

# **LOCAL GOVERNMENT COMMITTEE**

Tuesday 20 June 2000  
(*Afternoon*)

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## **LOCAL GOVERNMENT COMMITTEE**

### **21<sup>st</sup> Meeting 2000, Session 1**

#### **CONVENER**

\*Trish Godman (West Renfrew shire) (Lab)

#### **DEPUTY CONVENER**

\*Johann Lamont (Glasgow Pollok) (Lab)

#### **COMMITTEE MEMBERS**

\*Colin Campbell (West of Scotland) (SNP)

\*Mr Kenneth Gibson (Glasgow) (SNP)

\*Donald Gorrie (Central Scotland) (LD)

\*Mr Keith Harding (Mid Scotland and Fife) (Con)

Dr Sylvia Jackson (Stirling) (Lab)

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

Bristow Muldoon (Livingston) (Lab)

\*Mr Gil Paterson (Central Scotland) (SNP)

\*Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD)

\*attended

#### **WITNESSES**

Andrew Holmes (City of Edinburgh Council)

Councillor Mark Lazarowicz (City of Edinburgh Council)

Mr Jack McConnell (Minister for Finance)

Councillor Alistair Watson (Glasgow City Council)

Alastair Young (Glasgow City Council)

#### **CLERK TEAM LEADER**

Eugene Windsor

#### **SENIOR ASSISTANT CLERK**

Irene Fleming

#### **ASSISTANT CLERK**

Craig Harper

#### **LOCATION**

Committee Room 2



# Scottish Parliament

## Local Government Committee

*Tuesday 20 June 2000*

*(Afternoon)*

[THE CONVENER *opened the meeting at 14:02*]

**The Convener (Trish Godman):** Comrades, the sooner we start, the sooner we will finish.

I wish to make a couple of points before we begin. First, I ask members to agree to take item 5 in private, because we will be discussing the details of individual candidates for the post of adviser. Is that agreed?

**Members indicated agreement.**

**The Convener:** The second point that I wish to make is that I will have to vacate the chair at some point. Johann Lamont will take the chair, and if I return before the end of the meeting, I will take over again.

## Subordinate Legislation

**The Convener:** This afternoon, Mr Jack McConnell, the Minister for Finance, and his civil servants, Bill Howat, Peter Hancock and Ann Thomson, are here.

The draft instruments were sent out to members some time ago, together with an Executive note. No points have been raised with the clerks. However, there may be issues that members wish to have clarified today. The report of the Subordinate Legislation Committee was included in your papers.

We propose a slight change of procedure today. I shall allow as much time as is necessary for questions of clarification on each instrument. Members can address questions to the minister, who may answer or may ask his civil servants to answer. I shall then announce that the time for questions is over and we shall start the debate. Jack McConnell will then read a statement and will move the motion formally. Any members whom I then call should remember that they will be speaking either for or against the motion and they should not ask questions of clarification because they will already have done that. I will then put the question on each motion. Is that clear?

**Mr Gil Paterson (Central Scotland) (SNP):** Could you say that again?

**The Convener:** It is obviously clear.

Are there any questions for the minister or his

officials on the statutory instruments that we are considering? Are there any points of clarification or explanation?

**Donald Gorrie (Central Scotland) (LD):** I take it that we are dealing with item 2 rather than item 3. Is that right?

**The Convener:** Yes. Which one will you talk about?

**Donald Gorrie:** Last week, I said that I wanted to ask a question about the statutory instrument that is listed on the agenda under item 3, but I would like to ask a question on one of the instruments under item 2.

**The Convener:** Do you want to ask about the Council Tax (Administration and Enforcement) (Scotland) Amendment Regulations 2000 (SSI 2000/166)?

**Donald Gorrie:** That is the instrument on which I gave notice that I wanted to ask a question.

**The Convener:** You can ask about that instrument now.

**Donald Gorrie:** Are we also dealing with the Electricity Lands and Water Undertakings (Rateable Values) (Scotland) Amendment Order 2000 (SSI 2000/draft) and the Docks and Harbours (Rateable Values) (Scotland) Order 2000 (SSI 2000/draft)? They are listed as a separate item on the agenda.

**The Convener:** The Council Tax (Administration and Enforcement) (Scotland) Amendment Regulations 2000 are an affirmative instrument. The minister will have left by the time we deal with them.

**Donald Gorrie:** My question on—

**The Convener:** I accept that I am confusing you. We will deal with item 3 in a minute or two. The question that you asked on the Council Tax (Administration and Enforcement) (Scotland) Amendment Regulations 2000 was answered in the supplementary Executive note.

We will stick with the first instruments on the agenda. Are there any questions of clarification on the Electricity Lands and Water Undertakings (Rateable Values) (Scotland) Amendment Order 2000 or the Docks and Harbours (Rateable Values) (Scotland) Order 2000?

**Members:** No.

**The Convener:** In that case, I call the minister to make a statement and move the motions on the instruments.

**The Minister for Finance (Mr Jack McConnell):** Members may recall that on 7 March we debated seven orders relating to the rating of the prescribed industries. Those are industries that

do not easily lend themselves to valuation by the conventional method. They are mostly utilities that are or were in some form of public ownership. The two draft orders that are before the committee today deal with the package of statutory instruments that are needed to finalise revaluation 2000. I hope that the Executive notes that we have circulated to explain the policy objectives, financial effects and purposes of the orders will enable agreement to be reached on the contents, so that the industries can plan ahead in the knowledge that their rates position is settled.

On 7 March, the committee approved orders prescribing rateable values for the electricity, gas, rail and water industries. However, at that time, the terms of the order relating to large docks and harbours were still in negotiation. Agreement has now been reached, and the Docks and Harbours (Rateable Values) (Scotland) Order 2000 prescribes rateable values for large docks and harbours in Scotland.

The Electricity Lands and Water Undertakings (Rateable Values) (Scotland) Amendment Order 2000 is more administrative in nature. It corrects minor errors in two of the orders that were approved by the committee in March—I apologise for those errors. The order deals with rateable values for the water and electricity industries.

I could deal with the orders in more detail, but I will happily finish with a few general remarks before moving the motions, if members feel that the briefing note has covered the detail—is that a correct assumption?

**The Convener:** Yes.

**Mr McConnell:** I had a feeling that that might be the case.

As we have now gone through all the instruments relating to revaluation, I can say that I have been heartened by the spirit of consultation and co-operation that has been a strong feature of the revaluation. I hope that that will continue. On many occasions in the past few months, I have made it clear that I am keen to learn from revaluation 2000 and am willing to consider changes to improve the non-domestic rating system.

In answer to a parliamentary question, I have announced today the new membership and remit of the Scottish Valuation and Rating Council. Business organisations and others who are active in rating and valuation were invited to nominate members of the new council. I believe that my decisions on membership will establish an effective body, which will provide independent advice on rating and valuation issues. I have asked it to review the experience of revaluation 2000 and advise me of lessons that we can learn and improvements that we can make.

On that basis, I commend the draft orders to the committee.

I move,

That the Local Government Committee, in consideration of the Electricity Lands and Water Undertakings (Rateable Values) (Scotland) Amendment Order 2000, recommends that the order be approved.

*Motion moved,*

That the Local Government Committee, in consideration of the Docks and Harbours (Rateable Values) (Scotland) Order 2000, recommends that the order be approved.—[Mr McConnell.]

**The Convener:** Thank you. Does anyone wish to speak for or against the motions? Please bear it in mind that you had the opportunity to ask questions earlier.

The question is, that motion S1M-955, in the name of Mr Jack McConnell, be agreed to.

*Motion agreed to.*

That the Local Government Committee, in consideration of the Electricity Lands and Water Undertakings (Rateable Values) (Scotland) Amendment Order 2000, recommends that the order be approved.

**The Convener:** The question is, that motion S1M-954, in the name of Mr Jack McConnell, be agreed to.

*Motion agreed to.*

That the Local Government Committee, in consideration of the Docks and Harbours (Rateable Values) (Scotland) Order 2000, recommends that the order be approved.

**The Convener:** The next item is a negative instrument, so the minister can leave. Thank you—I think that it was painless.

I apologise to Donald Gorrie for the mix-up earlier—that was my fault. The instrument was sent out some time ago. You raised a point that I am given to understand was answered in the supplementary note from the Executive. I do not know whether you have had time to look at that; it is in today's papers.

Please also note that the report of the Subordinate Legislation Committee is included in the papers; it said that the attention of Parliament need not be drawn to the instrument. No motions to annul have been lodged and no other action can be taken on the instrument at this time.

Is the committee agreed that it does not want to make any recommendation on the instrument?

Nodding is not helpful for the official reporters; they cannot put "Kenny nodded" in the *Official Report*.

**Members:** Yes.

**The Convener:** Thank you. We will adjourn the meeting for five minutes because we are checking

whether the next witnesses are here.

14:18

*On resuming—*

14:13

*Meeting adjourned.*

## **Transport (Scotland) Bill: Stage 1**

**The Convener:** We now move to the next item of business. I welcome Councillor Mark Lazarowicz who is in charge of transport in the new executive of City of Edinburgh Council—it has moved to a cabinet system. No noises from the SNP, please. I also welcome Mr Andrew Holmes, director of city development for the council. Before I ask you to speak, I must apologise because I will have to leave the meeting in about 10 minutes. Johann Lamont will take the chair. I hope to return before the presentation is finished.

**Councillor Mark Lazarowicz (City of Edinburgh Council):** Thank you. We have prepared a written note of our comments, which has been given to the committee clerk. The council has not yet had a chance formally to consider the transport bill in detail so, although it has made submissions to the Scottish Executive as part of the consultation process, the comments made today are my responsibility, as the member of the council executive with political responsibility for transport, and that of Andrew Holmes, as director of development. However, our general comments bear on the comments that the council made in the consultation process.

City of Edinburgh Council is generally very supportive of the proposals in the bill; we see it as including a number of measures that will allow us to deliver a proper integrated transport system for Edinburgh and in the surrounding areas, working with our neighbouring local authorities. The comments that I make on the bill are to be taken in the context of that general support.

On the mechanism to bring about better co-ordination among bus operators, we are concerned that the emphasis on quality partnerships and quality contracts minimises the difficulty of trying to ensure effective competition among bus operators, which we believe is important, at the same time as ensuring stability of provision for transport users. In Edinburgh, we seem to be seeing a renewal of aspects of the bus war of the late 1980s with, it would appear, the development of improved services in the Edinburgh area at the expense of services outside the city, in Midlothian and East Lothian.

We understand that one of the bus operators is about to withdraw a number of services outside the city with the aim of meeting competition from another operator in the city. In the short term, that might lead to improved bus services for people in the city, but it could lead to a reduction in the

ability of people outside the city to come to Edinburgh by public transport, which would have consequences for the ability of my council and neighbouring councils to develop an integrated approach to transport in Edinburgh and the Lothians as a whole.

We are concerned that the quality partnership framework comes before quality contracts and that it would take at least 21 months and, in practice, about three years before one could move from the quality partnership to the quality contracts. We also feel that quality partnerships should extend to covering minimum frequencies and fares. My council is generally happy with the proposals on ticketing, information, financial provisions and related matters.

We welcome the proposal to allow local authorities to introduce road user charging schemes. My council has decided to work up a scheme for road user charging, but we have not taken a decision to go ahead with such a scheme—of course, we could not do so until the bill became law. In particular, we welcome the criteria that local authorities must meet in such schemes: the hypothecation of revenues and systems for improving public transport before moving to road user charging. The council supports those provisions.

We have some concerns about the way in which it is suggested that workplace parking licensing schemes should operate. Although the council has not taken a decision on that, it does not look as if we will be progressing a workplace parking scheme in Edinburgh, so I will not comment.

We are concerned about a number of relatively minor but quite important statutory provisions. For example, it is at present difficult to introduce very minor changes in the footpath network to provide better cycling facilities. That could have been dealt with by some fairly minor tidying-up provisions in the current proposals—our suggestions are set out in our written comments.

Finally, we welcome the proposals in the bill for the establishment of a new body with responsibility for cross-Forth transport, which should be responsible for dealing with general transport issues in relation to travel across the Forth and should take over from the existing Forth bridge joint board.

That concludes the comments that I want to make at this stage, which are set out in more detail in the note that the clerk received.

**The Deputy Convener (Johann Lamont):** Thanks very much. The committee has moved seamlessly to having another convener in the interim. Do you want to add anything, Mr Holmes?

**Andrew Holmes (City of Edinburgh Council):**

I have a couple of supplementary points. The first point that Councillor Lazarowicz raised was on quality partnerships and concerns over-competition. In the city, the competition between operators is not so much in trying to expand the market as in concentrating on core routes at the expense of routes outside the city. No attempt is being made to expand the market; the competition is for what is regarded as a relatively limited core profitable route network. That is the point at which any attempts to establish a meaningful quality partnership start breaking down.

We have some concerns about the practicability of introducing a form of road user charging within any of the major Scottish urban areas if there is to be a blanket exclusion on that on any part of the trunk road network. In and around the major urban areas, the trunk road network comprises primarily local traffic and performs a local function. Only a small proportion of its usage is by strategic traffic.

**Donald Gorrie:** As I understand it, you regard the Forth bridge joint board as a means of making up for the lack of a regional transport authority, the idea of which the council supported early on, but which the bill does not introduce. I would like to address the points that you made about the bus services that operate in the city. If bus companies are doing things that help Edinburgh residents but not the residents of East Lothian and Midlothian, would there be an advantage in having a structure that tried to deal with that, or would the Forth bridge joint board be an adequate substitute?

**Councillor Lazarowicz:** As you point out, City of Edinburgh Council was in favour of a statutory regional transport authority, as we stated in our initial comments to the Executive—we were probably one of the few authorities that were in favour. We took the view that Edinburgh's traffic problems cannot be addressed in isolation; our problems are also the problems of the surrounding councils and our solutions are their solutions.

A cross-Forth transport body would not be a cross-Forth regional transport authority by another name; that would not be realistic. The interrelation of traffic across the bridge—whether buses or trains—is important and some of the revenues from bridge tolls could be used to improve public transport links across the Forth, as well as the gaps in the road network. However, a bridge board whose statutory responsibility is to maintain the bridge cannot be expected to fund and develop transport in the surrounding area. If bridge tolls are to be used to fund other cross-Forth transport activities, the board must be given a wider statutory basis on which to do that.

One of the issues that we are concerned about is the basic condition of the A90 from the bridge to Edinburgh, of which many members will be aware.



That road is not a trunk road; it is still within the city council's responsibility, as is the road leading from the Forth road bridge to the M8/M9, a junction that is important not just for Edinburgh, but for many authorities in central Scotland. We have said that we would be willing to see bridge tolls being used to improve the quality of that road, or indeed to provide a new road to link the M8/M9 to the bridge, but the bridge board would need powers to do that. That is why we welcome the proposals in the bill.

14:30

**The Deputy Convener:** Do you wish to add anything, Donald?

**Donald Gorrie:** Perhaps I was confusing two issues. Let me go back to the buses. What structure do you envisage, either in this bill or in an improved bill, that would enable all the councils that are involved with changes to the bus services into Edinburgh to co-operate and to lean on the bus people in the right way?

**Councillor Lazarowicz:** In relation to the immediate problem concerning East Lothian and Midlothian, we would like to have seen in the bill an opportunity to make quality partnerships cover more than the relatively limited areas that they cover at the moment. For example, we could include pricing and timing as part of the quality partnership. I hope that it would then be possible to negotiate quality partnerships with the major operators in such a way that the current fairly rapid changes in the network would not take place.

If quality partnerships could not be set up, we would want to be able to move to quality contracts. Our concern is that the present procedure for putting in place quality contracts—if negotiations on quality partnerships do not bring about the desired objective—could mean that it would be years before the quality contract came into force. Mr Holmes may wish to expand on that.

**Andrew Holmes:** This is principally a question of timing and the steps that one would have to go through. On the general issue of the co-ordination of support for public transport, there is already a fairly strong working relationship, through south-east Scotland transport partnership, between the authorities in the travel-to-work area of Edinburgh. The first step would be to try to have some sort of quality partnership that involved all the authorities and the relevant bus operators. That would prevent a major operator, when it saw the market conditions favouring it, from taking the kind of action that we are now seeing. We need to be able collectively or individually to move into that quality-contract position and maintain or enhance the level of service.

**Mr Michael McMahon (Hamilton North and Bellshill) (Lab):** Much of the context of the debate relates to the relationship between cars, buses and trains, but there are other dimensions to transport. Would the City of Edinburgh Council like to see some compulsion in matters concerning pedestrians or cycling, which may not be in the bill at the moment, or would you prefer such matters to be left for the council to address more flexibly through local strategies?

**Andrew Holmes:** At the moment, all the necessary powers are available to us. We feel that in recent years we have done a considerable amount to encourage cycling and pedestrian movement in the city. The processes exist. The issue is not so much legislation as the perennial problem of finance and the time scales of the statutory procedures.

**Councillor Lazarowicz:** The provisions that require a road user charging scheme to be accompanied by a local transport strategy would be welcomed by us in any event, even if they were not in the bill. In our local transport strategy, we have put a strong emphasis on developing pedestrian routes and cycling facilities beyond what already exists in Edinburgh. We would want to include railways in any projects that were funded by a road user levy inside Edinburgh. We would expect the Executive to want us to do that in any event.

**Mr McMahon:** You do not think that the bill should provide for an element of compulsion in its attempts to address transport issues, then; you believe that it is not necessary that you should be told how to deal with such issues.

**Councillor Lazarowicz:** Our problem is not wanting to be able to take action; our problem is whether we can take action, because of lack of funding, which is another difficulty. If funding is made available, we will meet those objectives in Edinburgh.

I cannot comment on the provisions that other authorities may regard as necessary, but we do not require any additional major or significant provisions in the bill in order to pursue our pedestrian and cycling strategies. Some transport and road traffic matters to which we would like changes to be made are reserved. However, we have no major concerns about the issues that lie within the Scottish Parliament's powers. We made one or two comments in the note that we prepared on areas to which we thought improvements could be made but, by and large, we are quite happy with the bill's provisions on cycling and pedestrian facilities.

**Andrew Holmes:** The most effective step that could be taken would be to reduce bureaucracy, including referred traffic regulation orders and so

on. Councils should be able to take rather more decisions without having to refer matters to the First Minister.

**Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD):** If I have picked this up properly, Councillor Lazarowicz, you are saying that the smooth installation of road user charging is dependent on our perception of real improvements.

Can I explore the funding side with you? What consideration has the City of Edinburgh Council given to revenue, as and when all this good stuff takes place? I also have a question about section 94 consents, which come in one block—they have done so for some years. What are your thoughts on that? I appreciate that your roads and transport budget will be much smaller than it was before reorganisation—at least I should think that that is the case. I would be interested in any creative suggestions that you may have on that point.

**Councillor Lazarowicz:** As I understand the situation, the Executive proposes that any funds raised from road user charging will be additional to funds that are otherwise available to local government. Certainly, my council would not go along with the introduction of a road user charging scheme only to find that the funds obtained from that scheme resulted in a reduction in the council's overall transport budget. That is a matter for the Executive and the Parliament to decide, but we would go into such a scheme only on the basis that revenue raised would be genuinely additional to funds that are otherwise available. We understand that that is the intention. Does that answer your question?

**Mr Stone:** In part. Would you care to comment on whether pump priming will be required? What are your thoughts on section 94 consents—should that funding be divided, or should it be left as a single block?

**Andrew Holmes:** The general view from local authorities in recent years has been a preference for internal flexibility with what is a relatively small amount of money for transfer between different budget heads. However, we would like much greater transparency in the way in which that section 94 allocation is calculated and a clearer understanding of how that calculation is made. Beyond transport, we should know the relevant need assessments that have gone into that calculation.

There is a clear expectation, or understanding, that some form of pump priming must take place. All authorities that are interested in any form of road user charging or supplementary parking licence schemes are considering the scope for that.

There is a range of issues around the ability to borrow against future income streams. We need to get into a dialogue with central Government on, for example, the allocation of the annual public transport fund and the relationship between a charging scheme and the pump priming required for infrastructure. Those issues can be acknowledged in the bidding process.

**Councillor Lazarowicz:** I have no doubt that, if my council goes ahead with a road user charging scheme, combined with other public transport measures, we will be looking for pump priming from the Executive in order to allow us to begin to put in place the infrastructure that will make road user charging work, as well as making it acceptable.

**Mr Kenneth Gibson (Glasgow) (SNP):** My question follows on from what Jamie Stone asked. Have you undertaken any analysis of the resource implications of the bill for City of Edinburgh Council?

**Councillor Lazarowicz:** The authority is undertaking a considerable amount of research as a consultancy resource. What aspect of the resource implications are you concerned about?

**Mr Gibson:** Given the budget that City of Edinburgh Council already has, what additional moneys will you require? It is a chicken-and-egg situation. You hope that the scheme will be self-financing in the long term, but how much capital will you require in the early stages to get everything up and running?

**Andrew Holmes:** I take it that you mean capital for pump-priming investment, rather than for introducing the scheme. As far as one can ascertain within the formulas, the section 94 allocation to the council for transport in recent years has been between £7 million and £10 million, plus whatever can come from the public transport fund. That is sufficient for normal infrastructure renewal and some small-scale work, such as pedestrian and cycle schemes, traffic-calming measures and local safety schemes.

The introduction of road user charging could, depending on the form, bring a revenue stream of between £30 million and £50 million a year. That is about as much as Oslo—a city of similar size—gets from its road user charging. Part of the work that is going on is an examination of just how that basket of money could best be spent on supporting the movement and infrastructure requirements of the city. Against that kind of background, it is not realistic to expect that we could raise more than a fraction of the pump-priming money. The key element of our policy would be to have recognisable public transport improvements to existing bus services, building on the city of Edinburgh rapid transport scheme and

so on. That would have to be based around the relatively modest levels of funding that are available from conventional sources.

**The Deputy Convener:** Would you like to comment on access to transport, which the bill covers? Are equal opportunities issues involved, such as how women, disabled people or other excluded groups are served as transport users?

**Councillor Lazarowicz:** Those aspects of transport policy that affect a specific locality are best addressed by the authority in question, depending on local needs. City of Edinburgh Council has a number of detailed policies on current activities and proposals for a local transport strategy. We hope that the Executive and the Parliament, in assessing local transport strategies and allocating funding, will take into account the degree to which local authorities are responding to access issues.

As for road user charging, the bill provides us with a mechanism that will enable us to tackle congestion and to ensure that the wider public transport system meets the needs of the entire community. From that point of view, the bill is good. How it is put into effect, and the criteria that the Executive uses to judge local authority proposals, will allow us to address issues such as access.

**Andrew Holmes:** One can see the scope for improvement through an idealised quality partnership or the quality contracts. Enhanced late-night services, accessible buses and well-lit bus stops are the kind of thing that different partners can link together to provide through a quality partnership or quality contracts.

**Donald Gorrie:** There has been some criticism that the bill is a bus bill rather than a transport bill. I know that Edinburgh has always been jealous of the better rail arrangements in and around Glasgow. What is the council's current thinking about rail? Could anything be put into the bill to help to provide better rail arrangements in and around Edinburgh?

14:45

**Andrew Holmes:** On the first question, there has been considerable development of the local rail network around Edinburgh over the past 15 years. That is a small plug for the departed Lothian Regional Council, which doubled the number of railway stations within its area during its lifetime.

The city of Edinburgh rapid transit contract includes a new railway station for Edinburgh park, which will provide a local station for an area that will serve 30,000 workers in the Edinburgh park, South Gyle and Sighthill area. We have the

funding in place for the crossrail scheme, which involves two new stations and the development of east-west rail services. We are working with Midlothian Council and Scottish Borders Council on the development of the Waverley route, which is important not only in transport terms, but in supporting the requirements of the Edinburgh labour market. There is much development of the rail network on the go. The issues primarily come back to finance rather than to existing legislative shortfalls.

**Councillor Lazarowicz:** One of the reasons that we were in favour of statutory regional transport authorities was the difficulty of bringing the rail network into serious transport planning within a relatively small geographical area, such as the city of Edinburgh. If there was a statutory regional transport body, we might have been in a better position to negotiate with the various rail companies to provide solutions on a wider basis.

We hope that the provisions for joint transport strategies, for example, would be utilised by the Executive to require local authorities to negotiate with the rail operating companies to see how they can contribute to solving the transport problems of the area. The ability of the Executive to intervene with the rail authorities will depend on matters that have still to be determined at UK level.

**Andrew Holmes:** I have one further point on funding. The existence of a statutory transport authority similar to the Strathclyde Passenger Transport Authority gives local authorities another funding opportunity. At the moment, all the local authorities within the SPTA area effectively get two bites at public transport fund submissions: once through their own submissions and once through that of the SPTA. Funding opportunities come from having a statutory rather than an informal body.

**The Deputy Convener:** Thanks very much for that. That concludes this part of the meeting. I thank the witnesses for their attendance, their submissions and their answers today. We will no doubt see you again.

We will now hear evidence from Glasgow City Council. We have with us today Councillor Alistair Watson, the convener of the land services committee, which is responsible for transport within Glasgow City Council. Alastair Young, the director of land services, is also here. I welcome you both to the meeting. The normal format is that we ask you to make a short introductory statement, if you wish, and then we ask questions.

**Councillor Alistair Watson (Glasgow City Council):** I welcome the opportunity to debate transport issues in general, within the powers that the Parliament has. The bill presents many opportunities and no doubt there will be a lot of

brinkmanship in committee at stage 2.

I do not think that Glasgow should be seen in the same context as any other local authority area. It has a unique geographical location, at the centre of a conurbation with a population of 2.1 million to 2.2 million. We have a fairly large commuting population, between 60 and 65 per cent of whom travel by public transport. There are still problems with our transport network. Many of the transport initiatives in which we are involved, including quality partnerships, are designed to improve the prioritisation of public transport.

**The Deputy Convener:** Thank you. Alastair Young, do you want to add anything?

**Alastair Young (Glasgow City Council):** I echo those sentiments. The bill is welcome, but it is not sufficiently wide-ranging in terms of the integration of transport. There are gaps. We believe that the bill should incorporate walking, cycling, rail travel, ferries and air travel. I am slightly concerned that the bill does not make specific mention of local transport strategies, which we believe are exceedingly important. Glasgow takes the view that the local strategy feeds into and is an integral part of the regional strategy. Those are our main comments.

**Mr Stone:** As we know, the Executive has come out against statutory regional transport authorities. In your response, you say that your council plays

"a full part in the operation of the West of Scotland Transport Partnership".

Is the voluntary nature of involvement in the partnerships sufficient? Might there be a need for statutory regional structures?

**Councillor Watson:** It might be worth considering statutory status for transport partnerships. The west of Scotland transport partnership, of which I am the chair, is in its infancy—it is just over 12 months since it was set up. In the west of Scotland, we work closely with the Strathclyde Passenger Transport Authority, which is a member of the partnership. The jury is out as to whether statutory status would be a better way forward, but it is certainly well worth considering.

**Mr Paterson:** You mentioned that some items are missing. The underground is very much missing. Is there any additional capacity in the underground system that could be better used?

**Councillor Watson:** Are you talking about the Glasgow underground system?

**Mr Paterson:** Yes. Is there another one?

**Councillor Watson:** It is a pretty unique underground system, because it is not the same gauge as any other rail network in the country. It is no secret that the Glasgow underground system

has almost reached full capacity. There are specific problems to do with increased investment in the Glasgow underground system. The SPTA has identified additional carriages as a possible answer, but they would have to be built specially for the gauge of the system, which is a problem that was experienced way back in the '70s when the system was modernised. There is capacity to increase patronage, but not much.

**Mr Paterson:** It is one of the oldest underground services in the world. Is there a plan to extend it? That links to my other question. I have witnessed the rush on the underground in the morning and the evening. I come from the point of view that the Transport (Scotland) Bill is about raising finance rather than sorting the problem out. If the aim is to sort out the congestion problem in the inner city of Glasgow, because of the uniqueness of the underground service, would not Glasgow's interests best be served by utilising the service outwith the periods when the rush takes place, perhaps by reducing charges at that time, or even making travel free? Other cities around the world are doing that and are finding that a lot of people are leaving their cars at home or at park-and-ride places.

**Councillor Watson:** Are you referring specifically to the extension of the infrastructure in the Glasgow underground system?

**Mr Paterson:** There are two questions. First, are there plans to extend the underground service by creating more stations and laying more track to other places in the city? Secondly, as the underground service is used mostly at busy times and not much at all—or a lot less—at non-busy times, is there not an opportunity to reduce the charges at non-busy times, or even to make the service free?

**Councillor Watson:** I shall answer your second question first. In the underground and rail networks, there is scope to exploit the space that is available at off-peak times. The operators, including the SPTA and the commercial rail companies, should exploit that through more innovative marketing.

Your first question is more difficult to answer. The underground system is out of gauge: it is not compatible with the rail network. That is a different situation from the one in London, where the underground is compatible. The problem in improving the infrastructure is that there are two completely separate systems. I would much prefer the idea that has gained the support of the SPTA, ScotRail and Railtrack, which is to mount an investigation into joint running. Heavy and light rail could share the same infrastructure, which would theoretically allow lighter rail vehicles to leave the rail system and go on to street level. The system would then be comparable with the rail network.

However, there would be obstacles to enhancing the infrastructure of the underground network, because of its different gauge.

**Mr Paterson:** Rather than taking the trains above ground—which might be difficult in Glasgow—you could increase the mileage underground, whether through a new hybrid such as the one that you are talking about or by adapting the existing system. Have there never been plans for that?

**Councillor Watson:** I do not think that that would be possible because of the unique gauge. It would be necessary to re-bore all the tunnels in the underground—at an incredible capital cost. I would love that to happen, but I do not think that it would be achievable. A more sensible option would be joint running, which is being considered by the SPTA and the rail companies.

**Mr McMahon:** As my constituency borders on Glasgow, I am familiar with the number of people who go to the city—or through it—to work, for leisure or to do their shopping. Given that Glasgow draws in so many people from neighbouring areas, why has Glasgow City Council decided that road user charging is not a good way to generate money to support the city's transport network? That money could be hypothecated as an additional resource.

**Councillor Watson:** A trunk road network for which the Executive is responsible runs through the centre of our city and has 26 on and off ramps. Not only would a road user charging scheme be difficult to implement, because of the alternatives that are available to the motorist it would be potentially damaging to Glasgow's economy. Unless the Executive committed itself to tolling on its road network, Glasgow City Council would be at a distinct disadvantage if it introduced toll charging on its road system.

**Alastair Young:** I would like to expand on that point. There has been mention of a toll system round the inner ring road in Glasgow. The millennium plan measures that we are undertaking for Glasgow are removing traffic and increasing the priority for public transport.

Members may have read in the papers recently that we have been fairly heavily criticised for creating a boundary and for undertaking measures that are not far off being the equivalent of tolling. Without introducing tolling, we are part way there. However, the trunk road network is a major problem, because we cannot control traffic coming off the M8. We have a similar problem with the Road Traffic Reduction Act 1997: if nothing is done on the trunk roads, I do not see how Glasgow can achieve any traffic reduction, especially in the city centre.

15:00

**Mr Gibson:** How will the bill assist Glasgow in its campaign to secure investment for the completion of the M74 northern extension?

**Councillor Watson:** As you know, in the opinion of Glasgow City Council completion of the M74 is crucial not only to the regeneration of the city—especially in the social inclusion partnership areas—but to all the local authorities that surround Glasgow. It is important for the west of Scotland. The extension is such a strategically important missing link that without it we can see business and development drifting towards the east rather than being encouraged to stay in Glasgow.

The argument is always made that alternatives should be considered, one of which is Glasgow crossrail. I happen to be a firm supporter of Glasgow crossrail, but I do not think that it should be seen as an alternative; it should be seen as complementary to completion of the M74. If tolling is the only way to complete the M74, Glasgow and the surrounding authorities have decided that they would be prepared to consider it. Through the transport partnership, we regularly consult surrounding authorities on how to proceed. We are determined to pursue the objective of the completion of the M74.

**Mr Gibson:** I could ask loads of questions on this issue. Planning permission for the M74 extension runs out in October, so getting the project off the ground, so to speak, before then is clearly an issue. How likely is it that we will make progress before that date?

**Alastair Young:** The business case for the M74 is being finalised; KPMG is working with the finance departments of the interested councils. We have also carried out a fairly major study into the economic benefit of the M74 extension and its technical complications. As you are aware, the scheme was designed a number of years ago, so prices have fluctuated. We are putting together a package to see whether the completion is viable from the local authority point of view.

We have debated the issue, but there have been no final decisions or recommendations. If Glasgow went for workplace parking, some of the revenue from that could go towards the M74 extension. However, workplace parking would contribute in only a minor way to any moneys required. The tolling of the new section of the road appears to be a possibility. We will therefore apply for a renewal of planning permission before October. That will keep the scheme alive. It may take some time for the business case to evolve fully.

**Mr Gibson:** In response to Jamie Stone's question, you spoke about workplace charging and congestion charging. Given that Glasgow is surrounded by areas such as the Olympia centre

in East Kilbride and the Braehead centre, and that the economy of Glasgow city centre is fairly fragile, what analyses have you undertaken to assess what impact on employment and investment workplace charging and congestion charging would have if they were introduced?

**Alastair Young:** We have instigated a scoping study and employed consultants to consider all aspects of workplace charging, including the benefits and disbenefits to the city centre and the likelihood of businesses moving out. Glasgow City Council has not yet decided whether workplace parking is viable, but we are trying to find out.

**Mr Gibson:** And on congestion charging?

**Alastair Young:** Congestion charging is a more complex matter. In talking about that, we return to the realms of the trunk road network coming right through the city. I may have missed this in my introduction, but we feel that central Government has to be in partnership in regional transport plans and so on. We cannot get away from the matter of trunk roads, particularly those going through Glasgow—anything that Glasgow does will impinge on the trunk road network, and vice versa. Congestion charging is problematic.

**Johann Lamont (Glasgow Pollok) (Lab):** I would like you to comment on proposals relating to bus services. In my area, people do not feel particularly well served by the bus system—Alistair Watson knows my area as well as I do, although he will have a broader picture, on a Glasgow level, of the system and of how it is working. I would like you to comment on suggestions relating to quality partnerships and quality contracts.

**Councillor Watson:** We already have a quality partnership in the promotion of quality bus corridors. That is still out to extensive consultation with the local community and interested bodies.

It is no secret that I am a firm supporter of re-regulation of the bus industry. I say that for a number of reasons. There is no deregulated bus service in London. Why? Because the authorities are able to allow the commercial operators an element of commercial return but also to divvy up franchises that run a number of loss-making services. Those franchises are socially necessary, particularly in areas of social inclusion partnerships or their equivalent south of the border.

When FirstGroup launched its overground system in Glasgow, there was a shortfall of buses in peripheral areas of the city. The area I mentioned publicly was Balornock, where there are no buses after 6 o'clock. Many elderly people in that area of Glasgow are cut off in the evening. I welcomed FirstGroup's initiative and the launch of the overground and the quality partnership. This is about providing an attractive alternative to the car,

through the bus system. In attracting the car user, however, it cannot and must not be at the expense of social provision of services.

I find it inconceivable that one half of the transport industry—the rail system—is regulated, which I welcome, whereas the other half has a free market. It is pretty difficult for a local authority to get involved in providing infrastructure with a quality partnership with, for example, FirstGroup if Joe Bloggs Buses can come along and use that infrastructure in 12 months' time without putting a penny into it. That is the state of the deregulated market and it is within the Executive's powers to respect the return that the bus companies will make while maintaining an element of protection where bus services do not run.

In the past financial year, SPT's subsidised bus bill went up by 15 per cent—and it is increasing steadily. It is funded by the taxpayer. I would say that it is unfair to ask the taxpayer to pick up the bill where the bus companies are not providing a service.

**Johann Lamont:** Are you suggesting that you would start with quality contracts? Is that where you are moving with re-regulation, or do you envisage something more?

**Councillor Watson:** I would prefer to examine the nuts and bolts, or the real meat, of quality contracts so that the local authority and perhaps the Scottish Executive can go into partnership with the private operators. We are already in partnership with the rail operators who, ironically, run the bus industry. The same companies are quite comfortable with a regulated rail industry but uncomfortable with a regulated bus industry.

**Colin Campbell (West of Scotland) (SNP):** I welcome your commitment to crossrail. I was going to ask about that anyway—if only because I have to trail from Central station to Queen Street station on my way here from Johnstone. Has any calculation been done on the amount of unnecessary congestion the absence of crossrail causes in central Glasgow? There is clearly a huge turnaround of taxis between the stations. Has anyone worked it out?

**Councillor Watson:** Based on my experience in the railway industry, I believe that there is a tremendous amount of movement between west and east. People have to change at Glasgow Central station and go to Queen Street; crossrail might be able to deal with that. An order for crossrail was approved by Parliament in 1995—as I am sure members are aware. It is still in effect and can be used. The order facilitates a new piece of line about 300 or 400 yd long. The rest of the line already exists. I think that a scheme could be set up quite quickly—not with a minimum of capital investment, but in partnership with the private

sector.

I know that the British Airports Authority is incredibly enthusiastic about the heavy rail link to Glasgow airport. As he comes from Johnstone, Colin Campbell will know that. In its submission to Railtrack's network management statement, BAA insisted that such a link must be in conjunction with crossrail, which would allow the airport to plug into the rail network, rather than just Glasgow city centre. BAA is very supportive of crossrail, because it would lead to an increase in the number of people travelling to the airport. I am very enthusiastic about crossrail and am looking for all the supporters I can get, so I will give you a call.

**Colin Campbell:** From your earlier reference to light railways and joint running, I inferred that you are probably a tram man as well. Is that correct?

**Councillor Watson:** Joint running is about allowing parts of the rail network to tap into highly populated areas. For some time there have been plans for such a scheme on the Cathcart circle, which runs through Newton Mearns, Giffnock and so on. That is well worth considering, because it would free up the congested capacity in Glasgow Central station.

**Donald Gorrie:** What would you like to be included in the bill to help Glasgow address its problems better—for Glasgow and the surrounding conurbation which, as you rightly say, is unique in Scotland? What is not in the bill that you think ought to be? What is in the bill but might be strengthened?

**Councillor Watson:** The bus industry is run by a number of major operators—FirstGroup, Stagecoach and, specifically in Glasgow, Arriva. There is one bus route in Glasgow that provides those companies with a profit on their investment of £15 million per annum. That is a very healthy return in any industry. I am looking for compliance from the bus industry. I recognise that it is unlikely that we will return to the days of bus regulation, but I would like us to investigate the system in London, which seems to work pretty well. Not only has it meant that a number of loss-making services can be run, it has led to an increase in the number of people using buses, which elsewhere in the UK has declined by almost 35 per cent. The London system has succeeded in providing bus services in areas where they were not previously commercially viable.

**Alastair Young:** Working in partnership with the Scottish Executive would greatly improve the situation in Glasgow and the adjacent authorities. In excess of 400,000 trips are made into Glasgow every day, many of them on the trunk road network. For the measures that we take to be successful, we must work in partnership. The bill

does not mention that, which is a major omission.

**Mr Gibson:** Alistair Watson will be glad to hear that I will not mention bus lanes. I find myself in a difficult position, as I agree with everything that has been said today. Alistair has talked a lot of sense, as he often does.

What discussions have there been with surrounding local authorities to improve the number of park-and-ride facilities? One congestion issue is that people who may want to jump on the train and read the paper on the way to work are unable to do so because there are no park-and-ride facilities where they live.

**Councillor Watson:** There are two sorts of park and ride: rail-borne park and ride and bus park and ride. Colin Campbell will know the park and ride facility in Johnstone.

**Colin Campbell:** It is at capacity.

**Councillor Watson:** That is right. That is because of the popularity of what it offers the public—a secure car park. There is no point in building a car park behind a railway station that is unstaffed, because people will not use it. There is a station outside Glasgow called Bargeddie, which is part of an east end railway line that was opened in the latter days of the regional council. It has a park-and-ride facility, but no one uses it. That tells us a story—people do not feel comfortable using a facility that offers no security.

15:15

At staffed stations, where there is an element of security, such as Johnstone, Kilwinning, Airdrie and Bishopton, many people use the facility. In developing park-and-ride facilities, SPTA and others should ensure that they get some compliance from the station operators to offer an element of security. That might mean a staffed station or remote closed-circuit television. To encourage people to leave their cars and use park and ride, we must provide an element of security.

Bus park and ride is an issue that we are considering with the west of Scotland transport partnership. We have imposed one condition: if there is any chance that such a scheme might remove the market for rail-borne passengers, it would not be acceptable. The target market is the car user, not people who use another form of public transport. As far as the partnership is concerned, the jury is still out, but we want to develop park and ride as much as possible.

SPTA is opening a new station in Howwood, on the outskirts of Paisley. I was an enthusiastic participant in that project. The local authority has recently purchased a piece of land that might be used to attract commuters from Bridge of Weir and Kilmacolm.

**Alastair Young:** In Glasgow, there is a difficulty with major park and ride because there are no suitable sites. We have talked to the football clubs, which all have lovely big car parks, but for commercial reasons they are reluctant to offer them. They are controlled by Sky television and they cannot guarantee that the car parks will be available.

We are talking to authorities outwith Glasgow. We recognise the benefits of park and ride and, through WESTRANS, we are actively encouraging local authorities to consider suitable sites.

**Mr Paterson:** You spoke about the bus curfew in Balornock. Can you tell us the population of Balornock and how many people the curfew would affect?

**Councillor Watson:** I do not have those figures to hand, but I can tell you that the population of Balornock is fairly elderly and that after 6 o'clock at night, if they do not own or have access to a car, they are prisoners in their own homes. When I raised the matter in the press, FirstGroup's answer was that people could walk down to Petershill Road for a bus. If members are familiar with the geography of Glasgow, they will know that Petershill Road is about 1.5 miles from Balornock. That would be a hell of a long walk for an elderly member of the community. The bus company made a commercial decision based on sourcing new investment and it cut services that were on the commercial borderline.

**Mr Paterson:** I was born in Springburn and I know Balornock well. It would be helpful if, at a later date, you could give us the information on the number of people in the area and how they are affected.

**Councillor Watson:** We can do that.

**Mr Paterson:** Thank you.

**The Convener (Trish Godman):** Is anything omitted from the bill that you think should be included?

**Alastair Young:** The bill does not address all aspects of transport; there is weakness in respect of walking, cycling, rail travel, ferries and so on. It is not integrated, which is disappointing, because it was a good opportunity. The bill goes against my earlier recommendations for partnerships with the Scottish Executive. On tolling, there is an omission in the bill—central Government must work with local authorities.

**The Convener:** Thank you. The committee will write a report, which will be sent to the lead committee, the Transport and the Environment Committee. The lead committee will attach our report to its. Between us, the two committees can take more evidence than just one. A copy of the report will appear on the website at some point.

Thank you for attending the committee; it is nice to see you all again. I apologise for not being in the chair for the whole meeting.

15:21

*Meeting continued in private until 15:47.*



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