

STIRLING-ALLOA-KINCARDINE RAILWAY AND LINKED IMPROVEMENTS BILL COMMITTEE

Monday 3 November 2003

Session 2

£5.00

© Parliamentary copyright. Scottish Parliamentary Corporate Body 2003.

Applications for reproduction should be made in writing to the Licensing Division,
Her Majesty's Stationery Office, St Clements House, 2-16 Colegate, Norwich NR3 1BQ
Fax 01603 723000, which is administering the copyright on behalf of the Scottish Parliamentary Corporate
Body.

Produced and published in Scotland on behalf of the Scottish Parliamentary Corporate Body by The
Stationery Office Ltd.

Her Majesty's Stationery Office is independent of and separate from the company now
trading as The Stationery Office Ltd, which is responsible for printing and publishing
Scottish Parliamentary Corporate Body publications.

CONTENTS

Monday 3 November 2003

Col.

STIRLING-ALLOA-KINCARDINE RAILWAY AND LINKED IMPROVEMENTS BILL: PRELIMINARY STAGE.....	51
---	-----------

STIRLING-ALLOA-KINCARDINE RAILWAY AND LINKED IMPROVEMENTS BILL COMMITTEE

3rd Meeting 2003, Session 2

CONVENER

*Bill Butler (Glasgow Anniesland) (Lab)

DEPUTY CONVENER

*Mr Rob Gibson (Highlands and Islands) (SNP)

COMMITTEE MEMBERS

*Mr Richard Baker (North East Scotland) (Lab)

*David Mundell (South of Scotland) (Con)

*Nora Radcliffe (Gordon) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Alan Clark (Scottish Executive Enterprise, Transport and Lifelong Learning Department)

Aubrey Fawcett (Clackmannanshire Council)

Nigel Hackett (Scott Wilson Scotland Ltd)

Gail Jeffrey (Scott Wilson Railways Ltd)

David Reid (Babtie Group Ltd)

Jonathan Riley (Strategic Rail Authority)

Brian Ringer (Strategic Rail Authority)

Graham Smith (English Welsh & Scottish Railway Ltd)

Fiona Stephen (Anderson Strathern)

Tara Whitworth (Babtie Group Ltd)

CLERK TO THE COMMITTEE

Callum Thomson

SENIOR ASSISTANT CLERK

Fergus Cochrane

LOCATION

Alloa Town Hall

Scottish Parliament

Stirling-Alloa-Kincardine Railway and Linked Improvements Bill Committee

Monday 3 November 2003

[THE CONVENER *opened the meeting at 11:27*]

Stirling-Alloa-Kincardine Railway and Linked Improvements Bill: Preliminary Stage

The Convener (Bill Butler): Good morning, ladies and gentlemen, and welcome to the third meeting of the Stirling-Alloa-Kincardine Railway and Linked Improvements Bill Committee. Today, the committee will concentrate on three aspects of the bill. We will hear evidence first on non-rail and rail route alternatives; then on compensation and consultation; and then on funding. It may be useful if I give a brief explanation of what the committee will consider with regard to alternative routes, compensation and consultation.

Before we begin evidence taking, I will say a few words about the preliminary stage of the bill. We are concerned with the bill's general principles and with the adequacy of the information that the promoter has provided. In considering the issues today, we will limit ourselves to questions that will aid us in our consideration of whether the information that the promoter has provided is adequate. We will also be interested in the methodology that the promoter has employed. For example, in considering non-rail and rail route alternatives, the committee will not consider the merits of the three alternative route studies that the promoter commissioned, because that is properly a matter for the consideration stage of the bill, should the bill proceed that far. Instead, the committee will concentrate on the methodology used in compiling the studies.

It is hoped that we will break for lunch at around 1 o'clock and, depending on the progress made, we may take a further short break this afternoon. As I said last week, members of the public are welcome to be here and to leave the meeting at any time, although I ask them to do so quietly. I should also say that although the meeting is being held in public, it is not a public meeting as such. It is the formal work of the Parliament and I would appreciate the co-operation of members of the public in ensuring the proper conduct of today's business. I ask anyone who has a mobile phone or pager to switch it off.

Today we shall hear evidence from representatives of the promoter of the bill,

Clackmannanshire Council, and from other witnesses whose evidence the committee considered would be relevant to today's topics.

We commence with evidence from our first witness. The committee will hear oral evidence on the Scottish transport appraisal guidance from Alan Clark from the Scottish Executive Enterprise, Transport and Lifelong Learning Department.

ALAN CLARK took the oath.

11:30

The Convener: I will kick off the questions. As we do not have the document comprising STAG in front of us, the committee is relying entirely on your memorandum and on that from the promoter to explain what is advised under STAG and how it has been implemented to date for the project. I see that STAG has only recently been finalised. How has it evolved since the draft version was rolled out and are there any material differences in the finalised format?

Alan Clark (Scottish Executive Enterprise, Transport and Lifelong Learning Department): The draft document was published in July 2001 as a consultation document. We required a number of practitioners to gain experience of its use and provide us with feedback so that we could develop the document, and that was done over two years. During that time, we received a considerable amount of constructive feedback. The general philosophy of the document has been maintained, but we improved it in several areas and issued version 1.0 on 2 September. It was always our intention that the document would evolve as appraisal guidance and methodologies improved and as other legislation was issued. That is why the document was issued in a loose-leaf format to registered keepers, to whom we can issue updates as and when necessary.

The Convener: So it is a continuing process.

Alan Clark: It is.

The Convener: Paragraph 43 of the promoter's memorandum on alternatives explains that a part 1 STAG assessment gives an initial view of impacts in relation to the five objectives of environment, safety, economy, integration and accessibility. Paragraph 2.3 b) i) of your written submission does not appear to indicate that and says that a part 1 appraisal is designed simply to minimise wasted effort by testing options against key project objectives. Is some reconciliation required between what you say and what the promoter says?

Alan Clark: What the promoter says is correct. The primary objective of the part 1 appraisal is to test various options against the planning objectives that have been established for the

project or strategy. However, we require the assessor to consider the Government's five objectives and examine the key impacts that the project would have on those. At the part 1 stage, we do not require the assessor to go into any great depth in quantifying those impacts—it is more a qualitative assessment against the objectives.

The Convener: My final question is about the options. Is there any evaluation of options against the Government's transport objectives at the part 1 stage?

Alan Clark: That will depend on what the promoter establishes as its objectives. We require the promoter to assess objectives against the national, regional and local transport policies and objectives. If there are appropriate national policies, we expect those to be included for that project. It might be that a local issue is being addressed and in that case we expect the promoter to address local objectives and policies in setting the planning objectives.

The Convener: I am obliged for that.

David Mundell (South of Scotland) (Con): I refer Mr Clark to paragraph 2.3 b) iii) of the Executive's submission. Is any particular structure or approach advised for an assessment of the five Government objectives under STAG?

Alan Clark: All five objectives and the methods of appraising against those objectives are set out in individual chapters within the documentation. No priority is given to any of the objectives. We set out the key issues that must be considered by the transport planner who does the appraisal. I am not sure whether that answers your question.

David Mundell: For example, does STAG give any advice on how to balance any conflicting conclusions in respect of the five Government objectives?

Alan Clark: No, I do not believe that it does. It is for the investment decision maker to balance up the relative benefits and disbenefits under each of the objectives. We would expect the appraiser to assess a proposal on its merits.

David Mundell: I want to clarify whether that means that, for example, if there was an option that won handsomely under the criteria on the grounds of economy, safety, integration and accessibility, but was very poor in relation to the environment, STAG would not offer any basis for reconciling that conflict.

Alan Clark: No, it would not. However, STAG requires the key issues to be set out in the appraisal summary table, to allow the investment decision maker to make an assessment against the different criteria.

David Mundell: I will move on to paragraph 3.3 of your submission. The promoter has carried out a STAG part 1 appraisal in relation to three variations on the chosen rail option in the bill. Given that the Scottish Executive is providing most of the funding for the scheme, has it carried out a STAG part 1 appraisal?

Alan Clark: I am not aware that we have done so. It would not necessarily be for us to carry that out, as we would expect transport planners to carry that out on our behalf.

David Mundell: Even if you have not carried out a STAG part 1 appraisal, you would not expect to do so now.

Alan Clark: I am not aware that we would.

David Mundell: Is it the Executive's view that, in spite of what the promoter's memorandum on alternatives says about the clear emergence in the STAG part 1 appraisal of the option that is represented in the bill, there should be a STAG part 2 assessment?

Alan Clark: I would expect that there would always be a STAG part 2 assessment of at least one preferred option.

David Mundell: Right. In relation to a STAG appraisal—either part 1 or part 2—how is the Executive satisfied that a rigorous, objective assessment has been made in that exercise?

Alan Clark: I do not think that I am able to answer that question, because I have not seen any evidence about a STAG appraisal. At the moment, we do not have a requirement that I, personally, would have to review any STAG appraisals to confirm whether they have been undertaken in a robust manner.

David Mundell: Thank you.

The Convener: Do you have any brief closing remarks to make to the committee?

Alan Clark: No, I do not.

The Convener: In that case, I thank you for giving evidence to the committee this morning. You are welcome to stay in the hall for the rest of the meeting. There will now be a one-minute suspension while we change witnesses.

11:38

Meeting suspended.

11:39

On resuming—

The Convener: The committee will now hear evidence on the non-rail alternatives and the alternative rail routes from Mr Nigel Hackett, who

is an associate with Scott Wilson Scotland Ltd, and Mr David Reid, who is business centre manager of Babbie Group Ltd.

NIGEL HACKETT and DAVID REID took the oath.

David Reid (Babbie Group Ltd): For clarity, I outline that Nigel Hackett will answer any environmental questions that relate to compliance with the regulations concerning the consideration of alternatives. I will answer any questions on the selection of alternatives.

The Convener: I am obliged. I will kick off the questions. You say in your submission on alternatives that the attainment of the bill's objectives complements the requirements of, among other bodies, English Welsh & Scottish Railway Ltd. Will you outline what consultation of EWS has taken place?

David Reid: I was not directly involved with the consultation, but the promoter's team consulted EWS with regard to the reopening proposals at an early stage—as far back as 1999, when Railtrack undertook the original feasibility study.

The Convener: What was EWS's response to the consultation?

David Reid: At that time, EWS was supportive, to the extent that it made some funds available for the reopening of the route.

The Convener: The committee put it to the promoter last week that—to put it charitably—there had been very little consultation of Scottish Power in relation to the future of Longannet power station. Indeed, the promoter's evidence on need was somewhat at odds with Scottish Power's position on the lifespan of Longannet. In paragraph 2 of your submission on alternatives, you say that the attainment of the scheme's objectives complements Scottish Power's requirements. How do you know that?

David Reid: I believe that you will receive additional information regarding the consultation of Scottish Power that has taken place which, I believe, is more than may have been outlined previously.

From the outset of the scheme—if we take that point as being when the feasibility study for the original route was undertaken—Railtrack consulted Scottish Power regarding its requirements. Part of the scheme's objectives evolved through the discussions between Railtrack and Scottish Power. Notwithstanding further discussions that have taken place with the promoter's team and the wider team, objectives were set at an early stage, when Railtrack was firmly involved in the project.

The Convener: Are you saying that the objectives definitely complement Scottish Power's

requirements?

David Reid: I consider that to be the case.

Mr Rob Gibson (Highlands and Islands (SNP): In paragraph 4 of your submission on alternatives, you say that alternative rail and non-rail solutions were considered during the development of the project and were properly assessed against the scheme's objectives. We have seen assessments of three rail alternatives. Where do we find the assessments of non-rail alternatives and any rail options other than the Clackmannan, Kincardine and Bogside options?

11:45

David Reid: It might be worth while stepping back and discussing the evolution of the project. The project evolved through the requirement and consideration of Railtrack that the route should be reopened. It was not the case that the objective was to have a line between Stirling and Kincardine along any route. The project has always been about reopening the line. As the project has evolved the promoter has set objectives that include, for example, public transport to Alloa, the relief of the Forth rail bridge and finding a shorter, more efficient route between Hunterston and Longannet power station. As far as non-rail alternatives are concerned, it is clear to us that no other mode of transport could meet all those objectives. A bus service could attempt to mimic the rail option to provide public transport to Alloa and it could perhaps do so in terms of journey time, but that solution would not meet the other two objectives. It was clear that the objectives could be met only by a rail option.

On the alternative rail options that have been considered, the scheme has evolved from the requirement to reopen the railway. It was not considered at an early stage that we should examine myriad alternatives to reopening the railway—or opening a railway—between Stirling and Kincardine. However, given the three alternatives that came out of the extensive public consultation exercise, we saw the need to examine the alternatives that were put to us. It was right and proper that we did so. That describes the evolution of the scheme and I hope that it answers your question.

Mr Gibson: I see that you laid out the objectives at an early stage, but I want to clarify why you concentrated on rail. I appreciate that the final version of STAG has only just been issued. Is it not a requirement of STAG that all the options—in the context of the bill not just a rail alternative—should be assessed at this part 1 stage?

David Reid: If the scheme had been set out from day one as having three main objectives and we had been considering, using the STAG

process, any alignment or mode of transport between Stirling and Kincardine to achieve those objectives, that might very well have been the case. However, it might be worth going back through the history of the scheme. In 1999, Railtrack commissioned a feasibility study on reopening the railway at very low speed and at very low volume, purely to re-establish the railway on its old alignment and to provide the opportunity for more flexible traffic to Longannet. The project then developed through the consideration of Clackmannanshire Council, which for a number of years had harboured the objective of reopening the line for a passenger railway service to Clackmannan. It seemed more than reasonable that the objectives of both could come together.

It became apparent through discussions with Scottish Power that its requirement for a more flexible and efficient method of bringing coal from Hunterston to the power station was a greater requirement. At that stage, as a team, we considered a number of alternatives, but they were all alternatives based on frequency, volume and the need to meet end-user requirements. There was a full STAG part 2 appraisal, which was undertaken by MVA—the committee has been given that document. In summary, the appraisal came up with the view that the preferred scheme should be the one that members see today.

In terms of the STAG process, we considered the objectives as we had them at that stage. Subsequently, given that we were not considering non-rail alternatives, because it was clear that this was a railway scheme, we thought that it was proper to use the STAG guidelines to undertake an assessment of the three options that—through the public consultation—became worthy of consideration.

Mr Gibson: Thank you for that detailed explanation. It is important that the criteria are known to the public.

The Convener: In paragraph 9 of your evidence you say:

"The potential for passenger rail to contribute to the attractiveness of Alloa and Clackmannanshire as a location to live and work is also significantly greater than the potential for improved bus services to do the same."

Where do we find evidence for that assertion?

David Reid: You will hear more evidence this afternoon about the economic benefits of the scheme, particularly in relation to Alloa and Clackmannanshire. I suggest that that question might be more fitting for this afternoon's witnesses. There is more than sufficient general evidence to support the argument that a rail-borne service to particular areas will be more effective than a bus service in encouraging additional members of the public to use public transport. It is

akin to the desire of many towns and cities to have light-rail services as opposed to bus services, because there is something more attractive about a rail-borne service. There is more than sufficient evidence to support that in transport planning studies that have been undertaken over a number of years and that opinion is accepted fairly widely. However, given the particular nature of Alloa, I suggest that later witnesses give more information on the specifics of that.

Nora Radcliffe (Gordon) (LD): I refer to paragraphs 12 and 13 of your evidence. You say that the choice of delivery port for imported coal for Longannet power station is a commercial matter for Scottish Power. Do you agree that the commercial nature of the decision is subject to the availability of paths on the rail route—whichever route that may be—between Hunterston and Longannet? That is a fairly obvious point, but I just wanted you to confirm it.

David Reid: I accept that that is the case. Only so many paths are available on the network and they are available at a price.

Nora Radcliffe: I turn to the last sentence in paragraph 12 of your evidence. We asked Scottish Power whether it had made a balancing assessment of the holistic environmental impact of the road option against the benefits of the proposed rail option, but it had made no such assessment of the road and rail options. Has the promoter made any such assessment?

David Reid: We did not make a direct assessment of the impact of every piece of coal at Longannet going by road as opposed to by rail or of the numbers involved in such an equation. My colleagues might put me right and say that some work has been done on that. However, I do not think that an assessment of the all-road or all-rail options was made. Government policy quite clearly points us towards taking as much freight as possible by rail rather than by road. I am sure that the people of Kincardine would agree that there really is not a case for bringing in all the coal by road if that would mean that the number of trucks passing through their village heading towards Longannet and surrounding areas would increase significantly; it is arguable that there are already too many such trucks. As someone who works in transport, I know—and I am sure that most others would agree—that mammoth equations are not required to prove the viability of rail against road in environmental terms.

Nora Radcliffe: So basically you thought that it was already evident that the environmental impact of one was much less than that of the other.

David Reid: That is right. I also refer you to the Government's offer to some freight companies to use freight facilities grants. Freight facilities grants

clearly set out an equation that involves proving the economic and environmental benefits of using rail rather than road. If the Government succinctly sets out such things in respect of freight facilities grants, it is reasonable to make the assumption that you mention.

Nora Radcliffe: If the rail option is taken, do you agree that there will be environmental impacts on people through, for example, noise and vibration?

David Reid: Every transport scheme involves impacts on individuals—that is in the nature of transport schemes. However, on the holistic question of road against rail, the rail argument significantly outweighs the road argument.

Nora Radcliffe: So you have supported the general principle but have not investigated the particular instance, as you thought that the impacts were so self-evident that investigation was not necessary.

David Reid: I do not think that anyone could reasonably stand up and argue about the matter.

Nora Radcliffe: In evidence to the committee on 27 October, Scottish Power did not indicate that it had considered alternatives to the Stirling-Alloa-Kincardine rail link to achieve its commercial objectives. Given the low level of consultation between the promoter and Scottish Power about the scheme, will you elaborate on what you say in paragraph 13? That paragraph states:

"The Promoter is aware that ScottishPower has considered a number of alternatives to the Stirling-Alloa-Kincardine rail link ... and has decided for commercial reasons not to pursue any of those alternatives."

Will you say more about how you know that?

David Reid: Certainly. I do not wish to discuss whether there has been sufficient consultation between Scottish Power and the promoter—I will leave that matter for others to argue about. However, we are aware that Scottish Power considered the option of continuing with its delivery of coal by rail across the bridge and in through Fife while maintaining the levels of coal transported by road. However, by 1999 to 2000, it thought that that approach was inflexible and did not entirely meet its needs. Therefore, it considered both alternatives and thought that the proposals that we are now considering were more advantageous at that time.

It is fairly well known that Scottish Power subsequently considered the option of bringing coal into Forth Ports and barging it down from Rosyth to Longannet power station. Again, for commercial reasons, Scottish Power's favoured option was considered to be the one that is on the table. That is borne out by the fact that it has signed a contract with Clydeport to supply coal from Hunterston. Scottish Power is a commercial

organisation and would have considered the commercial realities of all the options before signing a legally binding contract.

Mr Gibson: On paragraph 20, can you tell the committee why Railtrack did not proceed with the 1999 scheme?

David Reid: I was very much involved in the feasibility study in 1999. I have used the word "evolution" a few times. Back in 1999, the proposal was to reopen the line at its most basic standard. That would have required a fair amount of work, but the railway would have been fit for the purpose that was set out.

I do not think that Railtrack decided that it would not go ahead at that point. However, Clackmannanshire Council took the view that the alternatives should include the passenger service. That took the standard of the railway up a level from the most basic freight railway—which Railtrack had considered up to that point—to something that had to achieve passenger standard, which, as you will appreciate, is a good deal higher than the standard for a one-train-per-day, low-frequency freight railway. For example, with a freight railway only, the level crossings would have been opened by a man on a train and closed at his back.

The standard that Railtrack was considering was overleaped by Clackmannanshire Council's view that the passenger railway could be encapsulated within the whole scheme. It was reasonable that Railtrack did not go ahead with the scheme at that time, as the scheme had evolved to the next stage.

12:00

Mr Gibson: So you are saying that Railtrack felt that a scheme involving only freight traffic was not viable.

David Reid: No, that is not what I am saying. I am saying that, at the time, Railtrack had not made the decision not to go ahead with the scheme. At the same time, or in the interim, Clackmannanshire Council judged that, if Railtrack was considering reopening the railway as a freight line, it should take the opportunity to open the passenger line to Alloa, which had long been an aspiration. That would achieve a synergy between the two schemes and secure a better price and better value for money. Before Railtrack could make a decision on whether to go ahead with the freight railway, the standards had changed against which the railway would have to operate.

In the consultation that took place between Railtrack and Scottish Power, Scottish Power highlighted the fact that its requirement had increased in relation to the service between

Hunterston and Longannet—which was to have a shorter and more efficient route.

Mr Gibson: Do you have any other information on the reasons why the scheme did not proceed, or have we covered them all?

David Reid: In essence, the scheme was never at the point of being considered for proceeding, at least not on its initial basis. In some ways, it could be said that the initial consideration facilitated the evolution of the scheme and opened up the discussion to bring us to the wider objectives of proceeding with a scheme that will provide—it is hoped—the best benefit to the country in conjunction with local and regional planning.

Mr Gibson: Okay.

In paragraph 33 of your submission, you say that the assumption that 15 trains a day would be required to take coal to the power station

“would be wholly dependent on the long term future of the Power Station and the future of the deep coal mine.”

It is not clear to me what is meant by that. Even if we disregard the Longannet deep coal mine, which is now closed, 15 trains a day or thereabouts would be required for the whole of the life of the power station, whatever that might be.

David Reid: For people who lived in the local area of the coal mine, there was always a question mark over its life-span. Very quickly, that lifespan became no life at all. It has become more evident that one of Scottish Power's concerns was that the use of the deep coal mine was not going to continue in the long term. The basis of the 15 trains per day was Scottish Power's view—and the view of the operator and the supplier—that that would be the requirement to meet Longannet's coal supply requirements in the longer term, with the coal mine being shut. As it transpired, the coal mine closure came perhaps more quickly than anyone had envisaged.

Mr Gibson: You are saying that the output of the power station could vary over its life, thus influencing the number of trains that are required.

David Reid: Yes. Let me make a further point. Once Scottish Power, EWS and Clydeport have considered the detailed assessment of the volume of coal traffic that will be required for Longannet, there is expected to be a requirement for at least 12 trains per day. That figure could rise, depending on Longannet's requirements. We always saw it as a benefit that train paths would also be available for other freight traffic. It has not been assumed that 100 per cent of the freight traffic would be coal traffic to Longannet. The route is a strategic one across the Scottish rail network and could provide for many things in the future, not least that coal traffic.

I return to the question of the requirements for Longannet and Scottish Power's decision to sign a contract with Clydeport. Through discussions with representatives of Clydeport, I am well aware of the fact—and Scottish Power has made it known—that the contract is based on coal traffic travelling by rail via the new route. It is not about bringing the coal to Longannet by any other means. The supply of coal is based on a certain volume, which must be commercially satisfactory to both parties. That is the basis on which the figure of 12 to 15 trains per day can be substantiated. If there is a legally binding commercial contract, we would trust the guys involved on both sides to know their jobs well enough to be aware that the contract must be abided by. If that is the case, that gives us substantiation.

Nora Radcliffe: We will have this information somewhere among our papers, but you might know it off the top of your head. How long is the contract with Clydeport?

David Reid: I do not think that I can answer that question, for no other reason than I have not been given that information.

Nora Radcliffe: I have a feeling that we have been supplied with it at some point, but I cannot remember.

David Reid: That will be a question for someone else to clarify for you.

Nora Radcliffe: I am sorry—that was just an opportunistic question.

The Convener: I think that we will be able to locate the answer among other material.

David Mundell: On paragraph 45 of the promoter's memorandum, we note what you say about the relationship between parts 1 and 2 of the STAG assessment. Is it your position that the option appraisals are sufficient, including those pertaining to part 1 of the STAG assessment and to the Clackmannan, Kincardine and Bogside options? To put it another way, do you believe that there is a clear justification for the rejection of those options at the part 1 stage?

David Reid: I will deal with those points individually. I reiterate that the aim behind the evolution of the scheme was to reopen the railway; it was not to address all the options, alternative means of transport or any alternative railway line between Stirling and Kincardine. The view was taken that it was proper to undertake an assessment of the three options that were highlighted during the public consultation process.

On the Clackmannan bypass, the STAG 1 appraisal, as Mr Butler outlined earlier, considered five categories. Under three of those categories, there was no real difference between the options.

However, from the environmental point of view, it was noted that the Clackmannan bypass would, contrary to national and local policy, cut through prime agricultural land and could require the removal of Tullygarth chimney, which is a local landmark with historical significance. The bypass would significantly increase the potential for pollution to local watercourses. The structure of a new railway there would also have a significant visual impact on the countryside, as the line would have to be constructed on an embankment in order to pass over the A907.

We examined that against the preferred option, and we considered that the environmental effects of the bypass would be more significant than those of the railway going through Clackmannan. In addition, within STAG 1 there is a clear economic justification for the preferred option over the alternative, which would be £4.5 million to £5.5 million more expensive.

The Kincardine bypass would cut through a playing field currently used by Kincardine Colts, which would have to be relocated or taken away. That is against national policy. It would also cut through a recreational area that is used by locals for dog walking and so on. It would require the removal and relocation of two significant power lines. In economic terms, that option would be 50 per cent more expensive than the preferred option. On that basis, we considered that the preferred option did more to meet objectives within the STAG 1 process.

However, following the public consultation that we conducted, we propose to move the alignment of the railway as far as possible to the south or south-west within Network Rail's operational land boundary. That will take the line 10m further away from houses as it passes through the back of Kincardine. We have taken account of the consultation that took place; it has had an impact.

To be frank, the Bogside alignment is a non-starter. It would be between £47 million and £227 million more expensive than the preferred option and would add 12.5km to the route. It would also be much more expensive operationally. It would not meet our objectives of providing a shorter, more efficient route between Hunterston and the Scottish Power facility at Longannet. I have not touched on some of the environmental arguments against the route, such as the fact that it would take away prime agricultural land.

David Mundell: I will take that as a simple yes.

David Reid: Unfortunately, I am not known for simple yesses.

David Mundell: As authors of the STAG document, have you canvassed the Scottish Executive on your views?

David Reid: I should take care when answering that question. Previously, Alan Clark said that he had not considered the STAG appraisal that we carried out. That is not the protocol that was followed. However, members of the Scottish Executive have considered the reports as they stand and have been satisfied that the conclusions are correct.

David Mundell: I refer you to the Kincardine option as set out in paragraphs 55 to 60 of the memorandum. To some extent, you have already dealt with my question, but can you indicate again why the option should clearly be rejected following a STAG 1 assessment? Why should there be no STAG 2 assessment?

David Reid: I will deal with the second question first. The alternative alignment would take away a playing field that is currently used by Kincardine Colts and would run through a recreational area that is used by locals for dog walking and so on. It would require the relocation of two power pylons of significant size. Economically, it is up to 50 per cent more expensive than the preferred option.

In addition, that section of the railway lies within the operational land boundary of Network Rail—the boundary is still operational and live. We could have accepted that the issue did not come under the ambit of the bill and that an operational railway already exists in the area. However, we decided during the public consultation process that it was wise to consider the alternative. If the alternative had been possible, we would have considered it as we would have considered any other alternative.

The reason why we did not go on to a STAG 2 appraisal is partly to do with the evolution of the project, as we undertook a STAG 2 for the alternatives in reopening the line, going back to the MVA report. We did not look at alternatives to the alignment between Stirling and Kincardine for that reason. Because the other alternatives came to light during a public consultation, it was reasonable for us to use some form of agreed methodology that everyone could sign up to. That is why we used the STAG 1 appraisal techniques to provide a comparator between the alternatives and the preferred option.

In the normal course of events, if one was starting with a blank sheet of paper and had a number of options that met the objectives, all of which were fairly close, it would be reasonable to take all of them through to STAG 2. That is quite clear. However, for each of the options, including the Kincardine bypass, we considered that there was sufficient difference between the preferred option and the alternatives to make the STAG 1 assessment adequate. If we do a STAG 2 appraisal, we will get the same results—although in greater detail—and we will come to the same

conclusions.

12:15

Mr Richard Baker (North East Scotland) (Lab): I have questions on the environmental information. My first question is on the evidence that we heard from Mr Clark this morning. We have heard that STAG does not seek to reconcile competing options in terms of the five objectives that it defines. My concern is with the economic and environmental objectives. Can you clarify the relationship between STAG and the environmental impact assessment that you have carried out?

Nigel Hackett (Scott Wilson Scotland Ltd): I refer you to the Environmental Impact Assessment (Scotland) Regulations 1999. In particular, if you look at chapter 1, regulation 2 and at chapter 2, regulation 4, you will see that there is a requirement in preparing an environmental statement to report on any alternatives that were considered. That is with respect to the environmental implication of the alternatives, let alone all the other issues that have to be considered to comply with STAG. I was the project manager for the environmental statement and I consider that the alternatives have been properly considered.

As you and David Reid quite rightly mentioned, the accepted methodology—STAG or the Scottish transport appraisal guidance—has been used. That is accepted as a best-practice methodology and on that basis I am satisfied that the environmental implications of the alternatives have been considered. They have also been properly reported in the environmental statement, which you will see is included in volume 1 of the report, in chapter 3, entitled “Alternatives”.

Mr Baker: Do you feel that the assessment of environmental objectives under STAG is intended to be comparable to that under the law relating to the environmental impact assessment?

Nigel Hackett: The law does not specifically say how one should carry out an assessment of alternatives. However, I am satisfied that STAG is a robust and rugged appraisal for environmental assessment of alternatives and I am satisfied that the STAG methodology is perfectly acceptable for consideration and inclusion in the environmental statement.

Mr Baker: Where would one find environmental information in relation to the conclusions in the part 1 STAG assessment?

Nigel Hackett: In the part 1 STAG assessment, that information is normally reported in what are called the appraisal summary tables—the ASTs. That is where one would find the information.

Mr Baker: I refer you to paragraphs 51, 57 and

62, in which some environmental information is given about the alternative routes. We found that information to be pretty thin. What assurance can you give the committee that the environmental impact of the alternative routes has been assessed to the same degree as that of the chosen route?

Nigel Hackett: The alternatives have not been assessed to the same degree as the promoter's route. STAG does not require that; as Alan Clark mentioned, the Scottish Executive does not expect a full environmental assessment of the alternatives to be undertaken. However, I refer you again to STAG. The methodology is clear. It provides precise guidelines on how to carry out an environmental assessment—“environmental appraisal” is probably a better phrase to describe the work that is undertaken—and in my opinion that assessment was carried out properly and was based particularly on the promoter's objectives, which David Reid described, and of which I am sure you are well aware.

Mr Baker: But if the environmental impact assessment of the alternative routes has been as thin as it appears to be from the memorandum, the environmental statement and the option appraisal documents that were supplied, why should the committee be satisfied with the level of environmental information provided on the alternative routes?

Nigel Hackett: Environmental information has been provided in the various reports that you have and the supplementary memorandums. I refer you not only to those but to the MVA final report, “Stirling-Alloa-Kincardine Rail Line Reopening Benefit Study”, which was published in February 2002. The study fully and comprehensively reports the environmental implications of the options that are discussed in the reports; the reports followed STAG, which, in my opinion, is good professional practice set by the Scottish Executive and covering a wide range of transport proposals. The particular scheme fits well within the STAG requirements for transport proposals.

Nora Radcliffe: I thank the clerks for finding the information that I asked about earlier. Apparently, Scottish Power entered into a seven-year agreement with Clydeport—the agreement commences in April 2004, so it is 2004 plus seven years. I say that because it is relevant to my question. It has emerged in evidence that the promoter seems to be taking a much more optimistic view of the long-term future of Longannet than has Scottish Power, which seems to feel that Longannet may well close, at the latest in 2016 and possibly as early as 2011 or 2012. Would it be right to say that the more optimistic life expectancy of Longannet is what fed into your STAG 1 appraisal? Might it be sensible to revisit

the STAG appraisal and feed in a much less optimistic view of the lifespan of Longannet?

David Reid: That question would best be answered by my colleagues who considered the need for the railway. I do not think that the issue would alter our views on the alternatives. The question relates more to the overall need, which I believe is being reported on separately. I am not clear why the issue would make a difference to the alternatives and the preferred alignment.

Nora Radcliffe: Does not STAG 1 take a look at economic aspects of a project?

David Reid: Yes, it does. However, if the economics of the preferred alignment alter either upwards or downwards, one would expect the economics of the alternative alignment to alter by a proportionate amount. For example, if the Clackmannan bypass is £5 million more expensive than the preferred option, it will remain that much more expensive, no matter what the economic return happens to be and whether it increases or decreases. I suggest that that overall point applies more to the question of need, on which I believe you have received further information.

Nora Radcliffe: The proposal is heavily based on and underpinned by coal freight. I think that you partially alluded to my point when you mentioned that the route is a strategic one. Has any consideration been given to other freight options for the line?

David Reid: The route has always been considered as a strategic one. Indeed, we have underpinned it in such a way because of the potential for significant freight traffic to Longannet, which has the benefit of giving us a decent foundation to build on. That is unlike the situation with many other transport alternatives. The intention behind United Kingdom and Scottish national policy is to transfer as much freight to rail as is possible or reasonable. Certainly, some developments, such as Safeway traffic to the far north, have taken such opportunities.

One problem with current traffic to Longannet is that it uses a route that carries a mix of freight and passenger services, especially on the Edinburgh to Glasgow line and on the line over the Forth rail bridge. Many other mainline transport alternatives, such as the Edinburgh airport rail link, have been proposed, and one can imagine that the traffic mix in those particular schemes will make things more difficult. In general, the rail industry feels that it would be far more helpful to have separate freight and passenger routes, because it believes in "never the twain shall meet". However, such a proposal will never happen. It would help if we ensured that freight traffic could use as much as possible a path that gave it some priority. One of the downsides for any company that takes on rail

freight as a mode of transport is that such traffic is usually sidelined while all the other trains are allowed to catch up. Clearly, the Stirling to Kincardine route will form a very important link to the policy of introducing as many strategic freight routes as possible and will mean increased opportunities for traffic to travel from the south to the north.

Proposals for freight traffic to Fife have also been considered. Indeed, one of the waste disposal sites in the area was considered as a possibility in that respect and I believe that other interested parties along the route felt that if the line was in place the economics would make rail rather than road travel or travel using other forms of transport a far more viable option. As a result, although the scheme is underpinned by traffic to Longannet, opening the line would bring far more opportunities for other parties.

The Convener: I seek some clarification of a couple of points that have arisen as a result of your evidence this morning. Perhaps I have misunderstood some things. Mr Reid, I think that you said that Scottish Power and Clydeport have signed a seven-year contract. How could they have signed a contract to use a route that has not yet been approved?

David Reid: I did not say that a seven-year contract had been signed.

The Convener: Let us just say that a contract has been signed on a route that has yet to be approved. It struck me as—

David Reid: Presumptuous.

The Convener: Well, a bit strange. Any clarification in that respect would be helpful.

David Reid: The clarification is that there is one form of commercial agreement in case the new route is opened and one in case the route is not opened. If the route is not opened, there is a fallback position, although in commercial terms those companies could not live with that. It would be advantageous for both companies to have the route open.

The Convener: That explains the matter—a contingency has been built in.

Mr Hackett, it has been mentioned that a full STAG 2 appraisal of the preferred route has been undertaken. I assume that that is contained in the final report, "Stirling-Alloa-Kincardine Rail Line Reopening Benefit Study". For my sake and the sake of committee members, will you say exactly where in the report it can be found?

Nigel Hackett: At the end of the report, under what is called the part 2 appraisal summary table, option C is the first option that was considered, option D is the second option that was considered

and option E is the third option—option E is the scheme itself.

The Convener: I am grateful for that clarification.

Do the witnesses wish to make some brief concluding remarks?

David Reid: I would like to clarify that, for both the preferred option and the alternatives, the environmental statement is compliant with environmental impact assessment guidelines and regulations. We have considered the alternatives to the reopening of the line and we remain thoroughly convinced that the preferred option best meets the objectives as set out in the promoter's memorandum.

The Convener: Thank you, gentlemen, for appearing before the committee and giving full and detailed evidence. You are more than welcome to return to the body of the hall for the rest of the meeting.

We will have a brief break while we change witnesses.

12:31

Meeting suspended.

12:34

On resuming—

The Convener: The committee will now hear oral evidence on consultation and compensation from Gail Jeffrey, who is a project manager with Scott Wilson Railways Ltd; Tara Whitworth, who is a principal engineer with Babbie Group Ltd; and Fiona Stephen, who is a partner with Anderson Strathern.

GAIL JEFFREY and FIONA STEPHEN made a solemn affirmation.

The Convener: I remind Tara Whitworth of her solemn affirmation last week.

I will kick off the questions. Paragraph 3 of your written evidence says that you are prepared to give the committee further details of the promoter's detailed assessment of the scheme and its potential impact on the human rights of those whose property and other interests may be affected. The committee would appreciate being provided with the legal advice that was given to the promoter on whether the scheme is consistent with the European convention on human rights and, in particular, with the rights that are protected by article 1 of protocol 1 and by article 8.

Tara Whitworth (Babbie Group Ltd): Fiona Stephen of Anderson Strathern will deal with specific questions on ECHR compliance. I will ask

her to summarise that issue briefly; we can provide the written evidence by the end of the week. Gail Jeffrey from Scott Wilson Railways Ltd will deal with questions on Scott Wilson's consultation, which took place between June and November 2002. I will then pick up any other questions.

Fiona Stephen (Anderson Strathern): My understanding is that, during the course of the project, the promoter has considered a number of issues that have an impact in terms of the European convention on human rights. The promoter is aware that, as the bill passes through the Scottish Parliament, the Parliament has to be assured that the bill complies with the European convention. The promoter understands that it would be outwith the Parliament's legislative competence to pass a bill that did not comply. In addition, the promoter comprises a number of public authorities that, under the terms of the Human Rights Act 1998, must comply with the convention.

During the course of the project, the promoter has had the benefit of legal advice from its legal advisers, which did not include me until very recently. That legal advice was provided by John Kennedy & Co. When I became involved recently, I was asked to consider the information that has been available to the promoter and to assess whether the scheme is compliant with the ECHR. In particular, I have looked at article 1 of protocol 1, which relates to people's peaceful enjoyment of their possessions. I have also looked at article 8, which relates to people's ability to enjoy their home and private life.

The Convener: In your view, is the scheme compliant?

Fiona Stephen: I should explain that article 1 of protocol 1 does not give absolute rights under the European convention. Article 1 of protocol 1 gives a qualified right. Committee members should have the terms of that article before them today. Basically, the premise of that article is that people are entitled to the peaceful enjoyment of their possessions and that no one is to be deprived of those possessions except in particular circumstances. One of those circumstances is where the deprivation of those possessions is in the public interest. When one looks at that article, one must consider what the public interest is and whether people will in fact be deprived of their possessions.

The scheme and the bill propose to take land for the purposes of building the railway. The majority of the land does not fall within the compulsory purchase provisions because it is owned by Network Rail, but some of the land will require to be obtained compulsorily. I think that I am right in saying that the proportion is about 35 per cent.

That figure is based on the further paper that I think the promoter provided the committee with on Friday. Wherever possible, the promoter sought to minimise the land take. Details of the land take that is required can be found in schedules 7 and 8 to the bill.

The Convener: Could you tell us the particular steps that the promoter has taken to minimise any interference with individuals' human rights?

Fiona Stephen: Tara Whitworth can probably give the committee the specifics of the particular plots.

The Convener: I would be grateful for that information.

Tara Whitworth: We have done two main things. First, we have used existing land. The existing railway is owned by Network Rail and by reusing the railway we are minimising any additional land take. Secondly, we undertook public consultation to ensure that members of the public were fully aware of what the project entails. We consulted on the likely time scales for the project and the fact that it will be legislated for through a private bill, which involves meetings such as this one. All of that helps to maintain the two-way flow of information between the promoter and the potentially affected locals. The main thing that keeps us compliant with the European convention on human rights is undertaking that process.

The Convener: Are you saying that the process allows you to argue that a balance has been struck between the interests of each individual, the promoter and the community as a whole?

Tara Whitworth: I think that it assists in striking that balance. One of the main impacts of the scheme is that it is a strategic route and needs to meet all national, local and strategic policy objectives. We are not just blitzing ahead with a project that we think is best for people in general. We are backing the project up with existing local government, Scottish Parliament and UK Government policies. In our opinion, the scheme is in the best interests of the community.

Mr Gibson: It would be helpful if you would explain what is meant by "statutory consultees". In a normal planning context, that phrase means the consultees who are required to be consulted on specified occasions. However, in the context of a private bill, the phrase does not appear to have any particular meaning.

Tara Whitworth: That is correct. We have gone back to the previous legislation and made the assumption that the same processes would apply to a private bill as if we were following the normal process for a major infrastructure project.

Obviously, although I would not call it a work in

progress, the document "Guidance on Private Bills" is a new document that has not been tested very much. We looked at major infrastructure projects in Scotland and at how such projects are done elsewhere in the UK. We also looked at the Department for Transport document "A guide to TWA procedures". If such a project were to be undertaken in England, for example, the railway would be authorised by an order under the Transport and Works Act 1992. That process was followed until railways were devolved to the Scottish Parliament.

We took a balance between the Department for Transport's advice and what happens in other major infrastructure schemes in Scotland. From that, we developed our own list of what we considered to be statutory consultees. We hope that, in future, the "Guidance on Private Bills" will clarify such issues. We used best practice, but we recognise that we do not have any formal name for that part of the process.

Mr Gibson: When was the list of statutory consultees compiled?

Tara Whitworth: The list was compiled in June 2002, at the beginning of the consultation process that was undertaken by Scott Wilson Railways. We came up with consultation strategies for the whole project. One of the things that Scott Wilson did at the beginning was to decide who would become the statutory consultees—I use the term as a generally recognised term. Prior to that, we had been consulting a number of those people for several years. Obviously, there has been a lot of discussion with organisations such as the Scottish Executive and Network Rail, which are key consultees on the project. Although the process officially started in June 2002, a lot of background consultation was done before that date.

Mr Gibson: Why are Scottish Power and the Strategic Rail Authority not on the list?

Tara Whitworth: Scottish Power would normally be considered a utility provider and so would come under a separate category. We have flagged that up separately. The SRA is also not normally a statutory consultee on major projects. It considers the strategic benefits of a route and the layout of the network, but it is not directly affected by the project and would not normally form an opinion on small areas of the project, whereas Scottish Water, for example, might be able to protect someone's position on a local, licensed extraction point. The SRA is part of the steering group and has been involved in the project for a long time.

12:45

Mr Gibson: I turn to paragraph 27 of your submission. Do you have any information for the committee on the level of cost that might arise in

connection with the costs of the utility companies?

Tara Whitworth: We have asked the utility companies to provide a breakdown of their costs in accordance with the New Roads and Street Works Act 1991 but we have not had sufficient, consistent feedback from them. The 1991 act only affects the utilities where a road is involved. For example, the 1991 act is called into play at level crossings. Where no roads are involved, the Town and Country Planning Act 1990 is called into play, and that act does not contain a process for obtaining a C3 or C4 estimate—that is the usual terminology that is used for those estimates. The only cost estimate information for utilities is in the explanatory notes in the promoter's estimate of expense. In paragraph 220 of those notes, under contingency costs, there is a public utilities diversions cost of £1.6 million, plus or minus 15 per cent. That has been based on our engineering knowledge of which utilities will be affected, and on a small amount of responses from the utility companies about specific areas of the project.

Mr Gibson: So that might become more apparent if the bill is given the go-ahead and the works are started.

Tara Whitworth: Yes. The 1991 act has a multistep process for that very reason but, as I said, it does not apply to the whole route in this case. A C3 estimate is basically an outline estimate. C1 and C2 estimates have been done but they are very broad; C3 estimates are slightly more detailed. That is followed by a C4 estimate, which is much more detailed and starts to examine quantities of materials to be used, the known programme of the works and the resources that the utility companies have available to remove or divert utilities. That is followed by a C5 estimate and then, under the 1991 act, the promoter has to pay the ultimate cost of the utilities diversions. Under major infrastructure schemes, it is normal that the utilities diversions costs continue to evolve as the project goes on.

Furthermore, when a project such as this is constructed, involving roads or railways that have been in place for several years and where there has been a lot of development around the route, it is not unusual to find unrecorded utilities apparatus. The costs are impossible to predict until the apparatus is found and dealt with. In such projects, it is normal for utilities costs to continue to evolve. That is why we have put those costs under the heading of contingency costs within the estimate of expenses.

Mr Gibson: On paragraph 36 of your submission, given that the project requires an environmental impact assessment, you will understand that the committee might get a little nervous when it hears that the scheme has not yet been finalised. Could you give us some comfort by

explaining the nature and extent of the works that might yet change?

Tara Whitworth: Yes. As we discussed last week, a design-build contractor is being procured to take the project through a two-phase process using early contractor involvement. It is normal to develop a scheme of this nature through preliminary design, followed by detailed design and then on to construction. The Stirling-Alloa-Kincardine route reopening is at the preliminary design stage. Some elements have been developed slightly further, but other elements have not. By virtue of the fact that there is an existing railway with many of the structures in place, the amount of detailed design that has yet to be undergone is less than if we were going through a greenfield route.

We have ensured that sufficient design has been undertaken to allow us effectively to estimate the significant impacts, then to assess them under the environmental impact assessment regulations. One of the main tasks is to work out where the key areas of work are going to be and what impacts they will have. The project has a huge benefit in that, because the route exists, very few earthworks are required and there will be very little digging up of ground, reforming of embankments and such like. The Alloa eastern link road—work number 2—will involve the main portion of such work. However, because the route is extant and fenced off, it is easy to say in engineering terms that the existing route will not vary greatly once we have done some preliminary design checks on it. I would like to reassure the committee that an appropriate level of design has been carried out, through which we have identified the significant impacts and carried them through to the environmental impact assessments.

An example of where further information is required and where the environmental statement looks at the broader impacts—and, again, where that is included in the ancillary works to the bill—is the matter of mine shafts and grouting up and capping them. We have carried out preliminary site investigation and specific mining investigation works along with a lot of consultation of the Coal Authority and Network Rail to identify where the coal shafts are. A lot of mining has been carried out under the railway, as has happened in central Scotland in general. We have identified a number of the mine shafts, based on records and site investigation, and we have made a good engineering estimate of the works that are required. However, until we actually start pumping concrete into a void in the ground, it will be difficult for us to know the exact impact of that and where it will stop.

The ancillary works cover the ability to grout up shafts and to carry out any necessary works

should that grouting up cause problems elsewhere. For example, if we started grouting up a shaft and the concrete started to pour out 2 miles away, we would be able to go and close that hole off for the greater benefit.

Mr Gibson: That gives grouting a whole new meaning. Thank you.

David Mundell: Perhaps you could inform the committee of the methodology that was used in your consultation with the owner-occupiers of the properties along the proposed rail route. For example, how did you select consultees?

Tara Whitworth: I will pass that question to Gail Jeffrey to touch on briefly as a starting point; I will fill in what has happened since November 2002.

Gail Jeffrey (Scott Wilson Railways Ltd): The consultation strategy methodology is outlined in paragraphs 32 to 59 of the promoter's memorandum. However, I shall run through our consultation strategy.

The strategy was developed according to two guidelines that were issued by the UK Government—the Office of the Deputy Prime Minister's "Code of practice on the dissemination of information" during major infrastructure developments and the Department for Transport's "A guide to TWA procedures". In following those guidelines, we effectively split our consultation into several different components—to capture what we will call statutory consultees. We then considered the general public and those who may be directly affected by the project. In the absence of a definition of "directly affected" by the Scottish Executive in the guidance, we looked to identify frontagers on the railway in particular who may experience a change in their environment—for example, in terms of noise and vibration. We also considered level crossings, where the access arrangements that people currently enjoy may change.

Those were my main concerns in terms of consultation. I actually hand delivered letters to the houses adjacent to the route between Kincardine and Stirling, in Causewayhead, Clackmannan and Alloa—the main communities—but also to properties in between those main towns. The consultation letter, which is contained in the consultation report under appendix A, set out for people the fact that a bill was going to be promoted and that the promoters were consulting the general public. It outlined some of the benefits of the scheme, and also gave my name and contact details so that people could obtain more information. The letter also contained details of where the general public could attend public exhibitions or public presentations, which were held in the four main towns of Alloa, Clackmannan, Kincardine and Stirling between 16

and 23 September last year.

It was not always possible to capture who had attended those exhibitions. Members of the public were encouraged to sign the comments book in the exhibition, and I distributed feedback forms at each of the public presentations. Obviously, not everyone filled them in. Where possible, I tried to identify people who live adjacent to level crossings and whose access arrangements may change. Where I noted that they had not attended consultation sessions, or I could not verify that they had attended, I wrote them a letter asking whether they would like an opportunity to discuss the proposals. A number of people took me up on that, for example people from the farm at Manor Neuk level crossing.

Tara Whitworth: Since November 2002 there has been a lot of on-going public consultation. I have attended quite a number of evening meetings that have been held by members of Kincardine and Clackmannan residents concern groups. We have also followed an iterative process. Early in the bill process we issued notices to all affected property owners. Once the notices were issued, we undertook a review of the maps, plans and sections that accompany the bill and we started to identify where we felt land was surplus to our needs as the scheme evolved.

We also took that out to the public and met a number of the landowners. As the notices went out, some of the landowners contacted me, often directly through the project website, but also by picking up the phone and saying, "I've got this information. What should I do with it?" We then tried to work with those landowners to identify what would be best for them. For example, I know that objector number 1—Mr and Mrs Pedder—identified during the bill process the fact that compulsory purchase of their property to provide temporary access to the construction compound would not be suitable. We met them, and identified a solution that meets our and their requirements and we have a legally binding undertaking in connection with that. As I said in the memorandum, we can produce copies of those undertakings if the committee would like to see them, but they are between the promoter and the private landowners.

There has been an on-going process. Conflicts have been identified, and we have sought to meet the landowners and work out with them what is best. I can give other examples if that would assist.

David Mundell: We will come back to some specifics in a moment. I want to ask two more general questions on the consultation exercise. How does the consultation exercise compare to other consultation exercises on major infrastructure projects, such as the M74

extension?

Tara Whitworth: It is very similar—pretty much the same process and same theories apply. A railway, by its nature of being a linear transport route, is similar to a road project. Major road projects traditionally have public exhibitions, websites and letter drops: all the things that have happened on this project. There was recently a public exhibition in Kincardine for the upper Forth crossing, which used the same type of format that we used in our public exhibitions. The process has been similar throughout the project.

I have experience of working on road projects and major bridge projects and am able to say that the process that has been applied is the same as on those. For the sake of consultation, the railway is a linear transport route, not specifically a railway. That is how we develop the strategy that decides on the process that is to be taken forward.

David Mundell: Various objectors have expressed the view that there is a perception that the council is determined to go ahead with the project regardless of the views that objectors might express in the consultation process. Is that a fair comment?

13:00

Tara Whitworth: No, it is not a fair comment. We have tried to take on board people's concerns and to do what we can for them. If I give members three examples of where we have done that, it might assist your knowledge. Hilton Road footbridge is a good example; Alloa station is another; and Manor Neuk level crossing is a third.

Hilton Road footbridge was not in the original scheme on which Scott Wilson Railways commenced the consultation process, but it became clear at an early stage that there was a need to maintain pedestrian access once Hilton Road was closed. Through the public consultation, we identified where the footbridge should be. There is an existing footbridge at Balfour Road, but the residents considered that that was too far away. One of the things that they said was that they needed a footbridge at Hilton Road to get to the supermarket, so that was one of the first things to be added.

On Alloa station, we have had quite a lot of discussions with the current owner of the station site—the old brewery site—with a view to trying to ensure that our proposal integrates with his. To the best of my knowledge, he does not have detailed—or even outline—planning permission for his development on the site. However, we have sat down with him and his planners at various intervals to try to identify what we can do, such as positioning the station platform or the station building to try to minimise the impact on his

development. We have done the same with the car park and have come to an agreement that he finds so acceptable that, I believe, he did not object to the bill.

Manor Neuk level crossing is another good example. That level crossing is not authorised by an act or an order, so it is basically an illegal crossing across an operational railway, but as no trains run on the railway in that area at present, it is not a major concern. However, it became clear from discussions that Gail Jeffrey—mainly—had with the landowner that access to the fields on both sides of the road had to be maintained, so we proposed to put a private, user-worked level crossing at that location. There is another level crossing close to that location at Manor Powis, but again through discussions with the landowner, it became clear that that was not a suitable alternative to them. That has been included in the bill and Manor Neuk level crossing is one of the level crossings that will continue. It is specifically mentioned as a private, user-worked level crossing in the bill.

The promoter has always been supportive of the scheme and has always put an optimistic face on consultation of the public. Clackmannanshire needs the project. As we heard earlier, the route is strategic and meets all the national and local planning objectives. It will do a lot for Fife and it will do some things for Stirling. There has always been optimism that the project will go ahead. I think that some of the local people who went to some of the presentations felt that because, in their eyes, the decision had already been taken to reopen the railway line, they had lost the ability to be consulted, but I strongly dispute that.

David Mundell: I will ask about some specifics on the

“significant amount of public consultation”

that is referred to in paragraph 31 of your submission on compensation and consultation and to which Gail Jeffrey referred. She covered one or two of the points about which I will ask, but we will restate them for the record.

When were the letters that are referred to in paragraph 2.2.3 of the promoter's final consultation report of 25 November 2002 sent to the owner-occupiers of the 350 properties along the route whose properties will be affected by the railway, and what was the substance of each letter?

Gail Jeffrey: The date of that letter was 28 August 2002. It is the letter that is referred to in appendix A of the consultation report. The same letter went to all the properties, which are listed in appendix A.

David Mundell: Is the text of the letter

contained in the documentation?

Gail Jeffrey: Yes.

David Mundell: How many times have you been in written contact with owner-occupiers about the scheme, in addition to that letter?

Gail Jeffrey: That varies, depending on the owner-occupiers. Some requested further information, which we supplied at the end of October. Tara Whitworth engaged in further consultation with some people after November 2002.

Tara Whitworth: If you would like us to provide back-up on a specific example, I can do that.

David Mundell: Were all the letters clear about where people could find further information and did they contain details of a designated contact?

Gail Jeffrey: Yes—my name, telephone number and website address are all given in the letter, in addition to the details of the public exhibitions and presentations. Those exhibitions and presentations were also advertised in the local press two weeks prior to their being carried out.

Tara Whitworth: My contact details have been given out continually since before June 2002 until now. Gail Jeffrey's input ceased around November 2002, but my contact details have always been available to members of the public and they continue to be made available through our project website and in all the consultation that we carry out.

David Mundell: What was the normal method for delivering the letters? Were they delivered by post? Were they sent recorded delivery?

Gail Jeffrey: I hand delivered the first lot of letters.

Tara Whitworth: The other letters were generally sent by first-class post.

David Mundell: Have you had feedback from residents about non-receipt of letters? The residents of 3 and 4 Mill Road, Clackmannan, state in their objection that they and a significant number of their neighbours did not receive any correspondence informing them of the public exhibitions and presentations that took place between 16 and 25 September 2002.

Tara Whitworth: Given that I do not have that correspondence in front of me I can give only a general answer. We reviewed the correspondence files during the objection process. A number of the objectors said that they did not believe that they had received correspondence. That has generally been found not to be the case and we are able to provide evidence that the letters were delivered, either by hand or by first-class post. In certain cases, people have failed to realise that they

received a letter on the subject.

Nora Radcliffe: How many one-to-one meetings have taken place with the owner-occupiers and what follow-up action was taken as a result of such meetings?

Tara Whitworth: Perhaps Gail Jeffrey will update you on how many meetings she had and I will update you on how many we have had.

Gail Jeffrey: I have undertaken one-to-one consultations mainly with those living adjacent to level crossings. Meetings followed the public presentations and people were able to speak to me and other members of the promoter's team in this very hall on 16 September last year. There were opportunities for one-to-one meetings, most of which are recorded on the feedback forms. I do not have the exact number, but I had a great number of one-to-one conversations with people after the meetings.

Nora Radcliffe: Were there dozens of such conversations?

Gail Jeffrey: Yes.

Tara Whitworth: After November 2002 and specifically this summer, we conducted approximately 30 or 40 one-to-one interviews with members of the public, so we are talking about dozens of interviews.

Nora Radcliffe: So you went back for information to people who had more complex requirements or on whom the proposals impacted more heavily.

Tara Whitworth: Yes. Quite often in the consultation process people raised issues on the feedback forms or submitted queries on the website. We then got into lengthy correspondence with them.

Nora Radcliffe: I will ask a bit more about the website. Paragraph 59 of the promoter's memorandum states:

"The website is updated regularly to allow for the continuous flow of information out to all interested parties."

Could you be more specific about what updating is carried out, when that is done and what information is on the site? How have people been made aware of the site's existence and how many hits has it had?

Tara Whitworth: I will take your last question first. I am afraid that I cannot tell you how many hits it has had because we do not monitor that. We cannot do that with this particular website.

Nora Radcliffe: Has it received a lot of hits?

Tara Whitworth: Yes. It is safe to say that it has received a lot of hits. The website was originally set up—if my memory serves me right—in June or

July 2002. We have since then issued press statements, which are generally produced monthly, although we do not do one specifically every month. Our consultation and media strategy is that we aim to issue one pretty much once a month. The most recent one went out at the beginning of October so another is due shortly. The press releases are placed on the website as soon as possible thereafter. I believe that the most recent update to the website was done a couple of weeks ago and that that included the addition of the new press release from October 2003.

The website includes basic information on the project, such as how often the trains will run and at what speed they will run, and it includes a map that shows where the route will go. The information is similar to that which is in the project brochure, which I believe committee members have seen. There is a news section, a section that enables people to submit their comments and a contacts section so that people can log on and see whom they should contact. There is also a direct link to the bill, so a member of the public who accesses the project website can click on the words "click here" and get straight into the parliamentary website where they can see, for example, the environmental statement. The project website has been used a lot. All our press releases state that if people need further information they should try the project website. We also tend to state that in all our public consultations. Our closing statement in the letters that we send out tends to be that for further information people might feel that it is appropriate to look on the project website.

We have taken a similar approach with the contractors. In the process that we are currently going through to get expressions of interest, rather than detail all the information—as we would previously have done on major schemes—we save time by stating that they should access the project website for further information. The benefit of that is that the contractors all get the same information and it is updated regularly.

Nora Radcliffe: How interactive is it when people lodge a request for information? Are queries checked daily or weekly?

Tara Whitworth: Website queries get forwarded direct to me. I think that I get them within about a day, but I could clarify that.

Nora Radcliffe: What was the last consultation that you had with the public on the issue? When was it and whom did you consult?

Tara Whitworth: The last public exhibition was held last September, but as I said meetings have been on-going. I think that the last meeting that we had was with the Clackmannan railway concern group. I would have to check the date of that

meeting, but its outcome was the Bogside alignment report. Many other one-to-one meetings, which were not part of a specific consultation, have been going on. The release of the information and publication of the report on the Bogside alignment was probably the last major consultation.

Nora Radcliffe: Could you say a little more about how you have actively encouraged information to come in from the public?

Tara Whitworth: Yes, if you would like me to do so.

Nora Radcliffe: I think that you have covered quite a lot of it.

Tara Whitworth: I probably have. We have always tried to be open and transparent and to get feedback from members of the public. As Gail Jeffrey said, we have always handed out feedback forms, held public exhibitions and attended public consultation meetings. We have had a lot of discussion with the railway concern groups. They have invited us to attend meetings and speak to audiences and we have done that.

It is an on-going process—every time we write to somebody, visit them or whatever we try to get them to make an input to the design and to continue their involvement in the process. If the bill is approved, a number of years of work will still take place on the scheme. From a public consultation perspective, the construction phase is probably the more important one. For example, if we are going to close a road and a level crossing is people's main access, it is important that we let them know when we will put in alternative access. Are they going to be delayed in getting to work on a crucial day?

Obviously, we have to ensure that companies such as Diageo plc that already have major emergency hazard and accident plans are aware of developments in sufficient time to plan alternative routes. Again, the police and emergency services will always need to have input into such plans. As a result, there is a lot of forward planning. In fact, the consultation forms part of that planning to ensure, for example, that we do not cut off someone's road without warning. We try to address the issue on an on-going basis.

Nora Radcliffe: How did you deal with the feedback that you received from your public exhibitions and presentations in September?

Gail Jeffrey: We tried to incorporate as much detail into the design as possible. However, some people asked for specific information on the individual impact on their property, which we were not able to provide during the consultation. Instead, we tried to reassure people that the environmental impact assessment would address

their concerns and that it would examine issues such as noise and vibration. Concern about those aspects was one of the main issues to emerge from the consultation process. I sent a letter to all the people who raised those issues to advise them that the assessment was being carried out as we spoke and that the results would be produced in the environmental statement. People were also given information about how to access that statement and details of the project website, where information would continue to be updated.

The Convener: I thank the witnesses for their evidence so far. At this stage, I suspend the meeting for a lunch break. We will recommence at 5 past 2.

13:16

Meeting suspended.

14:09

On resuming—

The Convener: Welcome back to the meeting. We will continue our questioning of the same group of witnesses.

Mr Baker: Earlier, the witnesses responded to questions relating to the receipt of letters by objectors. Other objectors have stated general concerns about a lack of consultation, information and letters of notification. How do you respond to those concerns and what evidence do you have that all the people who will be affected by the route were notified and received subsequent letters?

The residents of Ochil View and Lilmuir in Clackmannan state in their objection that, although their gardens will be subject to compulsory purchase, they did not receive a letter informing them of that until after the bill was introduced.

Tara Whitworth: In accordance with the guidance on private bills, we have to issue official notification letters to all directly affected landowners. As that was done by special recorded delivery, we obtained signatures on the receipt of all the letters. We can provide the committee with those if they are required.

Some notices were returned for a number of reasons. Some people who were not in when the postman called to deliver letters failed to collect them from the post office within a certain number of days as they were instructed to do by a card that was left for them. The letters that were returned to us at that point were re-sent. In extreme cases, we have delivered them by hand. Therefore, we can provide proof of delivery of all the notifications required by the bill.

A number of the objectors to the bill claimed that they had not received letters. The ones that I have

checked out personally did not appear to be directly affected and their belief that their back gardens would be taken away from them turned out not to be the case. If you would like to point out any cases that we have failed to address, I would be happy to prepare written evidence on each and every one of them.

Mr Baker: I understand from the objection of the Clackmannan railway concern group that no follow-up public meetings were held following the meetings on 16, 18, 23 and 25 September 2002 in Alloa, Clackmannan, Kincardine and Stirling respectively. Will you confirm that? Why was it felt that no follow-up meetings were necessary?

Tara Whitworth: Follow-up meetings were held but they were not of the same format as the ones that had been held before. The four meetings held in September were official public exhibitions: we had display boards in a display trailer, a book, which we encouraged people to sign, and feedback forms. Following those meetings, we undertook further public consultation. For example, the Clackmannan railway concern group and the Kincardine railway concern group invited Gail Jeffrey, me and some other members of the project steering group to attend separate meetings that they held in halls in Kincardine and Clackmannan. I do not have the dates of those meetings to hand but I can provide them. I can also provide a summary of what went on at those meetings. The railway concern groups decided who would attend the meetings, issued invitations and asked the questions. At one meeting—I believe it was the Clackmannan one, but I have been to so many that it is hard to be sure—a member of the Westminster Parliament and a member of the Scottish Parliament were also on the panel. There was quite a lot of follow-up coverage in the public press after the meetings. In their objections, the objectors failed to consider those meetings to be public meetings. However, although there were no specific public exhibitions after September, there were a lot of follow-up meetings with the consultees.

Mr Baker: How did you advertise those meetings? Was everyone made aware of them?

Tara Whitworth: It was up to the railway concern groups to advertise the meetings that they organised. There have also been local government meetings. For example, Clackmannanshire Council had to pass a local government resolution and a follow-up resolution to submit the bill. Meetings were advertised in the local press. Copies of advertisements that appeared in the *Wee County News* and the *Stirling Observer* can be produced.

Mr Baker: How has the promoter assessed and processed concerns that objectors have expressed? What monitoring has been done in

dealing with those concerns?

14:15

Tara Whitworth: That is a broad question. During the original consultation period, in which Gail Jeffrey was involved, we used a property, engineering, referencing, consultation system—PERCS—form, which is basically a pro forma that is filled in when consultation has taken place. The form includes information on what meetings have taken place and what follow-up action has been taken; it tracks the whole process. Changes were incorporated in the design where that was possible. We touched on a couple of changes earlier, such as at the Manor Neuk level crossing. Since then, spreadsheets have been used to track consultation with all the different bodies. In our office, there is a basic spreadsheet with the consultees' names and all the correspondence with them, which is all backed up by written files with the incoming and outgoing consultation letters.

Mr Gibson: Paragraph 34 of your written evidence on consultation and compensation states that consultation with the public will continue in an open manner. You have mentioned the website and on-going work. Is the draft consultation strategy that is referred to still in draft form, or has it been finalised? Will you detail exactly how the promoter will engage with people who are affected by the route over the coming months, should the bill progress?

Tara Whitworth: The consultation strategy is still in draft form. We come up with a draft strategy approximately every six to eight months. The project steering group reviews that strategy and decides whether it is an appropriate way forward. I think that the project steering group's next meeting is in two months' time—meetings are held quarterly. There has not been a meeting to finalise the strategy yet, but that is not unusual.

Such an approach has been taken throughout the project, so we have not had only one draft consultation strategy. We try to monitor the strategy, so there are monthly meetings with the project execution team, which is smaller than the project steering group. Progress is reviewed. If we receive feedback from media consultants that we have missed a certain consultation area or that there has not been enough coverage in certain areas—perhaps the local newspapers have not picked up on something that we thought might interest them—we try to review matters and be proactive. We have tried to do so throughout the project and have been reasonably successful. I think that our last press release targeted industry players as the main focus of the strategy.

I said earlier that, as the project proceeds to

construction, the depth of public consultation will need to be different. Consultation should become very specific and so we will develop our consultation in the future. However, there is a basic strategy that will be developed.

Mr Gibson: I want to move on to the on-going communication campaign that will be undertaken on behalf of the promoter by the Big Partnership. Based on your experience of consultation so far, will you carry out any aspect of the consultation differently in the future?

Tara Whitworth: There are always things that we should do differently. As we said, the project has evolved over the months and years. One thing that we have specifically targeted to do in the future is to get more input from schools, which will become more important when the route becomes operational. Many objectors have raised concerns about the potential safety impacts of children trespassing on the route. I feel strongly about that matter. We will have to be specific in educating local children, and their parents, to encourage them not to trespass on the route or throw things off railway bridges on to trains. We must take a proactive approach. I cannot think of anything specific that we will change, but we will definitely home in on that matter.

The Convener: Members have no other questions. Does any witness want to make any brief concluding remarks?

Tara Whitworth: I would like to do so.

I reiterate what was said earlier and assure the committee that the project is compliant with the ECHR in the following ways: the public interest outweighs the rights of those who are adversely affected by the scheme; those who would be affected by it have been notified; consultation has been undertaken; and mitigation works are specified in the environmental statement and will be undertaken. Those who would be adversely affected would also have the safeguard of obtaining compensation and they could initiate proceedings in the Lands Tribunal for Scotland to claim compensation if that cannot be agreed with the promoter.

In addition, a significant amount of consultation has been and will continue to be undertaken on the bill. Such consultation includes detailed and on-going consultation with Scottish Power and local landowners.

Furthermore, the promoter seeks to reassure the committee that the undertakings in the first paragraph of chapter 6 in volume 1 of the environmental statement, which are to provide appropriate mitigation measures where necessary, will be honoured should the project be allowed to proceed.

The Convener: As neither of the other witnesses wishes to make a statement, I thank the witnesses for appearing before the committee to give evidence this morning and this afternoon. They are welcome to stay in the hall to listen to the rest of the proceedings.

I suspend proceedings for a minute to allow us to change witnesses.

14:20

Meeting suspended.

14:21

On resuming—

The Convener: The committee will hear oral evidence on funding from Aubrey Fawcett, who is head of economic development with Clackmannanshire Council, and Tara Whitworth, who is a principal engineer with Babbie Group Ltd. I remind the witnesses that they made a solemn affirmation on 27 October.

I will kick off with a general question. When the bill was introduced to Parliament, which was nearly six months ago, the estimated cost of the project was £37 million. Is that figure still accurate—is the total budget the same?

Tara Whitworth: Yes, but before I answer further, I would like to make a simple announcement. As before, there is more than one witness, so I will answer questions on the general issues and Aubrey Fawcett will deal specifically with economic inward investment issues.

The Convener: I am grateful for that statement.

Tara Whitworth: To answer your question, the estimate of expense is still accurate. No further development work on the project has been undertaken, so the figure has not developed since the original estimate. The original figure was plus or minus 15 per cent, so any minor changes to the project would be contained within that.

The Convener: The second part of paragraph 2 of the written evidence on funding from the promoter addresses the cost of

“lift and shift” agreements between Network Rail ... and ... utilities companies”.

This will sound rather like the judge at the Old Bailey, but what is a lift-and-shift agreement?

Tara Whitworth: It is an agreement under which the owner of a piece of apparatus—be it a power line or a water pipe—agrees to lift it up and shift it and to bear the cost. For example, there might be an agreement under which Network Rail can require Transco, the gas authority, to remove apparatus at Transco’s cost, not Network Rail’s cost.

The Convener: It is as simple as that. I am grateful for that clarification.

Do the figures in paragraph 220 of the explanatory notes include provision for the cost of lift-and-shift agreements? Is the cost included in the £1.6 million under the heading “Contingency costs”?

Tara Whitworth: No. As paragraph 221 points out, the figures assume that lift-and-shift agreements would be implemented. The figures do not take account of lift-and-shift agreements because the work would be done at no cost to Network Rail.

The Convener: I am curious about the £1.6 million under the heading “Contingency costs”. What does that figure refer to?

Tara Whitworth: It is for diverting known utilities, including BT utilities across level crossings that we will close and utilities under the Alloa eastern link road—work number 2—which we know will have to be removed to allow the work to proceed.

The Convener: I am grateful for that information.

Nora Radcliffe: I want to pursue the figure of £700,000. People whose land will be acquired under the proposal might be tempted to maximise the value of their land, partly by seeking to demonstrate that an alternative higher-value use would be appropriate if the railway scheme did not exist. How have the promoters addressed the assessment of market value?

Tara Whitworth: We took a range of values for the three council areas—Stirling, Clackmannanshire and Fife—based on expert knowledge of the area. The experts came up with different ranges of land values for different types of land—for example, agricultural land or industrial land. That range of costs was then multiplied against the known land areas that are covered in the maps, plans and sections. That is how the estimate was built up.

Nora Radcliffe: Have you taken into account the changes in values that might occur if someone manages to get planning permission for any of the land that you have already assessed?

Tara Whitworth: No.

Nora Radcliffe: That is a possibility that might arise and it would lead to an increase in the figures.

Tara Whitworth: Yes. The actual value of the land is assessed by the district valuer on behalf of the promoter when one takes the land. As you know, planning permissions go through several different processes and we have several planning applications in. We knew about some of them

when the bill was published and they are covered in the environmental statement; others have been made since then. Until the planning applications are approved and until the bill is enacted, neither party has any power to impact on the other. For example, Taylor Woodrow Developments objects to the scheme on the basis that it has made a planning application for development adjacent to Waterside level crossing. We have been in discussions with Taylor Woodrow to ensure that we are aware of its application and that it is aware of the bill. Until it gets planning approval, it has no consent to build the works. This is a bill, not an act of Parliament.

Nora Radcliffe: Are you reasonably confident that nothing will come out of the woodwork and surprise you?

Tara Whitworth: Yes. That is what the notifications are for.

Nora Radcliffe: To flush out—

Tara Whitworth: Exactly. One case in particular has already come out. A development in Clackmannan gained planning approval on the same day that the bill was introduced to Parliament. Because the landowner had a notification from the promoter about the bill, he was able to contact me directly and we were able to agree a formal, legally binding undertaking so that he could proceed to build his houses rather than being blighted and having to wait for the bill to come through. Such cases have already come out of the woodwork.

Nora Radcliffe: I can understand a promoter being reluctant to give information at this stage on the total compensation that might be payable, but you will appreciate that the committee must satisfy itself that the costs of the scheme, as given in the explanatory notes, are realistic. The total compensation payable may or may not be significant in that context. Is the promoter prepared to give that information to the committee on a confidential basis?

Tara Whitworth: I will need to take legal advice on that question. In our written evidence on consultation and compensation, there is a section that deals with the fact that, as a promoter, we have to be careful not to create an issue by presupposing what someone might be awarded by the Lands Tribunal for Scotland. I cannot easily confirm whether or not we can provide the information because I need to seek legal advice, but I will get back to the clerk to discuss that.

Nora Radcliffe: We will leave that with you.

I have one final question. Under what heading in paragraph 220 of the explanatory notes should we expect to find compensation quantified?

Tara Whitworth: It is not quantified there. We

have included some of the contingency costs and some of the environmental mitigation measure costs. Those will cover what could be considered to be compensation. For example, we have included the cost of noise mitigation measures in case somebody has a noise problem. That would mean the provision of noise barriers under the environmental mitigation measures. That is not strictly financial compensation, which might be sought. Diageo was seeking £14 million under its objection. That £14 million is not included under the estimate of expense and funding statement, but the cost of some means of mitigating the environmental impact of the scheme and returning the land to its former position following temporary acquisition is included under the "Contingency costs" heading under paragraph 220 of the explanatory notes.

14:30

Nora Radcliffe: Therefore, anything that you might expect to have to pay out is included under that contingency heading.

Tara Whitworth: Yes, although anything that we would expect to be dealt with by the Lands Tribunal for Scotland is not included, as that would prejudice our case. I will discuss that position with the clerk.

Nora Radcliffe: I will leave it for the moment, but I find it hard to get my head round how you will budget for something that you cannot quantify. However, I am sure that there are professional ways of doing that.

Tara Whitworth: There are. It is all to do with risk models. The estimate of expense is used to assess what the budget for the project will be, and we look for funding based on that budget. There are certain costs that, by their nature, must be considered with a leeway of plus or minus 15 per cent. We carry out a risk management exercise to identify where additional costs might appear, and we quantify those in terms of percentage of likelihood. Under that model, we discuss with the potential funders what might happen if something that we consider very unlikely actually occurs.

Nora Radcliffe: The plus or minus 15 per cent will give you a reasonable degree of leeway.

Tara Whitworth: Yes. If we were to assume that everything that might happen will happen, then the cost estimate would be prohibitively expensive, as it would be for any project.

Mr Gibson: Referring to paragraph 10 of your submission on funding, could you say what the £2 million that has been released by the Scottish Executive is intended to cover?

Tara Whitworth: The £2 million that was released by the Scottish Executive covered costs

to develop the project through this process. As we have reported under paragraph 221 of the explanatory notes, in the estimate of expense and funding statement, the incurrence of those costs has already commenced. The actual costs of being here today are included under the £2 million of funding from the Scottish Executive.

It is safe to say that, given the nature of the works that have been carried out so far, the only headings of expenditure that have been incurred so far come under "General"—specifically under "Fees of professional and other advisors" and "Surveying, drilling and soil sampling". We have carried out preliminary ground investigation measures. Their cost, as well as that of surveying the route, has already been incurred. The cost of being here today is incurred to the project, and will appear under "Fees of professional and other advisors".

Mr Gibson: We would presumably regard the early release of the £2 million as an additional expense, to be inserted under paragraph 220 of the explanatory notes.

Tara Whitworth: No. The estimate of expense covers the whole project. It also covers the cost of the permitted development rights work that is not covered under the bill, which will have to happen to allow the route to reopen. For example, the cost of relaying the track from Kincardine power station to Longannet power station, which is not authorised under the bill, is included in the estimate of expense within the explanatory notes.

Mr Gibson: I turn to paragraph 11 of the submission on funding. The Scottish Executive has committed £30 million to the project, which comes from the integrated transport fund and the public transport fund. I will ask the Scottish Executive next week about its commitment to the project, but I would presume that the decision to provide such a high level of funding was made partly because of the great benefits of taking Longannet coal off the road and on to the railway and from its existing rail route on to the proposed rail route via Stirling.

Tara Whitworth: Yes, the decision was made partly for that reason. The scheme has much wider benefits, and the STAG appraisal process, which members heard about this morning, tries to identify those. That was discussed in more detail last week. An economic evaluation of such schemes is not the only method that is used to approve them. To the best of my knowledge, the Scottish Executive fully supports the STAG process. Therefore, it has released the money on the basis not only of the scheme's economic benefits but of its environmental, social inclusion, accessibility and other benefits.

Mr Gibson: When the Scottish Executive was

approached for funds for the project, what was it told about the expected length of life of the Longannet power station?

Tara Whitworth: I am not entirely sure. I would have to seek clarification on that.

Mr Gibson: There was some discussion about a 30-year lifespan.

Tara Whitworth: The Executive has seen the MVA cost-benefit analysis, which assumes a 30-year lifespan and includes a sensitivity test for earlier closure. However, I am not entirely sure about the other information that it has received. As the Executive is part of the project steering group, it has been fully involved in the project for a number of years and would be in a better position to tell you what information it has seen. That said, I can say that it has seen a range of information.

David Mundell: You explain the SRA's funding position in paragraph 14 of your submission. However, paragraph 28 of the SRA's evidence clearly states that it

"has not been approached to contribute funding and accordingly has not budgeted for it and would not be able to contribute given its funding situation."

Will you help the committee by reconciling what SRA has said, particularly with regard to the request for funding, with your comments in paragraph 14?

Tara Whitworth: I believe that the SRA will clarify the matter later, but I will add my comments now, if that is okay.

The formal submission procedure for the rail passenger partnership fund takes place twice a year. We were working towards a submission for that but, as I have pointed out in our evidence, we had not made any formal submission. As a result, there is no difference between what we have said and what the SRA has said. The promoter had not made a formal submission to the SRA, which means that as far as the SRA was concerned we had not applied for any funds. As I have said, the authority will clarify the matter later. We have had a number of informal discussions with the SRA on when we would apply for the fund and how much we would receive.

David Mundell: So you still think that the SRA is a likely source of funding.

Tara Whitworth: Yes.

Mr Baker: Presumably paragraphs 16 and 17 of your submission should be read together because the local public sector partnership contribution identified comes from the promoter and other members of the project steering group.

Tara Whitworth: Yes. A local public sector partnership contribution has been identified by the

project steering group, although it is not necessarily limited to the group. That said, its funding would form the main part.

Mr Baker: Although the committee notes and appreciates the comment in paragraph 18 that it is not unusual for 100 per cent of funding to follow rather than to precede a project's approval, I want to be clear that the only fully committed funds at this stage are from the Scottish Executive and that more than £7 million remains to be secured.

Tara Whitworth: In simple terms, yes. A number of discussions are continuing to ensure that appropriate funding is in place and cover updating expenditure profiles for all the project steering group members and other issues. However, at the moment, we have sufficient funding to take the project forward as far as is necessary. I think that to date the Scottish Executive has released £3.5 million that we can spend on developing the project and taking the bill through this process.

The remainder of the funding is not required until construction commences and its release is therefore based on the assumption that the bill has been enacted. However, we will need to have further discussions about that and many formal agreements will need to be put in place to ensure that the money is available. In answer to your question, we have 80 per cent of the funding but the remaining percentage is neither officially nor totally in place as yet.

Mr Baker: You may have covered some of this issue already, but you said on 27 October that advance work on accelerating the contracting process and other preparations should enable early implementation of the scheme following the passing of the bill—if that happens. It would be helpful if you could provide some explanation of how the promoters will be able to commit to the early implementation of the bill if the scheme is not going to be fully funded on the date that the bill is passed. What process will be involved and at what stage will the promoter have a sufficient level of confidence to authorise the commencement of work?

Tara Whitworth: As I mentioned briefly last week, to let the second stage of the design-build contract, we need to do two things. One is to obtain a bill and the permission to proceed with the works and the second is to obtain the necessary funding. We would not commence construction without 100 per cent of the funding being in place.

Mr Baker: Right. So, if at the date that the bill is passed, the scheme remains less than 100 per cent funded, does that mean that the works will not commence?

Tara Whitworth: That is correct. They will not

commence until the funding is in place.

Mr Baker: I have one additional question. A figure of £4.5 million has been allowed as a contingency cost. What is the basis for that allowance?

Tara Whitworth: That is a normal engineering contingency fund that is put into any estimate. Estimates are what they say they are—they are an estimate of expense. We have identified the level of certainty. However, there are always a number of works that we expect might happen but might not be sure enough about to be able to include them within the estimate of expense.

We touched on the issue of utilities earlier. Utilities always seem to appear in the ground after one starts digging. No matter how good the records are, they never seem to be quite good enough. If it is not the utilities companies that have put the pipes or cables in the ground, it is members of the public who might have done so without proper authorisation. When one goes out to do the works, there is always a level of uncertainty. That is covered in a contingency cost, which is usually based on a percentage of the capital costs of the works. It is a recognised engineering way of ensuring that there is sufficient money in the budget to cover unexpected but not totally outrageously unexpected costs.

The Convener: The committee has no further questions. Does either of the witnesses wish to make any brief closing remarks?

Tara Whitworth: I reiterate that the project has 80 per cent of the necessary funding in place, which shows that there is a very strong level of support for the scheme. Furthermore, the promoter is actively seeking to ensure that the remainder of the funding is put in place so that, should the bill be passed, construction can commence at the earliest opportunity.

One of the things that we touched on last week in more detail, and which we touched on briefly again this morning, was the issue of the closure of Longannet power station. If Longannet is to close early, in 2012 or 2016, the promoter and the funders will decide whether they wish to continue to support the project. In line with current best practice, the decision will be based on a number of issues including economics, integration, safety, accessibility and the environment.

The Convener: I thank the witnesses for coming before the committee today. I can see that you would like to say a few words, Mr Fawcett. I think that it would only be fair to let you do so.

Aubrey Fawcett (Clackmannanshire Council): The committee has heard and read evidence of the potential benefits that will result from the development of the new rail link. It is important to

recognise that we need to put those benefits into the context of Alloa and the wider Clackmannanshire area. At the previous committee meeting, I said that we have one of the highest unemployment levels in Scotland. We also have among the highest levels of deprivation and poor educational attainment. That is the background to the work that we are undertaking, especially for the public sector partnerships that are involved.

There is a need to address those high levels of unemployment, deprivation and poor educational attainment. We need to build on the confidence and commitment of the existing business community. Last week, the committee heard from a colleague in Scottish Enterprise Forth Valley about the number of companies that had an immediate interest in using the rail freight facility. It is important that we build on that.

We also need to look at issues that relate to Alloa town centre. Although it has done okay in recent times, it could do a lot better. We have a number of voids in the area and it is not easy to get things off the ground or to generate interest in inward investment. We know that inward investors are interested in the availability of good public transport systems. I have made contact with a number of companies that have mooted interest in the area and which said that, if they were coming to the area, rail would be a useful facility. Rail is important if we are to deliver inward investment successfully.

We all need to recognise that there is a perception at the moment that Clackmannanshire is disconnected, out there on its own and not fully integrated with the rest of central Scotland or with the Scottish economy. Given some of the recent debate over the possibility that Longannet might close sooner than we have been expecting, we must recognise that closure will have social and economic consequences. My colleagues in Fife will have to consider the implications of a major employer in that area closing down. Opportunities will have to be sought for the individuals affected, and that economic and social need further justifies the development of the rail facility.

If you decide to recommend that the bill should proceed, there will be huge benefits for the area. The project will act as a catalyst for development. My experience suggests that there is a genuine demand from people—including up to five local companies, I think—who want to know about the new rail facility and would use it. There will also be access to new jobs and educational opportunities. At the moment our community has one of the highest levels of deprivation—three of our wards are on the list of the 100 most deprived wards in Scotland. There are people in our community who live not far from the proposed new Alloa station

who have never had a job and, indeed, whose parents have never had jobs. We must take that seriously: it would be terrible if we did not bring forward a proposal that would give hope to those people.

The partners have worked hard to encourage activities aimed at regeneration and the proposed new rail facility has been the backbone of all those activities. When we talk to companies that are coming—or are considering coming—to the area, we say that there is the potential for a new rail freight and passenger line. If the project goes ahead, there will be a big step change in how Clackmannanshire is perceived.

I do not want to put too much pressure on your shoulders, as you have enough to deal with. However, a decision not to proceed with the development would also lead to a step change, but in a negative way. It would blow out of the water, for example, those five companies' longer-term aspirations to use rail and it would remove the head of steam that our community has built up. I live in the community and people are generally excited about the project and are waiting for it to proceed. We have policies galore to justify proceeding with the development and I think that there would be a negative effect if we did not go ahead with the project as recommended by the promoter. I used the term "head of steam", and if one pours cold water on a boiler that invariably causes it to split open and leak. I assure the committee that, in the longer term, failure to go ahead with the development would lead to a leakage of some of the business that currently operates in Clackmannanshire. We cannot afford to let that happen.

The Convener: Thank you, Mr Fawcett. For the record, the committee will not decide one way or another; the Parliament will make the decision.

I thank the witnesses for coming to give evidence today. They are more than welcome to return to the body of the hall to listen to the rest of the afternoon's evidence. I suspend the meeting for one minute to allow the witnesses to change over.

14:47

Meeting suspended

14:48

On resuming—

The Convener: The committee will now hear oral evidence on funding from Mr Brian Ringer, freight operations manager, and Jonathan Riley, executive director of freight, at the Strategic Rail Authority.

JONATHAN RILEY *made a solemn affirmation.*

The Convener: I welcome Mr Ringer back to the committee and remind him that he is still under oath, as he took the oath at the meeting on 27 October.

Mr Gibson: You will have seen the evidence from the promoter that states that discussions have progressed with the SRA in respect of funding from the rail passenger partnership fund. However, in paragraph 28 of your written evidence, which we considered on 27 October, you stated:

"The SRA has not been approached to contribute funding and accordingly has not budgeted for it and would not be able to contribute given its funding situation."

Can you help the committee by reconciling what you say with what the promoter is saying, particularly with regard to there having been a request for funding?

Jonathan Riley (Strategic Rail Authority): One of the previous witnesses, Tara Whitworth, helpfully talked about that, and what she said described the position exactly. I do not think that there is a difference between the two pieces of evidence. As we stand today, the promoter has not applied to the SRA for RPP funding—that information is factually correct in both pieces of evidence. The promoter could not apply at the moment because, as the promoter points out in paragraph 14 of its written evidence on funding, RPP funding is currently suspended as a result of the budget cuts that the Secretary of State for Transport made in December 2002. As and when we are in a position to reopen the rail passenger partnership scheme, the promoter of the scheme would be perfectly entitled, as would the promoter of any other scheme, to apply to the SRA for funding.

The Convener: There is just one more question on which I seek clarification on behalf of the committee. I refer you to paragraph 16 of your evidence, in which you state that the proposal would make

"a significant contribution towards the ... target of 80% freight growth this decade",

which I think is 2001 to 2011. However, the committee has been advised that the contribution would be actually 0.46 per cent, on the basis of the supplementary written evidence that you have given us today. Could you throw some light on that disparity?

Brian Ringer (Strategic Rail Authority): The disparity, if there is one, comes from the calculation, quite simply because that is still one of the largest single flows of freight that could be captured by rail. However, in terms of tonne-kilometrage, which is how—for better or for

worse—the growth figure is measured, because we use a shorter route for the first figure, which shows an increase of 0.1 per cent, that has the perverse effect that, if we open a more efficient route that is shorter, all the existing coal actually runs over a shorter route and therefore decreases the overall tonne-kilometrage. So, even though there is a potential gain of an extra million tonnes, that is offset by the fact that the existing tonnage runs over a shorter route.

I put in the second figure of 0.46 per cent to show what would happen if you somehow suspended reality and just assessed the gain with the same figure. Although it may not seem a big figure to you, 0.46 per cent of the contribution towards the 80 per cent growth is still one of the largest figures that we have seen in terms of the single schemes that we have dealt with. The 80 per cent freight growth is an extremely large tonne-kilometrage figure. If you compare the scheme with virtually all the other freight facility grant-aided schemes, it still makes an extremely large contribution towards the overall increase.

The Convener: I am grateful for that explanation, Mr Ringer. I did my best to follow it and I think that I followed it. At this stage, the committee has no further questions. Does either, or both, of the witnesses wish to make some brief closing remarks?

Jonathan Riley: I have some brief closing remarks. We certainly welcome the opportunity that the promoter has created by taking forward the scheme for improving access to rail both for passengers and for freight. The scheme sits extremely well alongside Government objectives for modal shift and improving access to rail.

Although the SRA's objective relates to the use of the UK railway network, we think that the scheme is significant in terms of national importance to Scotland. We will continue to offer our support to the scheme if it is successful in going ahead.

Brian Ringer: I want to make a small addition to the rather convoluted statement on the increase. The computer calculation that assesses the increase also takes account of the timing of when the increase in tonnage comes on to the network. The calculation is made over a decade, such that a similar scheme that had started in, say, 2001-02, would have made a larger contribution towards the total tonne-kilometrage than this scheme, which is due to come on stream in 2006. Our decade lasts between 2001 and 2011. The scheme that is coming in will actually make a big input, even though it comes in halfway through the decade.

The Convener: I am grateful for that supplementary explanation. I thank you, gentlemen, for appearing before us today to give

evidence. You are more than welcome to return to the body of the hall to listen to the last section of evidence. I suspend the meeting for one minute so that we can change over witnesses.

14:56

Meeting suspended.

14:57

On resuming—

The Convener: The committee will now hear evidence on funding from Mr Graham Smith, who is planning director for English Welsh & Scottish Railway Ltd.

GRAHAM SMITH took the oath.

The Convener: I refer you to paragraph 3.3 of your written evidence, in which you say that travel time will be shortened by some 1.5 hours through the implementation of the bill. Does that refer only to distance or does it take into account the increased speed that would be possible for trains on the new route?

Graham Smith (English Welsh & Scottish Railway Ltd): Both.

The Convener: Okay, that is a very straightforward and clear answer.

I turn your attention to paragraph 3.2. Presumably, EWS has a contract either with Scottish Power or with Clydeport to enable the implementation of the contract between those two parties to deliver coal from Hunterston from the Ayrshire coalfield to Longannet. What is the length of that contract?

Graham Smith: We have a contract with Clydeport. The contract length is seven years.

David Mundell: It would be helpful if you could explain to the committee the contractual arrangements under which EWS is able to use the railway network between Hunterston and Longannet via the Forth rail bridge. By that, I mean the pathing arrangements.

Graham Smith: EWS has a track access agreement with Network Rail. By virtue of that agreement, EWS has rights over the network that are contained within the agreement. Those are firm contractual rights, which we bid for in each timetabling period and which have a high priority. The charges for those rights are contained in the agreement and are in accordance with the rail regulator's determination on freight access charging.

David Mundell: If the bill is passed and implemented, presumably EWS will surrender its pathing rights on the route over the Forth bridge in

favour of the new rights to Longannet via the new railway.

Graham Smith: If we have no commercial need for rights over the Forth bridge for freight traffic—and we do not anticipate that we would have—under the terms of our track access agreement we would be obliged to surrender those rights back to Network Rail, which could sell them to another operator for other purposes.

David Mundell: You do not envisage circumstances in which you would retain those rights?

Graham Smith: We would retain them only if there were a significant amount of unforeseen traffic moving over the Forth bridge. My colleagues and I do not anticipate that and therefore we anticipate, as we said in our evidence, that those rights would be available to enable the Scottish Executive to pursue its objectives in relation to increased passenger services.

David Mundell: You are not seeking contracts to haul something other than coal, which could be used on the paths?

Graham Smith: I am not aware of any rail freight business that would require the paths over the Forth bridge.

Nora Radcliffe: You referred to the timetabling period. I just wanted the idiot's guide to what that means. How long is that period?

Graham Smith: Every 12 months we are obliged to bid to Network Rail for paths. If we have rights to those paths within the contract, Network Rail would have to grant us them. There is a process by which Network Rail in effect manages the railway timetable for all users of the rail network.

Mr Gibson: Paragraph 15 of the promoter's memorandum, which is on funding, describes your company's commitment to £250,000 expenditure on the project, which you mention in paragraph 4.1 of your submission. Is it the intention of EWS that the £250,000 be used for any particular purpose in connection with the project?

Graham Smith: No. The £250,000 was put forward by EWS in 2000 as a demonstration of faith and belief in the project at a time when the concept was still being developed. We recognise that it is not a significant sum, but we felt that it was politically useful at the time. We do not invest in infrastructure as a matter of course, as we say in our submission. Our £500 million investment in rail freight has been primarily in rolling stock. We felt that the sum was large enough to draw attention to the fact that the project was important and we wanted to be associated with it.

Mr Gibson: The promoter acknowledges that your company is not yet legally committed to the

£250,000 contribution. Is that correct?

Graham Smith: That is correct. We have said that provided that the line is reinstated in such a way that it can convey coal traffic to Longannet power station, we are prepared to make that legal commitment.

Mr Gibson: Is EWS irrevocably committed to a contribution of £250,000 towards the cost of implementing the works for which the bill seeks authorisation?

Graham Smith: It is irrevocably committed provided that the line is reinstated in the manner in which the promoter describes, which allows the movement of coal traffic to Longannet power station.

The Convener: Those are all the questions that the committee has. Do you wish to make brief concluding remarks, Mr Smith?

Graham Smith: Yes. EWS supports the bill and the growth in rail freight. We welcome the Scottish Executive's support and we support its objectives on rail freight, as well as those of the promoter.

The Convener: I am grateful for those remarks and I am grateful to you for giving evidence today. I thank everyone who attended today and made the meeting possible. The fourth meeting of the committee will take place at this venue on Monday 10 November at 11.15 am.

Meeting closed at 15:04.

Members who would like a printed copy of the *Official Report* to be forwarded to them should give notice at the Document Supply Centre.

No proofs of the *Official Report* can be supplied. Members who want to suggest corrections for the archive edition should mark them clearly in the daily edition, and send it to the Official Report, 375 High Street, Edinburgh EH99 1SP. Suggested corrections in any other form cannot be accepted.

The deadline for corrections to this edition is:

Monday 10 November 2003

Members who want reprints of their speeches (within one month of the date of publication) may obtain request forms and further details from the Central Distribution Office, the Document Supply Centre or the Official Report.

PRICES AND SUBSCRIPTION RATES

DAILY EDITIONS

Single copies: £5

Meetings of the Parliament annual subscriptions: £350.00

The archive edition of the *Official Report* of meetings of the Parliament, written answers and public meetings of committees will be published on CD-ROM.

WHAT'S HAPPENING IN THE SCOTTISH PARLIAMENT, compiled by the Scottish Parliament Information Centre, contains details of past and forthcoming business and of the work of committees and gives general information on legislation and other parliamentary activity.

Single copies: £3.75

Special issue price: £5

Annual subscriptions: £150.00

WRITTEN ANSWERS TO PARLIAMENTARY QUESTIONS weekly compilation

Single copies: £3.75

Annual subscriptions: £150.00

Standing orders will be accepted at the Document Supply Centre.

Published in Edinburgh by The Stationery Office Limited and available from:

The Stationery Office Bookshop
71 Lothian Road
Edinburgh EH3 9AZ
0870 606 5566 Fax 0870 606 5588

The Stationery Office Bookshops at:
123 Kingsway, London WC2B 6PQ
Tel 020 7242 6393 Fax 020 7242 6394
68-69 Bull Street, Birmingham B4 6AD
Tel 0121 236 9696 Fax 0121 236 9699
33 Wine Street, Bristol BS1 2BQ
Tel 01179 264306 Fax 01179 294515
9-21 Princess Street, Manchester M60 8AS
Tel 0161 834 7201 Fax 0161 833 0634
16 Arthur Street, Belfast BT1 4GD
Tel 028 9023 8451 Fax 028 9023 5401
The Stationery Office Oriel Bookshop,
18-19 High Street, Cardiff CF1 2BZ
Tel 029 2039 5548 Fax 029 2038 4347

The Stationery Office Scottish Parliament Documentation
Helpline may be able to assist with additional information
on publications of or about the Scottish Parliament,
their availability and cost:

Telephone orders and inquiries
0870 606 5566

Fax orders
0870 606 5588

The Scottish Parliament Shop
George IV Bridge
EH99 1SP
Telephone orders 0131 348 5412

RNID TYPETALK calls welcome on
18001 0131 348 5412
Textphone 0131 348 3415

sp.info@scottish.parliament.uk

www.scottish.parliament.uk

Accredited Agents
(see Yellow Pages)

and through good booksellers