, and we hope that the bill will encourage that, rather than short-termism.

Fergus Ewing: So if the strategy is not long term, you would not be so supportive.

Robert Samson: We would not be so supportive of regional transport partnerships or a national transport agency that only dealt in short-term strategies, because that would not be a solution for the railways.

Fergus Ewing: You would also not be so supportive if local authorities could not afford to participate in the RTPs.

Robert Samson: No, we would not.

The Convener: Given that many of the Executive's transport priorities and many of the projects to which it is committed are medium to long-term measures, not simply short-term fixes, would it not be reasonable to assume that the national transport agency would adopt that approach following ministers' lead and that the regional transport partnerships would do likewise?

Robert Samson: Yes, indeed. I could not view optimistically the creation of a national transport agency that considers only the short term, which obviously does not need legislation. That would defeat the purpose of what we have been trying to achieve in transport since the creation of the Parliament.

The Convener: It would be an unlikely development.

Robert Samson: Yes, it would be very unlikely.

Fergus Ewing: Do you want to be on the regional transport partnerships?

Robert Samson: That presents a problem. Next year, the Rail Passengers Committee Scotland will cease to exist. The Railways Bill that is going through the Westminster Parliament at the moment will dissolve the eight regional committees—there are six in England, one for Wales and one for Scotland—and replace them with a national rail passengers body. Apart from the fact there will be 14 committee members for the whole of Great Britain, the body's structure and size are still to be decided. There will be mechanisms for getting in touch with passengers by e-mail and over the internet, but those have still to be developed.

One other problem presents itself. We represent passengers on Caledonian MacBrayne ferries. From next year, once the Westminster Railways Bill is passed and the Rail Passengers Committee is dissolved, there will be no consumer organisation to represent Caledonian MacBrayne's passengers.

An opportunity might have been missed to take advantage of the fact that the Westminster Railways Bill and the Transport (Scotland) Bill are running in parallel. Railways account for only 4 per cent or 5 per cent of passengers. However, there are buses, ferries and internal flights from the islands. It would be possible to have separate bodies representing passengers on all those forms of transport—which is the case at the moment, with the National Federation of Bus Users and so on—or we could have an all-embracing public body that represents the interests of all public transport users. I believe that such a body would be better able to demand a seat at the table. I think that a trick has been missed.

15:45

Fergus Ewing: However, perhaps the trick can be recovered in an amendment at stage 2, when it might be competent to introduce such a measure.

Robert Samson: Indeed. I was just planting a seed in your minds just now.

Fergus Ewing: The decision about whether we can do that at stage 2 lies with the convener, who has sole discretion. The power lies at that end of the table.

The Convener: We will see whatever ingenious amendment you come up with, Mr Ewing, and consider it at that time.

Fergus Ewing asked about what influence over the rail industry the regional transport partnerships will have. It is possible that they could perform the role of promoters of pieces of new railway infrastructure. For example, the smallest mainland local authority was the main promoter of the Stirling-Alloa-Kincardine line. It might be more

appropriate for the regional transport partnerships to promote that sort of development with support from the Government, through the national agency. Do you agree?

James King: Yes. For example, the Airdrie to Bathgate line would embrace west and east regional transport partnerships. The Executive has the laudable objective of having that route reopened. However, in relation to service provision on that route, it might be that the regional transport partnerships have a better understanding of passengers' needs at each end of the line.

As my colleague has acknowledged, rolling-stock and other infrastructure has a long lifespan. Scotland's rail passenger numbers are growing and if the current regime exists when that line is reopened—and it might take longer for it to reopen under the current regime—there might not be sufficiently strategic thinking on rolling-stock provision and destinations served. For example, the Airdrie to Bathgate line is being thought of as an alternative Glasgow to Edinburgh route, but there is a rolling-stock requirement for the Edinburgh to North Berwick route, there is a rolling-stock requirement in Glasgow to replace the ScotRail class 314 trains in the not-too-distant future and there is a greater need than ever before for through journeys. Perhaps, working together, the regional transport partnerships could devise a scheme to provide a better North Berwick to Helensburgh service and, therefore, provide greater financial justification for a new fleet of higher-specification trains.

That is the kind of thinking that we expect to come out of the regional transport partnerships, underneath a strategic overview set by the Executive.

Robert Samson: There is another example. Regional transport partnerships in Aberdeen and Inverness could promote the infrastructure improvements that are needed on the rail line between those cities in order to increase the train frequency and reduce the journey times.

Bruce Crawford: The problem with what you have been suggesting in your useful answers to the convener's question is that we do not know what the regional transport partnerships are going to do because a great deal of power is being given to Scottish ministers to say by order what the partnerships will do. That is concerning because we will not be able to scrutinise the orders, which will be either affirmative or negative statutory instruments, to the degree that we are able to scrutinise the bill. Would it be better for the Executive to bring forward to stage 2 an explanation of what the regional transport partnerships might undertake, so that we can get real discussion going about the shape of what is going to happen and the delivery mechanism?

Right now I do not think that anybody can say what the system will look like.

James King: Passengers would find it helpful if they could understand at an earlier stage than might otherwise be the case what the bodies might do.

Paul Martin: I want to ask you about your pilot programme. Seven out of 10 car commuters converted to other modes of transport, which is an impressive statistic. Can you explain why they converted to taking the train? You said that you made them aware of information of which they were not aware before.

James King: I am not sure that this is within the scope of your inquiry, but I will be brief. We discovered that many car commuters fell into the habit of car commuting within travel-to-work areas simply because they lacked knowledge of the rail infrastructure. We had 35-year-olds who were totally unfamiliar with trains. Once they were introduced to rail and they could compare their car journeys with their rail journeys, the perceptions of rail journeys that they got from media reports or friends were not borne out. What astonished us was that those on the rail side were often more punctual than those on the car side. A whole bunch of such findings came out of the report.

Paul Martin: It is impressive and, to be honest, hard to believe.

James King: It astonished us. The trial was conducted towards the end of the winter, which might have contributed to there being slower journeys than there would have been in the summer. However, the fact that those people transferred to rail and, five months later, during the summer, they were still on rail, is a powerful testament in relation to long-term sustained trials of rail versus road. We have to give people an incentive to transfer in the long term.

The Convener: I return to the issue of the rail powers that are changing. One of the issues that SPT has raised is the proposed transfer of rail franchise powers to Scottish ministers. Does the RPC have a view on that proposal?

Robert Samson: We have no particular view other than that SPT has provided the services over the years in a professional and passenger-oriented manner. The SPT evidence was that the region has the highest number of passengers commuting on the rail network in the morning and the evening outside London. SPT's stewardship of the rail network has been second to none. We only hope that that is not diluted by the transfer of powers. We know that in some quarters people envy SPT's record and we hope that ministers can replicate it Scotland-wide. SPT has provided a wonderful service for passengers over a long time.

The Convener: Thanks. We move on to questions on part 3 of the bill, which deals with concessionary fares.

Bruce Crawford: I am interested in a couple of aspects of your evidence. If I have understood your written evidence, you are calling for a degree of local flexibility in the implementation of a national concessionary fares scheme. Will you expand on how that might work and justify why a minimum standard would be acceptable? What are your views on introducing a concessionary scheme for those who are using ferry services to the islands? What benefits might it bring to your passengers?

James King: I am rereading the responses to the committee. There is a slight conflict between the two paragraphs to which you are referring. Our aim is to see a level playing field in a national concessionary fares scheme. At the moment passengers report enormous difficulties in crossing boundaries and understanding journey options. The operators sometimes have great difficulty applying the right discount. A national, level-playing-field concessionary fares scheme is in everybody's interests. That is our primary point.

Bruce Crawford: That clarifies your position.

On that point, though, do you think that a national concessionary scheme should apply to the railways as well? What is your view of off-peak issues and the Welsh model, under which the concessions are available at all times?

Robert Samson: I think that the scheme should apply across all modes of public transport. The Welsh model raises issues of capacity on the railway, which would have to be addressed by significant funding for new infrastructure and carriages and an improvement in the frequency of the services. There are a number of overcrowding hot spots in the network and increasing the number of passengers carried by rail would make journeys extremely stressful and more uncomfortable for passengers than they are just now. I am not trying to paint too black a picture of the railways, but some routes would become unsustainable in the long term. That means that, if you were to introduce a national concessionary fares scheme, you would also have to think about who would fund the on-going necessary infrastructure and rolling-stock improvements in the short, medium and long terms, which would have a significant cost.

James King: There is a parallel with the issue of taking bicycles on trains. It is commendable that the Executive's policy is to encourage people to use their bikes rather than cars. However, because of the constraints that have just been mentioned, the railway can take only so many bikes. That means that there is conflict on the

platform when passengers wish to use the transport but are unable to. The same could happen in relation to concessionary fares.

Bruce Crawford: Are you saying that a national concessionary fares scheme should be a long-term aim and that we should recognise that there will be difficulties in the short term?

James King: Yes.

The Convener: To some degree, your view mirrors that of Gordon Dewar, who talked about the problems that the rail industry would face if a free concessionary scheme were introduced at peak times. Do you think that there is scope for such a scheme to be introduced at off-peak times?

Robert Samson: Yes. The trains are running to timetables protected in the franchise for seven years. Rather than running some of the trains at one third of their capacity, we should have a concessionary fares scheme and run them at two thirds of their capacity.

Bruce Crawford: Of course, the Executive would say that all that has cost implications and that a balance must be found. Some people have suggested that one of the ways in which to strike that balance would be to have a half-fares scheme rather than a free scheme so that the savings that were made could be used to make the service available on trains as well. What do you think about that?

James King: Someone has to pay for the scheme. Mr Dewar's evidence made good sense in relation to where the pressure for payment comes from. We would generally favour some form of payment so that only those who needed to make the journey would make it and the operators would get some form of recompense.

Robert Samson: However, the payment would have to be at such a level that it was not restrictive.

Bruce Crawford: Because there would still have to be an incentive for people to use it.

Robert Samson: Yes, you have to strike a balance between, on one hand, encouraging those who are entitled to the concessionary fare to use the service and, on the other, charging to use it, which could be restrictive.

Bruce Crawford: Even if the concessionary fare was only a quarter of the full fare, it would still enable some resources to be diverted toward ensuring that there was some level of off-peak concessionary fares on trains.

James King: That would also encourage the train operating company to collect the fares. That ties into a wider view that we have about encouraging off-peak travel. Passengers want to travel at off-peak times but, sometimes, they do

not do so because of concerns—often incorrect—about safety. The more schemes that we can put in place to encourage off-peak travel and to encourage the operator to collect the revenue, the more uniformed people we will be able to have on trains to assure passengers of their security. As with other issues in the rail environment, the issue that we are discussing ties into a wider agenda.

Fergus Ewing: If you argue that a concessionary scheme for rail should include some element of payment rather than being free, should that principle not apply to the current proposed bus scheme?

James King: Yes, for the same reasons.

Fergus Ewing: So it would be better to have a scheme that did not provide free travel but which offered half fares or fares of some other proportion.

James King: Yes. The more consistent the scheme is, the more it will be used.

Fergus Ewing: It is safe to say that all parties represented here acknowledge that there is no magic pot of unlimited cash at the end of a rainbow. Parties that take that view are not represented here at the moment.

The Convener: There might be disagreement about that.

16:00

Fergus Ewing: I was trying to find consensus. We have a pot of £100 million or thereabouts. Would you, as rail passenger representatives, not be better arguing for—or indeed are you arguing for—a multimodal or omnimodal scheme whereby instead of bus passengers getting free travel, all passengers, including rail passengers, get half-fare travel? Would that not be better for the people whom you represent than having no extra concessions, which is what you appear to support in your paper?

James King: Rail and ferry passengers tell us that they want a common scheme that is simple to operate and which they understand. The level at which that is set is a matter for the Executive.

Fergus Ewing: Perhaps I did not put the point clearly. As I understand it, the Executive is offering a national concessionary scheme for senior citizens and those with a disability that will apply to buses, travel on which will be free. We do not know exactly what form the scheme will take, but travel will be free. I am asking whether for the same money—or perhaps less—it would be better, particularly for rail passengers, to provide half-fare travel on buses, ferries and trains than to provide free travel on buses to those who are entitled to it.

Robert Samson: There are advantages and disadvantages. Concessionary fares on the ferries would be advantageous to people living in island communities, because that is the main, if not the only, mode of transport by which to get to the mainland. The problem with off-peak travel on the railways is the cost of the rail fare against the bus fare, which is why trains are sometimes two thirds empty. Nine times out of 10 the bus fare is cheaper, so most people use the local bus service or the city bus service. For example, off peak, the trains from Motherwell to Glasgow are two-thirds empty, while the buses are full, because of the price difference. It is about trying to strike a balance. The problem in getting the concessionary fares on the railway the same as those on the buses permanently relates to infrastructure and rolling stock. Passengers using Caledonian MacBrayne ferry services tell us that they want to see a concessionary fares scheme not just on buses but on ferries.

Fergus Ewing: I am becoming increasingly puzzled about why you are not arguing for concessions for rail passengers, given that those are the people whom you represent. If the argument that the cheaper the bus the more incentive there is for rail passengers to transfer to bus applies now, in future such transfers will happen in spades. If everyone in the categories that I mentioned can travel by bus free, you will lose more customers. I am not attacking you in any way; I am just genuinely puzzled about why you are not knocking on the Executive's door and saying, "We want a concessionary scheme that benefits rail users. Would you not consider a multimodal scheme in which everybody gets the half fare, quarter fare or three-quarter fare, which would take the same amount of money as a scheme that applies just to buses or ferries?"

James King: That is what I was trying to say earlier—I obviously failed. We want a national scheme with fares at the same level for all modes, whether half fares, three-quarter fares or whatever.

Fergus Ewing: Would that be better than a scheme that was just for buses?

James King: It would seem so, because a bus scheme would encourage people on to the roads disproportionately.

Fergus Ewing: I think that we got there, convener.

The Convener: Sylvia, we touched on ferries. Do you want to ask anything else?

Dr Jackson: No, Bruce Crawford covered what I was going to ask.

The Convener: That brings us to the end of questions. I thank Robert Samson and James King.

We move on to our last witness for the afternoon. I welcome to the committee Neil Greig of the AA Motoring Trust.

Many thanks for the written submission that you made in advance of appearing before the committee. We give you the opportunity to highlight any of the points in it or add any supplementary points and we will then begin the questioning.

Neil Greig (AA Motoring Trust): Good afternoon, and thanks for inviting me to the committee. I have taken a tight interpretation of the invitation to talk about road works only, although we have views on matters such as regional transport partnerships. We do not have a remit to discuss the boundaries of regional transport partnerships, but we are supportive of the concept of a regional transport partnership that is focused on the customer and on delivering projects. You have been talking about long-term strategies, but we would prefer the regional transport partnerships to produce long-term delivery plans rather than long-term strategies. I will try to answer questions on regional transport partnerships as well as on road works, which are the main thrust of my written submission.

The Convener: Thank you for that. We will explore your views on regional transport partnerships, but I will leave that aside for the moment, because I know that Sylvia Jackson is keen to question you on road works and I do not think that she has long with us today.

Dr Jackson: You state in your submission:

"The new Commissioner can only be judged a success if drivers are aware of his activities and know who to contact to enforce the new regulations."

Will you encourage motorists to contact the new commissioner? Should the commissioner be proactive by promoting their services to motorists?

Neil Greig: Yes. The problem at the moment is that motorists do not know who is in charge of the road works that cause them problems. The road works are often short term, it is unclear who is running them and it is difficult to contact someone to find out what is going on and get something changed. Several freephone numbers for highlighting defects, such as the road and lighting faults service, or RALF, and the customer lighting and roads enquiry centre, or CLARENCE, have been in operation for many years, but they do not attract many people to use them, and it would be much easier if there was one simple way of reporting a bad set of road works and getting something done about it. If that could be clearly marked at the road works and advertised in some

form, it would be an easy way to interact with the consumer.

Dr Jackson: The Freight Transport Association has called for roads authorities to be able to recover 100 per cent of the reinstatement inspection costs. Would that aid the commissioner to enforce high standards of reinstatements?

Neil Greig: In an ideal world, there would be incentives for people to finish early and no fines. Everything should be finished on time to the right standard. It is a bit like speed cameras: the best speed camera never catches anyone, because everyone is driving past safely, not speeding and not having an accident. One of the problems that we have come across when we have spoken to local authorities is that they do not have the resources to get inspectors out to inspect the works—the FTA mentioned that local authorities inspect fewer than 10 per cent. The key issue for us is that the income from the fines should be channelled back into better inspection of road works so that, ultimately, the standards improve and the chances of being caught increase, because when a set of road works is in place for only a couple of hours, it might cause chaos on the roads, but by the time anyone gets there to inspect it, it is long gone and the problem is forgotten about. There is a strong requirement for more resources to go into inspections and, even though much more money is being spent on local authority road maintenance, I do not see any other source for the money to spend on inspections.

Dr Jackson: Your written evidence comments on the necessity for a practical relationship between the commissioner, the local authority enforcement inspectors and the utility companies. You state:

"It is not clear from the legislation exactly how this relationship will work."

Will you comment on the way in which the relationship should work and develop?

Neil Greig: It is clear from the bill that those who will go out to inspect the works will continue to work for the local authorities, but they will also be working with the road works commissioner, so unless they have a good relationship with the commissioner, who will take information from them and pass information out to them, the system will simply not work. Over many years with the Automobile Association—far too many, in fact—I have come across voluntary schemes to improve road works information. It is a complex area. I have seen some of the maps that show the layers of complex apparatus under the roads and know that, in many cases, councils and so on do not know what is there. If that information is not being distributed to someone who is working for another organisation, we will not get the full value out of

the register. It is great that people will be statutorily required to use the register, which we hope will work better than the voluntary arrangements, and that we have the computing power to present the information graphically and so on, but if the people who are sent out to inspect the road works do not have that information, they cannot put that information into action.

I agree that we should have a Scottish road works commissioner—a leader who can take responsibility for standards and can oversee the register—but it is important that they work with the 32 local authorities that will be implementing the good practice that he is trying to encourage.

Dr Jackson: Where do you think that the regional transport partnerships come into this?

Neil Greig: They could be a useful forum for talking about road works. I have not thought about the regional transport partnerships in terms of road works. I had thought about them more in terms of the bigger projects.

Fergus Ewing: On the Scottish road works commissioner, I have read your written submission and heard what you have got to say. Am I right in saying that the AA is not signing a blank cheque for support of the road works commissioner or the proposals in part 2 of the bill and that that support depends on a number of factors? Is that a fair summation of your paper?

Neil Greig: The detail of the targets that are set for the commissioner will be all-important to us. If those are customer-driven targets, such as reducing the amount of time wasted at road works, rather than simply targets for the number of fixed penalties issued, for example, that would go a long way towards allowing us to say that we think that it is a good idea.

The problem with most initiatives in the past was that they all took place in the industry and nobody knew about them unless they were interested in that area of activity. People would have to make an effort to find out what the joint utilities group or the monitoring of local authority safety schemes initiative was about.

Fergus Ewing: Where in the bill does it provide for the setting of targets or the achievement of what you say is necessary for it to succeed?

Neil Greig: The bill does not do that.

Fergus Ewing: It does not, does it?

In your submission, you said that local authorities must have the resources to be able to undertake the necessary monitoring, supervising, checking and so on. I gather that, at present, that is done by the councils on their own rather than in conjunction with the utilities. The bill does not propose any changes to the level of resources; it

simply provides for the establishment of a road works commissioner, or road works tsar. However, he will be a tsar without a Russian army. He will have only a wee office and £200,000. Rasputin will be at the gates and he will be inside with a handful of staff.

According to your paper, the commissioner will have to

“work at a practical level with local authority enforcement inspectors”.

How many inspectors are there in Scotland?

Neil Greig: I do not know. Information is quite difficult to find on specific budgets for reinstatements of road works in particular. Even in the consultation document, the information on exactly how many works are going on was fairly scant.

There is an obvious trend at the moment to spend more on roads maintenance, which we welcome. Recent reports by Audit Scotland show the parlous state of local authority roads. In my submission, I have tried to say that local authorities cannot spend more money on roads maintenance if they do not have tight control on people digging up those roads the week after.

In nearly every area involving transport, resources are the key issue, even for the regional transport partnerships. Having one's own income gives one a degree of independence and the ability to work in a long-term manner. We would be keen for the fines income that arises from the bill's proposals to be channelled back to the road works commissioner, who could use the moneys to improve systems and to have more inspectors.

Fergus Ewing: That means that you must be in favour of sufficient fines being imposed to provide a ready stream of income to fund the tsar's office and general expenses.

Neil Greig: I do not think that fines income should be the only income; it should be supplementary to an allocated budget that would allow the commissioner to undertake his task. Obviously, a complex computer system could not be set up from fines income because it could not be predicted what the income would be. If there were the kind of financial circle that I described, the money would not be lost to elsewhere and there would be an incentive to keep things going.

16:15

Fergus Ewing: I do not think that we have heard previously an argument for fines being an income stream. Now that you have raised that suggestion, it seems to me that it would be difficult to put into practice. For example, how would it be ensured that fines would be constantly available for the future? If there were a reliance on fines for

30 or 40 per cent of income, there would be an in-built incentive to ensure that that income continued to pour in from the utility companies in order, let us say, to keep Joe and Maisie in a job.

Neil Greig: It has been done—for example, speed camera partnerships.

Fergus Ewing: Yes, but I gather that they are not universally popular.

The Convener: Do you want to make a confession, Fergus?

Fergus Ewing: I was not declaring an interest.

Moving swiftly on, we have heard views that there is a kind of two-tier, apartheid system in road works. The bill would amend the New Roads and Street Works Act 1991 to make the utilities subject to fines. However, local authorities would be subject to a different regime that would involve the Accounts Commission and in which, as far as I can see, there would be no fines. Equally, the utilities currently must enter details of the road works that they do in the register. From what I glean from the evidence, that seems to happen without complaint. However, in a few cases, local authorities must put details of their road works in the register. Do you agree that it would be necessary for the customers—the poor old drivers, if anyone is allowed to speak up for them—to know what would be happening and that therefore everybody would have to put details in the register? Would the AA support that?

Neil Greig: Very much so. When drivers arrive at road works, they do not care who is mounting the works. The situation can differ slightly because road authorities tend to do road improvements rather than dig up roads for a purpose that is hard to see. Ultimately, drivers benefit from road improvements such as road widening or resurfacing. As far as I am aware, the best local authorities work closely with the utilities. The case that we cited in our written submission involves West Lothian Council, which seems to have taken it on board that the council should do reinstatements. Its system seems to work well. However, that has taken place against a background of greater spending on roads, so the council has the money to enforce its system—other councils do not have the money to do the same.

Fergus Ewing: Obviously, utilities by and large have a clearly discernible commercial interest in doing road works quickly because until the roads are reinstated, they cannot get income in from the customers—they cannot start charging anybody. Therefore, the sooner they get the work done, the better. However, local authorities do not have a similar direct interest in the outcome of the speed and efficiency of their road works. Should there be a level playing field for utilities and local authorities

whereby they would be treated equally and it would not matter whether it was a utility or a local authority that was at fault and got fined?

Neil Greig: It comes back to what we discussed about targets. The target should be congestion reduction. The overall thrust of the bill, the traffic commissioner's advice and local authorities' views is about minimising disruption and delays on the roads. Technically, codes of practice are in place for that, but it has been shown that they do not work well. If the local authorities were brought into the remit and made to adhere to it, they would have to plan their road works to keep traffic delays to a minimum.

We referred in our written submission to lane-rental contracts. There is no fundamental reason why a council should not pay to rent space on a road. However, it would start to get a little silly if a council were paying itself in circles to do something on one of its own roads. Therefore, it would perhaps be difficult to implement the lane-rental model. As for the lane-rental experiments of which we are aware, we supported the idea that councils should pay for the amount of time that they occupy space on a road. Payment would start on day 1 and, if they overran what was budgeted for—for example, taking 12 days instead of 10 to do the work—they would pay more. Similarly, if the work was done in 8 days rather than in a budgeted 10 days, they would pay less.

Unfortunately, the feedback from the experiments has not been positive. They have not been the huge success in Camden and Middlesbrough that we had hoped for. However, lane rental has not been tried to any great extent in Scotland, so the traffic commissioner could still pilot it here. I have no problem with local authorities making congestion reduction their number 1, overriding priority when planning their road works. That is how it should be for all people who dig up the roads.

Fergus Ewing: That is interesting. I read your proposal about lane rental, but my question was whether utilities and local authorities should be treated in the same way. Would you answer yes to that question?

Neil Greig: Yes.

Fergus Ewing: Finally, if there is to be a system of fines, which you have said would be necessary in order to fund the road works commissioner's office, would the real cost not simply be passed on to the public? The utilities would simply increase their charges if they had to pay fines to the proposed new creature of the Government, and local authorities would have to do the only thing that they can do currently to raise cash, which is to put up council tax. Is it not the case that the AA is urging the imposition of an additional burden and

tax on consumers, whose interests, you said at the outset, are your primary concern?

Neil Greig: If the fines system works as planned and the targets are set properly and everybody works together, the amount of time spent on road works overall will reduce, which will bring benefits for everybody. I cannot see why fines would lead to increased charges for gas or electricity customers or increased council taxes.

Fergus Ewing: To pay the fines.

Neil Greig: If existing funds and new funds from fines were used efficiently, the overall efficiencies should lead to a better position. I could get into a wider argument about the fact that drivers generally pay far too much in tax anyway and that they should get some advantage from a fines system. The problem is that the drivers are the ones who suffer the congestion, but there is no way of recompensing them. If the proposed fines system worked, the recompense to the driver could not be financial—it would be far too complicated to arrange that—but there could be recompense in terms of better management of road works leading to less congestion and time saved, which would be of benefit to drivers, who suffer at the moment.

Michael McMahon: I will ask Fergus Ewing's question in another way, although you have almost answered it already. The other side of the coin of his analysis is that if the AA demands better reinstatement of the roads and quicker work from either the utilities or the local authorities, it is arguing for greater efficiency. If the AA is focusing on that argument, are you confident that greater efficiencies could be delivered through the bill's proposed commissioner?

Neil Greig: As I said, the detail would be in how the targets were set and in the whole thrust of the commissioner's work and much of the local authorities' work. I have high hopes for the bill. We support the idea of a road works commissioner, but the commissioner must be customer focused. If the commissioner's office became just an extra layer of bureaucracy, that would be a waste of everybody's time. The voluntary schemes have not worked. There have been several attempts over the years and many big reports have been done on them, such as the Horne report many years ago, but the voluntary approach has not worked. The important issue for us is that our roads are getting busier and we must make better use of what we have. Because of the rising number of cars, we must almost be more efficient in order to stand still. There is a lack of new roads coming along, though there will eventually be some. However, more road maintenance is being done. If we put things together properly, we should have an improved roads system that is better run and more efficient.

Michael McMahon: I have a question that follows on from questions that were put to the Rail Passengers Committee. Obviously, you will want the regional transport partnerships to work, but do you, as a users' group, feel that you can have a role in them?

Neil Greig: It would be useful to have some form of motoring information input into the RTPs. Currently, we work with all the existing partnerships. In terms of a direct relationship, the NESTRANS area has included us at a more institutional level and tends to involve us from the start of whatever it does. However, like everyone else, we tend to be involved with WESTRANS and SESTRAN only when consultation documents come out and we put our responses in as required. The important issue for us is resources. If all the RTPs were set up and it was said formally that there would be a motoring representative in each one, that would be difficult for us because I am the only such representative in Scotland. There is definitely a need to have at an early stage in the thinking of any regional transport strategy direct input from an organisation representing the vast majority of transport movements in the area.

David Mundell: Surely not everyone can be involved in these partnerships. One of the points that were made early on in justifying the bill and the partnerships was that we needed a decision-making body, because everything got too bogged down, as everybody wanted their say. If we are going to bring in everybody, will we not achieve the same thing?

Neil Greig: The AA Motoring Trust does not need to have a vote on investment in small-scale public transport schemes, but many of the bodies sometimes do not get the emphasis right in trying to integrate the car with public transport. When people talk about transport integration, they tend to be talking about integrating the bus and the train and forgetting about trying to integrate the car. We have a big interest in park-and-ride schemes, which are the biggest example that I come across of where a regional transport partnership can add value. In areas such as Glasgow in particular you will see a lot of work being done on a bus corridor and bus lanes into the city centre, but at the far end of the bus lane there is no park and ride—there is nowhere for people to choose to come out of their car and use the improved services. Getting all that matched up is important. It would be useful for us to have input in the decision making at an early stage before the partnerships go down tracks that they find do not get people out of their cars or reduce congestion, which should be their key aim too.

David Mundell: I am not focusing on your evidence. The suggestion is that cyclists will also have to be involved so that cycle issues are taken

into account and walkers will have to be involved so that the Executive's walking strategy can be implemented as part of the work. There must be a limit to the number of consultees. Surely there has to be a decision-making body, given that one of the justifications for the bill was that it would allow us to cut through many of the things that have clogged up decision making. If we have a system in which every single interest group has to have its say, we will be just where we are at the moment.

Neil Greig: I agree. Delivery should be the focus, particularly for the national agency, but also for the regional transport partnerships. I do not think that our involvement has ever led to delays in projects in the past. A lack of funding has tended to cause long delays, particularly in major road schemes. We have gone through a lot of consultation of late. There was even another consultation as part of the bill, with the publication of the consultation document on regional transport partnerships. We are just unable to get involved in every single partnership and meeting, but we would like to be involved in some form at an early stage in the deliberations, although we are not seeking a vote.

David Mundell: The Executive will not fund the partnerships directly; they will operate on the basis of a form of requisition of funding from local authorities. That method of funding will not necessarily facilitate easy decision making if and when there are conflicting interests between those involved in the partnerships.

Neil Greig: We have long been advocates of ring fencing of funding and of having some kind of stand-alone motoring trust fund into which a certain amount of motoring taxation is top sliced. I think that could be done in Scotland, which could pilot the approach, although it would apply more to the funding of the national agency. We would have an independent fund that could not be raided year after year. The main problem with transport funding is that it tends to get cut when there is a bad year in other areas of local government funding. Given the way that the funding is set up, that will continue to happen. If there are problems in education and social work, transport spending will be cut. There needs to be some long-term, guaranteed funding and the bill does not seem to change the situation.

16:30

David Mundell: I agree with you on that point.

Am I correct in thinking that your view is that it is clear that there is no point in having a framework of legislation on road works if nobody enforces it?

Neil Greig: Yes. There have been registers before and there have been efforts to promote good practice before but, if that is not enforced at

a street level and people can see that nothing is happening on the ground, nothing will change. There have to be more inspectors enforcing the legislation.

The Convener: One of the problems that the local road network in Scotland has suffered from is that some pretty significant A-roads, which are designated as local roads, pass through several local authorities' areas. Do you think that the new regional transport partnerships will be able to co-ordinate the maintenance and improvement of those roads?

Neil Greig: I would hope so. Over the years, we have held out against de-trunking roads. We have felt that long-distance A-roads should be run by one authority to ensure that there are consistent standards along them. There is no doubt that the main road safety problem in Scotland is not in towns and cities. Around 75 per cent of the people being killed die outwith towns and cities, on our A and B-roads. The worst accidents—the fatal and serious ones—take place in the countryside. There is a great need to have consistent signage and standards of maintenance along our A-roads. The regional transport partnerships could provide an opportunity to ensure that that is the case and could implement the findings of the various studies that are being done into ways in which we can improve our rural road safety record.

The Convener: Currently, congestion charging powers lie with individual local authorities. Leaving aside the AA's views about whether congestion charging is the right or the wrong way in which to approach the issue of congestion, is it your view that that power would be better held at a regional level than a local authority level, in order to ensure that the interests of the areas around cities are taken into account?

Neil Greig: The regional transport partnerships would be well placed to ensure that any congestion charging scheme would have regional benefits. We have seen already that there have been some initial problems, as the only scheme of that type that we can currently examine, the one in Edinburgh, seems to be focused on the city rather than the surrounding areas. Aspects of any such scheme, such as exemptions, need to be consistent. In the long term, there will probably be some sort of consistent charging system across the network and we have to ensure that the local systems join up to that and work together so that the same hardware and so on can be used.

I have no particular problem with the regional transport partnerships having a say on congestion charging. I am more worried about what might happen in relation to, for example, demand management in the west of Scotland, where it is not quite clear how people intend to work together to ensure that the result that is intended to be

achieved in the east by congestion charging is delivered in the west by demand management. That situation needs to be clarified.

The control of congestion charging and the money relating to it should always be at a regional level so that people can be caught by the system before they reach the city and have more options about how they travel in.

The Convener: Thank you very much for your evidence. As a representative of West Lothian, I was pleased to read your commendation of the excellent work that is being undertaken by West Lothian Council in the area of road works.

Meeting closed at 16:34.

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