

AIRDRIE-BATHGATE RAILWAY AND LINKED IMPROVEMENTS BILL COMMITTEE

Monday 4 September 2006

Session 2

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AIRDRIE-BATHGATE RAILWAY AND LINKED IMPROVEMENTS BILL COMMITTEE 2nd Meeting 2006, Session 2

CONVENER

*Phil Gallie (South of Scotland) (Con)

DEPUTY CONVENER

*Alasdair Morgan (South of Scotland) (SNP)

COMMITTEE MEMBERS

*Janis Hughes (Glasgow Rutherglen) (Lab)

*Cathy Peattie (Falkirk East) (Lab)

*Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Stephen Craig (Scottish Enterprise Glasgow)

Jim Dickson (West Lothian Council)

David Elder (Lanarkshire Chamber of Commerce)

Michael Greig (MacRoberts)

Shirley Linton (North Lanarkshire Council)

Graham Mackay (North Lanarkshire Council)

Joe Magee (Jacobs Babbie)

Graeme Malcolm (West Lothian Council)

Ron McAulay (Network Rail)

Craig McCorriston (West Lothian Council)

David McDougall (West Lothian Chamber of Commerce)

David McDove (North Lanarkshire Council)

Jim McFarlane (Scottish Enterprise Edinburgh and Lothian)

David McLay (North Lanarkshire Council)

Douglas Millar (Lanarkshire Chamber of Commerce)

Alistair Shaw (West Lothian Council)

David Simmonds (MVA Consultancy)

Ms Pamela Woodburn (Scottish Enterprise Lanarkshire)

CLERK TO THE COMMITTEE

Fergus Cochrane

LOCATION

Committee Room 2

Scottish Parliament

Airdrie-Bathgate Railway and Linked Improvements Bill Committee

Monday 4 September 2006

[THE CONVENER *opened the meeting at 10:36*]

Item in Private

The Convener (Phil Gallie): Good morning everybody. I formally open the second meeting in 2006 of the Airdrie-Bathgate Railway and Linked Improvements Bill Committee, which is our first oral evidence meeting. We have a full house, so there are no apologies.

The purpose of today's proceedings is to hear evidence from the promoter and a range of other witnesses on the general principles of the bill. The issue at the heart of our consideration is whether there should be a railway between Airdrie and Bathgate. We will hear evidence on the general overview and the need for the railway; on how the railway will fit within local, regional and national transport plans; on alternatives to achieving the bill's policy objectives; and on economic development and social regeneration. The committee is grateful to all those who responded to our request for written evidence on those and other issues.

The committee undertook a site visit along the route of the proposed railway. That was very helpful in broadening our understanding of the issues surrounding the project and the general location of the proposed route and stations, as well as some of the properties close to the line.

It is hoped that we will break for lunch about 12.30 pm for about an hour, although we will decide that later. Depending on the progress we make, we may take a further short break in the afternoon. Members of the public are of course welcome to leave the meeting at any time, but I would ask them to do so quietly. Although the meeting is being held in public, it is not a public meeting; it is the formal work of the Parliament and I would appreciate everyone's co-operation in ensuring the proper conduct of business.

I ask everyone to ensure that all mobile phones and pagers are switched off.

Agenda item 1 is to obtain the committee's agreement to discuss in private the evidence that we hear. Is that agreed?

Members *indicated agreement.*

Airdrie-Bathgate Railway and Linked Improvements Bill: Preliminary Stage

10:39

The Convener: I welcome the first panel of witnesses. They are David McDougall, president of West Lothian Chamber of Commerce; Douglas Millar, chief executive of Lanarkshire Chamber of Commerce; and David Elder, president of Lanarkshire Chamber of Commerce.

I will put the first question to the panel. What are the projected local, regional and Scotland-wide economic benefits of the railway? Does it represent a good return on a public investment of around £340 million?

David McDougall (West Lothian Chamber of Commerce): I will kick off with a response from the perspective of the business community in West Lothian. At the moment, there is a good communication link from Linlithgow to Glasgow by public transport, but from the southern part of West Lothian—the area around Livingston, where most of the economic growth has been in the past 20 years—communication links to Glasgow by public transport are so poor that they are hardly ever used. If somebody has to go to a meeting in Glasgow, their default option is to jump in a car and clog up the M8 going into Glasgow, so we are keen to have an alternative means of getting into Glasgow quickly. From Livingston, it is possible to get to a meeting in the centre of Edinburgh in 20 minutes. To go into Glasgow takes about an hour and a half if we are lucky, so there is a real need for an alternative, to allow people to have quick and regular access into Glasgow.

The Convener: That is helpful. Thank you.

Douglas Millar (Lanarkshire Chamber of Commerce): From a Lanarkshire perspective, it is almost the opposite. Our transport infrastructure is very much linked into Glasgow's—it is like a spider's web, with everything from Lanarkshire going into the centre of Glasgow. Getting links to the east is important to us. We think that the railway will help to create job opportunities for Lanarkshire people in the east of Scotland. In the area that will be served by the rail link, there are high numbers of unemployed people who do not have access to cars. It is important to open up transport links to give those people job opportunities. That will create wealth in the local economy, which will then be spent in the shops and will benefit the local community.

The Convener: Thank you. Mr Elder, do you have anything to add?

David Elder (Lanarkshire Chamber of Commerce): I reiterate what has been said from both points of view. I am also the director of the Scottish Chambers of Commerce and with that hat on I can say that people on both sides of the fence are keen to open up economic links. Douglas Millar made a good point about individuals who do not have cars. People often talk about getting in the car and going through to Glasgow for business, but in many areas, particularly in North Lanarkshire, people would benefit from being able to get a job in Livingston or Bathgate. At the moment there is no way for them to do that by public transport.

The Convener: I would like to ask a question arising from Mr McDougall's comments. At present, is there a high number of people from North Lanarkshire going eastwards passing people from Lothian going westwards?

David McDougall: There is a lot of movement back and forward. Some of the companies in West Lothian bus people in, but that is an expensive option that benefits only companies that are over a certain size. Smaller employers have to rely on people being able to come in by car or by public transport, but the public transport is not good enough to allow people to have flexibility. The shift patterns of big employers in West Lothian such as Sky and Intelligent Finance are such that they need people to be able to travel at 3 o'clock in the afternoon, for example. It is all very well having certain options available, but at the moment companies are restricted in what they can do, rather than being liberated to do what they want to do. Transport is definitely a constraint, because there is a big demand for people to move back and forward.

The Convener: I would like to ask specifically about the £340 million, because I know that chambers of commerce are careful with their cash. Do you think that the project would be good value?

David McDougall: It would be good value if it were accompanied by a lot of other things. From a West Lothian perspective, I would say that the key factor would be having the rail project dovetailed with an integrated bus timetable, so that when people arrive at stations they can travel on with confidence. Similarly, it would mean that someone in West Lothian could jump on a bus, go to the station—ideally with one ticket—and go right through to their destination. The new rail service would have to dovetail with other local services.

The Convener: That is an interesting remark.

Cathy Peattie (Falkirk East) (Lab): What advantages to local people will the railway, as opposed to improved bus services, offer in increasing access to wider job markets, increasing inward investment and improving local economic performance?

10:45

Douglas Millar: We can look at what happened when the new Larkhall rail line was opened last year. The passenger numbers that were predicted for that route have already been exceeded, so we can see that the use of a railway line can grow quite quickly. The impression that we in Lanarkshire Chamber of Commerce have is that if we invest more in the railway infrastructure throughout central Scotland, people will use it. Such investment would release people from using their cars on the M8 and, we hope, free up some of the congestion that is hindering business performance in the central belt.

David Elder: A good example is the station at Motherwell, which has a large car park. More and more, because of congestion and parking issues in the centre of Edinburgh, if my colleagues and I need to attend meetings there, we use the alternative to driving of travelling from a station with good links. You need only go to Motherwell station car park of a morning to see it full of cars that would previously have been driven into Edinburgh. Many of those would have contained only the driver.

Cathy Peattie: Would an improved bus service not do exactly the same thing?

David Elder: The timings of a bus service just do not compare with those of a train. From a business point of view, someone could be on a bus much longer than they would be on a train. Speed and time are an issue. Also, on the train, they can use a laptop or mobile and do business while they are travelling; that is a big issue for the chamber of commerce. Instead of sitting on a bus being unable to do anything, people can use the time productively from a business point of view.

Alasdair Morgan (South of Scotland) (SNP): I have a supplementary question on that. Do most of those who travel from Motherwell to Edinburgh not use Great North Eastern Railway's fast non-stop service to Edinburgh? That is not what is being proposed in the bill.

David Elder: Yes, there is a direct fast service to Edinburgh from Motherwell, but numerous people use the other services as well. As Douglas Millar said, in the past one would have had to go into Glasgow and then change to get to Edinburgh. Again, that throws the timings out and makes it impossible.

Cathy Peattie: How will the railway attract people into the area for work, leisure or education opportunities?

David McDougall: There are huge movements into West Lothian at the moment. There is a misperception that Livingston's terrific growth has been because it provides housing for people who

work in Edinburgh. However, the growth over the past 10 years has come much more from movements of people into Livingston to work there every day. They come from all round the local area, including from Fife and from the west. The NEC and Motorola closures a few years ago had a big impact on many people who were coming from the likes of Lanarkshire.

As I said earlier, it is fine for big employers to organise bus loads of people, but many companies in both Lanarkshire and West Lothian are tiny and have fewer than 10 employees. The growth of those companies is constrained if they cannot access the staff they need. Employment opportunities will undoubtedly increase if the opportunity is available.

Douglas Millar: Lanarkshire Chamber of Commerce has done some work in talking to local businesses. They say that their recruitment pool is constrained by the transport infrastructure, which is poor for people who want to travel from North Lanarkshire to South Lanarkshire or across Lanarkshire. We feel that if the new railway link can be integrated with a good bus link so that people can use it, it will be of tremendous benefit to employers in the area.

Janis Hughes (Glasgow Rutherglen) (Lab): Both chambers of commerce have given us examples of how the economic and social regeneration of their local areas could be helped by the project. What would be the economic and social impact on both areas if the project did not go ahead?

David McDougall: We would have more and more gridlock on the M8. At the moment, everything funnels towards the M8 going into Edinburgh and Glasgow. The problem is that, because the M8 is now so clogged up so much of the time, people need to allocate far more time than is really necessary to ensure that, for example, they can make a meeting at 11 o'clock in Glasgow. No matter how unreliable a train service might be, it will be a lot more reliable than using the M8. Mostly, however, trains are pretty consistent. For example, someone travelling from Livingston North into Edinburgh can usually be guaranteed to be in the centre of Edinburgh in 20 minutes. If we do not have the proposed new service, all that will happen is that all the road networks going into both big cities will become more and more cluttered. Everything goes on to the M8, which discourages people from moving between Lanarkshire and West Lothian.

Douglas Millar: The evening economy is another factor. Many pubs and clubs are members of the Lanarkshire Chamber of Commerce and they tell us that they are quiet on Mondays, Tuesdays and Wednesdays. The aim is to enable people to go out of their houses and to create

adequate transport links into towns and villages, so that people can access the social infrastructure of the area. It is important to have a transport system that works most of the day. In Lanarkshire, many bus services stop at 6 or 7 o'clock at night, whereas I presume that the proposed rail service will run until 11 or 12 o'clock at night. That is important for opening up opportunities for people to mix socially.

The Convener: You say that bus services stop at 6 or 7 at night. Is there a reason for that other than a lack of passengers?

Douglas Millar: The reason is probably just the lack of passengers, which might be because of some of the journey times, as David McDougall said. On some bus routes in Lanarkshire, it is quicker to go into Glasgow and take a bus back to a destination rather than to go across the county, because the bus services are slow or infrequent. Because of such issues, we want to ensure that the railway is established and that the bus infrastructure exists to serve it. That will open up a lot of opportunities that do not exist for people at the moment.

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): If one reason why bus services do not run later is that there are no passengers, is £340 million for a railway that will have no passengers not rather expensive?

Douglas Millar: Since the rail service opened in Larkhall, it has been used effectively. It is used not only during the day but in the evenings. The same will apply to the Airdrie to Bathgate link. It will take people to Edinburgh who cannot at present reach Edinburgh easily by public transport in the evenings and it will give them the opportunity to go to events.

I hope that the service will bring people into Lanarkshire when events occur there. At the weekend, we had a jazz festival in Hamilton. That was not just for the people of Hamilton; it was intended to bring people into the area. We want to do more of that in Lanarkshire. We want to bring people in and show them what Lanarkshire has to offer. The rail service is integral to developing such activities.

Jeremy Purvis: When activities such as this meeting occur or when discussions take place with bus operators, how much is the level of transport that is needed for communities stressed? I return to what the business case is for the project, which involves more than a quarter of a billion pounds.

David Elder: It is wrong to compare buses to trains from a commuting point of view. I mentioned the number of parking spaces that are necessary at train stations to enable commuters to use trains. I do not know of many bus stations that have huge car parks next to them to allow people to use their

car then take the bus. That would not be viable. It is unfair to say that the community that uses buses is necessarily the same as that which uses trains. The M8 is a huge issue and we must factor in what would happen to commuting and to traffic if we did not establish the rail service, as has been said.

Jeremy Purvis: I appreciate the difference between buses and trains. Bus stops tend not to have car parks next to them. If train passengers will mainly use cars, why is it important to have bus services that link with train stations? Would the money be better spent on 21st century, state-of-the-art bus services for Lanarkshire and West Lothian, like the guided busways that operate in west Edinburgh?

David Elder: I was not making the point that commuters would use only trains; I think that they would use trains and buses. If the bus links were set up with the right timings for reaching employment, a commuter could take the train then have a quick bus journey of one or two stops to their employer, rather than walk 2 or 3 miles. From a commuting and business point of view, it is important to have a link, so that people do not have a walk of some distance from a station, which would make going to and from work pretty uncomfortable.

Janis Hughes: We all know that major transport projects such as this one have far-reaching benefits, not just in the areas that they serve directly. To what extent will the purported benefits of the Airdrie to Bathgate project be geared towards supporting the economic and social regeneration of Lanarkshire and West Lothian as opposed to the economic development of Glasgow and Edinburgh?

David McDougall: Those goals are not mutually exclusive. Lanarkshire and West Lothian already perform successfully. We are talking about two major cities that are about 45 miles apart. The area between them should be the hub of economic growth in Scotland, but at the moment it is neglected, even though there are many isolated examples of excellent development. If we had an integrated rail and bus transport system, far more economic development could go on throughout that area. Such activity is constrained at present.

Douglas Millar: I endorse that view.

David Elder: As the committee has visited some of the areas in question, it will know how shocking it is to discover that villages and towns that are just minutes from the motorway between Glasgow and Edinburgh are extremely run down. The proposed railway could only help to serve the people who live in those communities by making them more mobile and by giving them

opportunities that they would have if they lived elsewhere.

Alasdair Morgan: My question follows on from our discussion of the attractiveness of the project to businesses and commuters. Much of what has been said has been general. Are there specific aspects of the proposal—such as the stations that the service will stop at, its frequency or the timings—that you think will be particularly attractive to the groups that we are trying to get on the train?

David McDougall: The frequency and reliability of the service will be crucial. It is important that people who want to go from West Lothian to Glasgow know how long the journey will take and can be sure that it will be quicker than going by car. There is no point in implementing a service that is even slower than going by car.

I would not want to argue for having a station in one place rather than another, but it is important that regardless of how many stations are on the line, the service to Glasgow is quick and regular. It is crucial that the service dovetails with the local bus network because each community should have a transport service. We must ensure that people can travel quickly from where their journey starts into the centres of Edinburgh and Glasgow.

Alasdair Morgan: I will pursue the point, although other members might want to pick up on what you said. You alluded to the stations that it is proposed that the train will stop at, but you will be aware that people think that there should be stations at Blackridge in West Lothian and Plains in Lanarkshire, where it is not proposed that there will be stations.

It is clear that there is a trade-off between the number of stations on the line and the length of time that the train takes to get to its destination. How important do you think the omission of stations at Blackridge and Plains is? Will that be detrimental to the economic and social development of those areas?

David McDougall: Not necessarily, provided that those areas are properly served by a good bus service, by which I mean not a lip-service bus service but one that allows people to make it to the train quickly and reliably, without having to buy more than one ticket to get to Glasgow or Edinburgh.

The train will not provide benefits if it has to stop so many times that it takes a long time to travel in either direction. That is the case with the existing service between Livingston South and Glasgow, which is heavily underused. People use it once and vow never to do so again because the journey takes more than an hour. They could get there on a horse in that time.

Douglas Millar: The railway line will start in Helensburgh and finish in Edinburgh. We do not think that many people will use the train for the entire length of the route. From a Lanarkshire perspective, we regard the line as a means for the people of Lanarkshire to go to Glasgow, as they do at the moment, or to Edinburgh. In our view, including a station at Plains, which would add two minutes to the journey, would not be detrimental to economic development. We certainly support the council and the other bodies that have called for a station to be built at Plains.

Alasdair Morgan: Under the present proposal, will people in Lanarkshire who want to go to Edinburgh get a better deal than people in West Lothian who want to go to Glasgow? Examination of the existing timetable shows that although there will be only about four or five station stops between Lanarkshire and Edinburgh, there will be so many station stops between West Lothian and Glasgow that I will not list them all. Is it sensible for a train going from Armadale to stop a dozen times before it gets to Queen Street? Will that need to be considered?

11:00

David McDougall: It needs to be considered in terms of how long the journey will take. Whether people use the service regularly depends on how efficient a use of their time it is for them to do so. If the train takes what people think is an unacceptable length of time, they will not use it.

Alasdair Morgan: On a different tack, are there any businesses or types of business that you think have not come to West Lothian or Lanarkshire that would have done so had the proposed railway been in place?

David McDougall: It is hard to say. However, it is definitely true to say that small businesses have been constrained from growing into medium-sized businesses because they cannot recruit the kind of people whom they want, which is because it is too difficult for folk to travel by public transport all the time. If people are working in relatively low-paid jobs, spending two hours a day sitting in a car is not worth it. That is a definite constraint on the growth of small businesses, which is a serious issue for the whole of Scotland.

Jeremy Purvis: My questions follow on from Mr Morgan's questions about Blackridge and Plains. I will then ask a question about West Lothian. Is it your collective view that the stations at Blackridge and Plains—you mentioned Plains in your letter, Mr Millar—would stimulate economic activity around those communities, or would they just improve access to jobs outside the area? That also follows on from Ms Hughes's questions.

Douglas Millar: That is a difficult one to call. Lanarkshire Chamber of Commerce would like the rail link to open up opportunities for people to come into the area. That will happen only once the link is established and people see the opportunities surrounding it. The same reasoning lies behind the development of other rail links. We view the rail link as being a tool by which economic growth can develop, although that will not simply happen overnight.

Jeremy Purvis: What is the evidence for that? Are there new stations that have directly stimulated economic activity in their areas?

Douglas Millar: If we consider the opening of the Larkhall rail link, we find that companies are now looking around the Larkhall area to establish businesses, using the rail link as the feeder for bringing people in for employment. We are at the early stages, however.

Jeremy Purvis: In your letter, you comment that Plains, which we have visited, is in a remote area. Perhaps because I am a Borders MSP, I am not sure what the definition of remote is—it might be helpful for me to get some resources for my own constituency.

You say that you are not convinced that a rail shuttle-bus service would be of benefit if there is just to be a station at Clarkston. Would that not be one of the advantages of the project overall? Even if there was not a station at Plains, a shuttle service would improve the bus services in the community and would form part of the integrated connection services that Mr Elder mentioned.

Douglas Millar: The Scottish Executive and the Scottish Parliament need to consider the provision of bus services throughout Scotland. The bus industry is deregulated. It is run on the basis of having bus links if there are enough passengers to support them. If there are not, either local authorities pick up the tab or there is no service. We need to examine that matter and decide whether we are serious about developing our public transport infrastructure and getting cars off the road wherever possible. We are not there yet. The Airdrie-Bathgate Railway and Linked Improvements Bill Committee is not here to consider that; its role is to consider one rail link. However, bus service provision needs to be considered as we develop and grow our public transport infrastructure.

Jeremy Purvis: Have you had any discussions with the promoter or with enterprise companies with regard to putting numbers on the jobs that you think will be created? I have tried to find that in the business case and the Scottish transport appraisal guidance analysis of the very substantial amount of money that is to be spent on the project. It may be my fault—I may have missed the

figure—but I have not found information on the anticipated number of jobs that will be created in the area that the project will serve.

Douglas Millar: Lanarkshire Chamber of Commerce has not had discussions on that with Network Rail.

David McDougall: We have not had such discussions either.

Jeremy Purvis: West Lothian Chamber of Commerce's written evidence states that it broadly welcomes the plans, which seems a less than whole-hearted welcome. Will you expand on why that is and what your reservations are?

David McDougall: It depends on how the plans are implemented. The existing stations in West Lothian have had their car parks extended, because when the stations were built, the car parks were too small. We now know that sufficient car parking is essential from day one. Similarly, the existing rail links would be used more if they were integrated better with bus transport. So our proviso is that just having the railway will not be the answer to the problem. However, if the scheme is integrated properly, it will have a much better chance of making a real difference.

The Convener: Next week, the committee will take evidence on the location of stations, and on 18 September we will consider integration with bus services. We will cover those issues, but the chambers of commerce will not be back to give evidence. I think that Lanarkshire Chamber of Commerce submitted evidence on integration with bus services, particularly with regard to Plains station. If we consider the geography, we see the nearness of Drumgelloch station to Plains and the fact that people in the northern extremities of Plains will be a fair distance from the railway line. Given the importance of integration with bus services and that there will have to be specific bus services, it might be just as easy to provide a bus service from Plains to Drumgelloch station rather than have a station at Plains and all the disadvantages that could come with that. Have you thought about that?

Douglas Millar: Yes, a little. We must consider the frequency of the proposed rail service to Drumgelloch. From memory, the proposal is that every second train will stop there. We must ensure that the scheme serves the community well. The chamber would like a station at Plains, as that would give people in a socially excluded area opportunities to access public transport that they do not have at present. That is important, and it chimes with the Executive's policy of developing opportunities in socially excluded areas.

The Convener: Your written evidence refers to an additional 16 car parking spaces at Airdrie station. Why 16, and why is that so important?

Douglas Millar: People who travel to Airdrie on business at any time of the day find it difficult to get a parking space. When I had a meeting at Airdrie Savings Bank a couple of weeks ago, it took me about 10 or 15 minutes to find a parking space. Airdrie is tight for parking spaces. If we open up a railway line to Edinburgh, people in Airdrie will take their cars to the station, which will clog up the town centre even more. Therefore, a bigger car park at Airdrie station is vital.

The Convener: There will be a large car park at Drumgelloch with additional parking spaces. Will that not attract existing users of Airdrie station a little bit eastward?

Douglas Millar: That takes us back to the frequency of the service from Drumgelloch, which is an important issue that must be considered. We need to get the balance right.

The Convener: I accept that.

Alasdair Morgan: Are you really suggesting that we want to clog up Airdrie even further by getting cars to come in just so that passengers can get on the train?

Douglas Millar: I am saying that if every train stops at Airdrie station, as is proposed, people will obviously want to park there to get on the trains. People who have just missed a train will not go to Drumgelloch and wait half an hour. People will want to park next to the railway station, get on the train and get on with their business. If we are going to have this rail link, it is important that there are adequate parking spaces at Airdrie to serve it.

Alasdair Morgan: An alternative would be to have the full service at Drumgelloch.

Douglas Millar: That is a possibility. You would have to consider whether the number of parking spaces that are proposed at Drumgelloch would be sufficient to cope with what we suspect will be the Airdrie demand and—

Alasdair Morgan: Certainly, there would need to be a lot more than 16 parking spaces.

Douglas Millar: Certainly.

Jeremy Purvis: If I understand it correctly, part of the promoter's argument in its discussions with the council is that having a much larger station at Airdrie would cause problems for the existing road infrastructure, including the roundabout that we used to access the station when we visited it, although I got parked okay. Are you aware of the discussions that the promoter is having on the potential to have additional spaces over and above the proposed 16? The promoter has said to us that a further 28 spaces would take the number to 194 spaces at Airdrie. There are also 336 spaces proposed at Drumgelloch. Would that not be adequate?

Douglas Millar: At every new railway station that has been opened in central Scotland, the car parks that have been built fill up pretty quickly. I do not see the situation in Lanarkshire being any different from what has happened at Croy station, for example.

Jeremy Purvis: In your view, how many spaces should there be at Airdrie? Should there be a multistorey car park, which could potentially cause havoc with access to the station? I would have thought that your members in the town would be absolutely furious about that.

Douglas Millar: The chamber of commerce wants to ensure that commuters who use the rail service early in the morning can park their cars and that there are sufficient spaces in Airdrie during the day for people who want to conduct business and do shopping there. From the chamber of commerce's perspective, it is important to get that balance right.

Jeremy Purvis: You cannot help us with numbers.

Douglas Millar: I cannot help you with numbers, no.

David Elder: From our members' point of view, the problem is a catch-22 situation. If the service is a success and people use it to commute but there is no car park, there will be far more mayhem with cars abandoned all around Airdrie. It is important to get the numbers right at this stage of the planning process if the service is going to be as successful as other new railway stations that have opened. I park at many railway stations, most of which are building extensions to their car parks at the moment. If we are aware that that is happening elsewhere—in East Kilbride and other places in Lanarkshire—let us look at the issue now, rather than leave it as a problem to come back to.

Jeremy Purvis: I want to be absolutely clear about this, as we will ask the same question of subsequent panels. Is it your view that there should be a much bigger car park at Airdrie?

Douglas Millar: Yes.

The Convener: The committee has no further questions. Do the witnesses want to add anything to what they have said?

David Elder: I want to add to David McDougall's response to the question about extra stations, particularly at Plains—from a Lanarkshire point of view, I can comment only on Plains. That would enable people to get jobs in Airdrie and Coatbridge—it is not just about the east-west thing. At the moment, a number of people have to jump on buses, and we need to look at how they get into the Monklands area. An extra station beyond the station that is already there would

open up a lot of that local community-type travelling. We should not always think about the issue as people in the west going east and people in the east coming west. The same issues would also apply to folk travelling into Livingston.

11:15

The Convener: Thanks very much, Mr Elder. I thank the panel for coming along today.

I ask Mr Craig, Mr McFarlane and Ms Woodburn, from Scottish Enterprise, to step forward. I welcome you all. You have seen the format, and we will start the questions immediately. I start with a question similar to the one that I asked the representatives from the chambers of commerce. How do the projected local, regional and Scotland-wide economic benefits of the railway represent a good return on a public investment of £340 million?

Jim McFarlane (Scottish Enterprise Edinburgh and Lothian): It is a well-established fact that appropriate transport services and necessary transport infrastructure stimulate and enable economic development. Across central Scotland we have a series of increasingly overlapping labour markets and, particularly in the east, there has been significant employment growth in the past 10 or so years. Indeed, within the greater Edinburgh area, employment growth is increasing at a faster rate than population growth. If the wider Edinburgh economy, which is driving the Scottish economy at the moment, continues to grow, there will be a need better to serve that labour market by extending the reach. Public transport is the best means of achieving that.

Ms Pamela Woodburn (Scottish Enterprise Lanarkshire): There are several benefits from railways. First, they provide employment opportunities. Unemployment in the Airdrie and Bathgate areas is much higher than in Edinburgh, so there is a pool of labour as well as the opportunity for the residents to access work.

Railways also attract more businesses into an area. Airdrie is a fairly big centre of employment at the moment, and most employers tell us that one reason for choosing a location is access to skills and labour. Employers such as beCogent, which is a big employer in the area, have been able to access labour from the local pool, but if that company is to grow, it needs to access more labour. It could do that from Glasgow and West Lothian if the line increased the labour available.

As I said, railways both increase the opportunities for people who are unemployed and create opportunities for employers.

Stephen Craig (Scottish Enterprise Glasgow): Although Edinburgh and Glasgow are

leading economic drivers in Scotland, they have still fairly small populations in United Kingdom and global terms. As such, anything that improves the connectivity between the two centres and increases the critical mass is important for inward investment. Transport is very much part of the infrastructure for business, so the better the transport links, the greater an area's attraction.

The Convener: I recognise that £340 million is quite a sum. At the same time, to invest it in the railway perhaps brings both short-term and longer-term results. If Glasgow, the Lothians or Lanarkshire had their portion of that £340 million to spend, would they have better ways of spending it than on the rail line?

Stephen Craig: There are obviously many competing interests for resources. Transport—particularly public transport—is vital for the local economy. Anything that increases the ability of people to get to work is important, and the problems of congestion on the M8 were raised earlier. Giving people the choice of different transport modes is good for the economy.

Ms Woodburn: If we look back at the census over the past 10 years, we can see that there has been a great increase in travel-to-work patterns. Connectivity in Airdrie and the surrounding areas is very important. The Lanarkshire economy was traditionally based on manufacturing, but it is continuing to change and becoming much more of a service economy, which requires skilled labour. For individuals, the railway opens up access to better employment opportunities, particularly in the cities, where skill levels are often higher. If the residents can access higher-paid jobs, that is a benefit over and above access to employment.

Cathy Peattie: What advantages over bus services does the railway offer local people in terms of increased access to wider job markets, inward investment and improved local economic performance?

Jim McFarlane: The main benefits of rail transport over bus are reliability and speed of access. The point has been made about the growth of employment within the wider Edinburgh area. The Bathgate line reopened in the late 1980s, at a time when, in the aftermath of the Leyland closure and the Polkemmet coal mine closure, unemployment in West Lothian was twice the national average. The Bathgate line has allowed local people in West Lothian to access growing opportunities in the financial services sector. I was involved in the Scottish Development Agency at the time, and the original projections suggested that the line would result in about 300,000 passenger trips per annum; nowadays, there are well over 1 million. Given the easy access to Edinburgh that is available to residents of West Lothian, the line has been a significant

success. With the connections to the other settlements, right through to Airdrie, that opportunity to access employment can only grow.

Stephen Craig: On the differences between buses and trains, trains tend to be more appropriate for business-type users. Buses make frequent stops and get held up in traffic, bus timetables tend to be unreliable and there are poor facilities at bus stops. From the point of view of convenience, trains tend to be far more reliable.

Cathy Peattie: Could the money be used to improve bus services, to give people who would like better access to jobs and so on the opportunity to use them?

Stephen Craig: It certainly could.

Jim McFarlane: The other point that must be borne in mind is the existing congestion on the road network throughout central Scotland and into the two cities, which is likely to grow. While it could be argued that investment in bus transport might be cheaper than the railway or could be an alternative, the impact of additional bus services on a congested road network has to be taken into account.

Cathy Peattie: How will the railway attract people into the area for work, leisure or education?

Jim McFarlane: We have already dealt with the impact that the railway could have in relation to residents gaining access to employment opportunities. The other significant benefit of the railway is the opportunity that it will bring in relation to the housing market. Population growth in West Lothian and, I believe, in North Lanarkshire, has led to a need for new settlements.

Cathy Peattie: But in relation to such regeneration, the railway would benefit commuters rather than local people.

Jim McFarlane: We can see the impact that population growth in the traditional settlements in West Lothian throughout the 1990s has had on areas such as retail services. A growing population sustains services, which is to the benefit of traditional residents as well as incomers.

Stephen Craig: There are increased opportunities for people to come into Glasgow for shopping, leisure and cultural facilities. It is important to give people more choice in accessing those facilities.

Cathy Peattie: Would people from Glasgow go to Lanarkshire or West Lothian for cultural reasons?

Stephen Craig: Certainly, one attraction in that respect would be the ability to get into the countryside to access rural recreation.

Janis Hughes: The witnesses have highlighted quite a few general examples of how the project could benefit social and economic regeneration. Do you have any specific examples of regeneration or development that could arise as a result of the rail link?

Ms Woodburn: In North Lanarkshire, the aim of the project is to bring more employment into the area and to increase connectivity. Many individuals' travel patterns are quite complex; they are not always simply travelling into Glasgow or Edinburgh. For example, a lot of travel takes place between Airdrie and Bathgate and between Airdrie and the east of Glasgow and, given that the unemployment rates in those communities are higher and that, therefore, car ownership is lower, the project will open up a number of new labour markets for individuals who live there.

Moreover, in addition to increasing employment opportunities, the project will have an impact on further education and other educational opportunities. Employers are demanding higher skills from their workers, and access to employment and training opportunities is equally important if we are to have a skilled labour force.

Stephen Craig: The Clyde gateway in Glasgow, which is one of the Scottish Executive's national regeneration priorities, will not only open up employment opportunities but allow people to access various leisure and recreational facilities. For example, the new indoor national sports arena, which will incorporate sportscotland's new headquarters, will be built there, and Dalmarnock in the east end of Glasgow has been identified as an important site for the Commonwealth games in 2014. If they can be accessed, the massive amount of opportunities that are beginning to push off in that area will benefit people from North Lanarkshire, West Lothian and even the western side of Edinburgh.

Janis Hughes: A number of the project's positive impacts have been mentioned, but what would be the impact on local communities if it did not go ahead?

Ms Woodburn: With regard to restructuring, the real danger is that the workforce in North Lanarkshire and parts of Bathgate will be unable to move into the new sectors that are being created. For example, although the hub of the financial sector is still in the city centres, more financial services are moving into Lanarkshire and Bathgate. I should also point out that the central belt is not well endowed as far as tourism and other growth sectors are concerned. Given that mobility of labour is very important, it will prove detrimental if the project does not go ahead.

Jim McFarlane: I support those comments. The case for building this railway has a very strong

social inclusion dimension. For example, as we have discussed, it will enable residents of parts of West Lothian and Lanarkshire to gain access to growing employment opportunities elsewhere. If the line is not constructed, their ability to do so will be severely diminished.

Stephen Craig: If people in the east end of Glasgow want to visit Edinburgh, they have to go into—and then go out of—Glasgow city centre. A direct rail link from places such as Easterhouse will benefit those communities.

Janis Hughes: What proportion of the purported benefits of the project are geared towards supporting economic and social regeneration in North Lanarkshire and West Lothian rather than supporting economic and social redevelopment in Glasgow and Edinburgh?

Jim McFarlane: For 18 months now, Scottish Enterprise, Glasgow City Council and the City of Edinburgh Council have been collaborating on an exercise that recognises that the cities' economies are increasingly coalescing.

Stephen Craig has already made the point that, if Scotland is to continue to compete successfully at an international level, our two cities must be able to work together to generate economies of scale and deliver the depth of labour market that sectors such as the financial services sector need, which means that increased investment in public transport is vital.

All the arguments about Glasgow and Edinburgh collaborating in order to compete are founded on the principle of improved public transport. The Airdrie to Bathgate connection and other, wider, connections are absolutely central to that.

11:30

Jeremy Purvis: On that specific point, I must say that I was struck by the evidence about a forecast growth in employment in Lanarkshire of 5 per cent between 2004 and 2010, which is above the forecast national average for that period.

How much will the project attract people to work in Lanarkshire, rather than simply create better access out of the area, which is something that Janis Hughes asked about? The meat of my question is to do with whether you have specific details of economic activity in Lanarkshire that will be directly related to the project.

Ms Woodburn: Lanarkshire has a higher proportion of large employers than tends to be found elsewhere in the central belt. As I said, if employers are going to grow, they have to access a wider labour pool. A lot of employers have already tapped into the local labour market. If they are growing and need a higher skill base among

their employees, an ability to access a wider pool is important.

Because Lanarkshire has a history of employment zones, a number of locations are growing, including areas such as Strathclyde business park, which is now at capacity and has no additional space to grow within planning constraints. That means that there will be a need for other settlements to pick up that growth.

Further, employers that have been in traditional manufacturing premises in town centres for the past 80 years or so often find that, if they are to grow, they have to relocate to modern premises, which releases land for housing purposes. The issue of the renewal of businesses relates to the issue of new locations. Again, if a pool of labour can be brought in from the east or the west, that will enhance the competitiveness of those companies.

Jeremy Purvis: On our site visit to the areas where the council and others would wish there to be stations other than those that are in the proposals, we were shown housing plots and told about the local plans. However, what was lacking was information about economic development areas, which are dealt with in the local economic plans. It might be that that information was simply not presented to us. Have you submitted that information? In the evidence from Scottish Enterprise Edinburgh and Lothian I read that it has submitted information on the project, but I would like to know where it is.

We are hearing that the scheme will be good, but we are tasked with saying whether spending £340 million on it represents value for money. At the moment, we are not getting any figures on jobs that will be created in the area; we are simply being told that it will be better for commuters.

Ms Woodburn: One of the things that we are doing in Lanarkshire, through the local authority and the local economic forum, is examining the role that the town centres play. Many of the town centres are suffering because people do not use them for retail in the way that they used to. In Airdrie, for example, we have worked with the council to develop the new Airdrie Business Centre, which is designed to accommodate small business growth and bring businesses into the area. We would like to ensure that that can grow and change. Airdrie is a big conurbation in the Lanarkshire economy and there are opportunities to grow its economy and use it as a location for business, particularly if there is improved connectivity.

Jim McFarlane: In relation to sites for economic development, the committee has to bear it in mind that the line will provide additional services to locations such as Edinburgh Park, on the east side

of Edinburgh, where there has been significant growth during the past eight to 10 years. There is scope for further expansion in the area around Edinburgh airport and scope for continued industrial expansion in places such as Livingston and Bathgate, which saw inward investment during the 1990s. Some of that inward investment has changed and some of the manufacturing elements have gone, but in industries such as financial services those areas are still fertile territory for Scottish Enterprise and Scottish Development International.

Jeremy Purvis: Forgive me, but I am hearing strong evidence that the project will be good for the Glasgow and Edinburgh economies, which will tap into the pool of labour that is perhaps latent in Lanarkshire and West Lothian, rather than evidence of already-designated sites for economic development and companies saying, "We want the train services here." If there is town centre development and economic generation within the area of the proposed stations, would it not be better to invest £34 million—a tenth of the cost of the railway—in bus services, which can operate from point to point? Rail is good for moving people quickly from A to B but it is not good at providing the more local services that are needed to generate the economy in Lanarkshire or West Lothian.

Jim McFarlane: The point that I tried to make at the beginning is that we have a series of overlapping labour markets in central Scotland. There are significant commuting patterns into the two cities from Lanarkshire and West Lothian but there are commuting patterns across the areas as well. It is not an either/or situation. Investment that enhances the situation and makes it easier for our workforce to be mobile must be in the interests of the Scottish economy as a whole. That is why Scottish Enterprise is very much behind the proposal.

Janis Hughes: Ms Woodburn, you mentioned the project's possible impact on tourism to the area. Will you expand on that?

Ms Woodburn: I was referring to the fact that a number of industries and sectors are growing, including the life sciences, financial services and tourism, whereas some of the old, traditional manufacturing industries are not expanding. The industries that are growing need to be serviced by labour, which will happen through people from communities going into those areas. However, as Stephen Craig said earlier, a lot of outdoor leisure activities take place in the more rural areas. Tourism is growing in those areas, as are the big employment generators. Labour flexibility is an attractor.

We should also consider the change in the way that people work. Many people have a number of

part-time jobs rather than full-time employment. For them, being able to access a number of opportunities—perhaps a part-time job in one area and another part-time job in another area—is important. The issue of increasing mobility is important.

Alasdair Morgan: Both Scottish Enterprise Edinburgh and Lothian and Scottish Enterprise Glasgow refer to the effect that developing the line would have on congestion on the M8. Have you been able to assess precisely what that effect might be?

Stephen Craig: No. We do not have any specific information on that.

Alasdair Morgan: Scottish Enterprise Glasgow states in its submission:

“Traffic on the M8 should be reduced thus reducing congestion, decreasing journey times”.

Is it not laying it on with a trowel to suggest that opening the railway line will decrease journey times along the M8?

Stephen Craig: If it gives people the opportunity to take traffic away from the M8, there will obviously be a knock-on effect on journey times.

Alasdair Morgan: I do not know offhand what the journey time along the M8 from Edinburgh to Glasgow, centre to centre, might be. It might be an hour or an hour and a quarter.

Stephen Craig: It is something like an hour and 10 minutes.

Alasdair Morgan: How many minutes would the proposed new line knock off that journey time? You said that the line would decrease journey times.

Stephen Craig: I am afraid that I have no transport expertise on—

Alasdair Morgan: Perhaps that was an overly optimistic claim.

Stephen Craig: I am ever optimistic.

Jim McFarlane: We referred in our evidence to the Executive's central Scotland transport corridor study, which clearly pointed to the congestion problem in the Glasgow to Edinburgh corridor and the likelihood that congestion will continue to get worse. About 95 per cent of journeys along that corridor are by road, so anything that offers an alternative can only be a good thing.

Alasdair Morgan: A lot of evidence that we have heard from you in this meeting has been about creating extra journeys—increasing capacity for people to make journeys that they are not currently making, either for employment or leisure—rather than moving existing journeys, so there will be no effect on congestion at all.

Jim McFarlane: Over the past 10 or 15 years we have seen higher levels of commuting over increased distances for employment purposes, and it is likely that that trend will continue. What we regard as the travel-to-work area of Edinburgh extends from Fife down to the Borders and right across central Scotland.

In earlier evidence, representatives of the West Lothian Chamber of Commerce spoke about some of the manufacturing closures in the 1990s—the Motorola and NEC plants. Something like two thirds of the workers who were employed by Motorola lived outwith West Lothian. The reality is that people have increased journey times. If we are to see continued growth—all the projections point to increasing employment growth in the greater Edinburgh area—it is likely that congestion will get worse. Anything that minimises congestion by offering the motorist an alternative has to be a good thing.

Alasdair Morgan: Let us move on to other matters. Obviously there will be specific station stops on the proposed new line and specific journey times. What do you see as particularly attractive about that to commuters, businesses and investors?

Jim McFarlane: Sorry, did you mean—

Alasdair Morgan: I am speaking about the specific pattern of the proposed railway line and its stations.

Jim McFarlane: Again, I return to my earlier comments about the need to sustain and grow jobs in the wider Edinburgh area for the labour market to work more effectively. The more people who have access to public transport to feed that labour market, the more helpful it will be to the economy. The particular benefit of the proposed re-opening of the line is that it will enable communities that do not have good access at present to access the railway network.

Alasdair Morgan: Will such benefits be reduced by omitting to have stations at Blackridge and Plains or will the benefits be conferred regardless?

Jim McFarlane: It is one of those issues where a balance has to be struck between access and journey time.

Alasdair Morgan: Is the balance that has been struck the right one?

Jim McFarlane: Yes.

Alasdair Morgan: Do your colleagues agree?

Ms Woodburn: It depends on whether one looks at the situation through a lens of economic development or of social inclusion. There is no doubt that the communities around Plains have a much higher rate of unemployment, but they have a less dense population than those around Airdrie

and Bathgate. It depends on whether the priority is economic or social.

Alasdair Morgan: You at Scottish Enterprise have to make judgments as to the economic benefits of investing money. I suppose that the hard question is whether the current pattern of service and station location is the best way to invest the £340 million, or whether it should be changed to include other stations.

11:45

Ms Woodburn: If it were changed, there would be a cost impact. I do not have enough detailed financial analysis to answer the question.

Jim McFarlane: I think that the economic analysis shows a positive net present value. The scheme itself is robust. As my colleague Pamela Woodburn said, it is a question of balancing social inclusion and wider economic development. The scheme as proposed strikes that balance and gives the country a return on the investment.

The Convener: The promoter suggests that the provision of the line will create something like 1,500 jobs through connectivity by 2021, which is about 150 jobs a year. Is that good value from Scottish Enterprise's point of view? Is that figure realistic? Would you be more optimistic?

Jim McFarlane: I would be more optimistic. I mentioned the scale of employment growth. Recent work by Scottish Enterprise Edinburgh and Lothian suggests that in the period 2005 to 2014 an additional 38,000 jobs are likely to be created in the wider Edinburgh area. The issue for us is where the workforce comes from to encourage the creation and take-up of those jobs. In our view, it is not just about the contribution to economic development that the railway itself will make and the jobs that it will create directly; more important is the opportunity that the railway will provide in giving the population of North Lanarkshire and West Lothian easy access to the jobs that we know will come.

Jeremy Purvis: We have been talking about road congestion, about which valid points were made. I appreciate Mr McFarlane's comment that if there were more buses, one would have thought that more people on congested roads would be getting out of their cars to use them.

With regard to congestion, have any of the witnesses considered dispersal? I understand that part of the evidence from the promoter is that there would be increased congestion on the A801 Armadale to Whitburn road, with a potential increase of 8 per cent in the am peak hour. That would be a dramatic increase in congestion on local roads, which would have an impact on

communities outside the M8. The scheme would increase congestion on local roads.

Ms Woodburn: I do not have the local figures, but I know that for east-west movements about 60 per cent of the commuter destinations are between the two cities; it is not about going point to point. The issues are around peak time. I am not sure whether the figures that you quoted are for peak time or total journeys. I am not familiar with the detail of that.

Jeremy Purvis: We can certainly send you the figures, in case you want to come back to us. They show an 8 per cent increase during the am peak hour, no change between the peak hours and a 6 per cent increase in the pm peak hour for southbound journeys, with a reduction for northbound journeys. The figures show that there will be an impact, certainly in the morning.

Ms Woodburn: It depends how long a delay is caused. The bulk of the congestion at the moment is on the A8 and M8. If congestion can be reduced, particularly at peak times, that will be a positive economic benefit.

The Convener: Thank you for coming along and for your submissions.

I ask the representatives from North Lanarkshire Council to come to the table and welcome them to the committee. You have sat through the first part of the meeting, so you will understand the format. I will start with a question that is similar to one that I asked the previous witnesses. Is the £340 million public investment a good investment from North Lanarkshire Council's viewpoint? If North Lanarkshire Council got its hands on a sum of money of that magnitude, could it use it better?

Graham Mackay (North Lanarkshire Council): I am sure that we would love to get our hands on that kind of money. We very much see the railway as one of the measures that can be taken to achieve some of our key aims. Social inclusion and economic development are key features of the community plan and the corporate plan. That ties in with Government policy.

A survey that we conducted in 2002 showed that 81 per cent of residents felt that it was important to assist unemployed people back into work. That was the number one issue as far as North Lanarkshire residents were concerned. The second most important issue was job creation: 80 per cent of residents felt that that was important. We see the railway as one of the main measures that will create jobs within the area and provide access to jobs outwith the area. Public transport also featured as an important issue in the response to the survey. Approximately 67 per cent of respondents felt that it was important to promote public transport and to promote access to services in rural areas.

North Lanarkshire has some special characteristics, as does the west of Scotland, in respect of unemployment. We currently have 4.4 per cent unemployment, compared with a Scottish average of 2.8 per cent. We have something like 112 social inclusion areas within North Lanarkshire, and car ownership in them is low. It is important that people in those areas can access employment. Also, the state has to fund substantial benefits, but investment in the rail link could provide relief to the public purse. Therefore, from the point of view of social inclusion and the economy, it would be a good investment.

David McLay (North Lanarkshire Council): North Lanarkshire faces a number of challenges, and we attract significant regeneration funding from the Executive. As Graham Mackay said, 112 areas in North Lanarkshire are among the worst 15 per cent in Scotland in terms of deprivation. The rail link would go through many of those communities, so the scheme would be important in promoting social inclusion and widening economic opportunities.

We have heard about Airdrie town centre in Lanarkshire, but there are also plans for growth in the east end of Glasgow and further into Glasgow, and in West Lothian and Edinburgh.

Graham Mackay: In our local plan we have identified this corridor as having potential for housing growth. Rail infrastructure is an important part of that. In the plan, we propose that growth areas for residential communities will be placed along railway lines. Shirley Linton, who is our planning manager, can say something about that.

Shirley Linton (North Lanarkshire Council): Through the Strathclyde structure plan, we have been asked to identify growth areas within North Lanarkshire. The area that we describe as east Airdrie, which includes Plains and Caldercruix, is one area that we have identified. The housing developments that already have planning permission and are currently under construction amount to around 600 units. The possibility of further expansion between 2010 and 2018 has also been identified. We cannot specify the exact number of units at the moment, but we will identify the developments in the coming months in our new local plan.

The Convener: So the £340 million investment in the transport link will be a real aid to your development ambitions.

Shirley Linton: Yes. One of our aims in identifying areas for expansion is to ensure that the expansion is sustainable. The railway link would benefit those areas.

Cathy Peattie: We are hearing phrases such as "job creation" and "social inclusion", but what advantages would the railway offer to local people

that improved bus services would not? I am thinking about access to wider job markets and transport links. Would a better bus service not be more appropriate for the folk in Caldercruix and Plains?

Graham Mackay: Several aspects of bus versus rail were mentioned earlier. North Lanarkshire Council has tried to work in partnership with the bus companies and with Strathclyde Partnership for Transport, but we have found that the services that we have tried to promote have been transitional. We can give start-up grants to bus companies and we can try to work on bus quality partnerships, but I have to hold my hands up and say that our delivery of such things has been very poor. Bus deregulation has played a part in our not delivering in the past. Perhaps not reregulation but some other legislative method will have to be considered before we will be able to make significant improvements in the use of bus corridors.

Journey times were mentioned. Train journey times are far more attractive than bus journey times. North Lanarkshire Council and West Lothian Council have produced an economic appraisal report. I do not know whether it has been made available to the committee, but it gives examples of journey times. At present, the journey from Airdrie to Edinburgh Park takes one hour and 29 minutes in the peak hour. I do not have the timetable here, but committee members can imagine that it would be considerably quicker to go by the new rail link. People in North Lanarkshire would find the train a lot more attractive when going to the Edinburgh area.

We have done research on bus times. A bus used to run between Airdrie and Bathgate/Livingston, but it no longer runs. We have subsidised bus services in the evening—there is a ring-and-ride and a dial-a-bus service—but you have to book a day in advance and services operate only after 6 o'clock, which is not robust enough for people to get regular employment. If someone is going into employment, they need to be able to rely on a regular service and it has to be sustainable. We feel that the bus services are transient—they come and go. We have tried subsidies, but the services have not proved to be sustainable. The public need to have confidence in a reliable, sustainable transport service that has good, fast journey times. That is why we think that the train has a big advantage over bus park and ride.

12:00

David McDove (North Lanarkshire Council): It is always worth highlighting what different services do better. Network Rail would probably tell you that the railway is better for moving people longer

distances and the bus is perhaps better for shorter links. As we said, we should consider route lengths. For example, a bus journey from Airdrie, through Plains, Armadale and so on, all the way to Edinburgh would be a long and slow journey and I do not think that it would be attractive. I think that the railway is the better option looking westwards for West Lothian conurbations and eastwards for North Lanarkshire ones. Bus services will be local services that connect to train services and feed surrounding communities.

Graham Mackay: On bus services, we have been promoting express bus park and rides as well. We recently invested heavily in Harthill bus park and ride, which has been a success. Again, though, it is point to point and, as we heard from our colleagues in the local enterprise companies, it does not give people the opportunity of multimodal stops between East Lothian and West Lothian and between North Lanarkshire and West Lothian. In-between trips, rather than point-to-point trips into Glasgow and Edinburgh, account for 60 per cent of the trips that are proposed for the train service.

When the bus express gets to Glasgow and Edinburgh it faces the same congestion problems as are faced by cars. We have asked Transport Scotland to consider proposals, including having bus lanes on the hard shoulder, but there has been no agreement yet. Lots of improvements have to come in to make such trips attractive.

Cathy Peattie: Can you give me specific examples of how the proposed railway will aid in the area's economic and social regeneration?

David McLay: Graham Mackay referred to the report that we commissioned jointly with West Lothian and the enterprise companies. We drew forecasts from that, using the transport/land use model for Scotland. The forecasts show that in the Airdrie corridor we would gain an additional 1,800 residents and 600 jobs, albeit over a period of time, so the railway offers a potential to reverse the trends in some of the most economically deprived areas of North Lanarkshire. A sustainable railway could offer additional settlements through local plans and offer sustainable routes into areas of economic growth in Glasgow, West Lothian and North Lanarkshire itself.

Cathy Peattie: I am interested in what differences the railway would make for people in communities such as Plains and Caldercruix.

David McLay: Almost the whole village of Plains is within the worst 15 per cent of deprived areas in Scotland. The people who live there tend not to have many travel choices. A rail station at Plains would offer sustainable transport into areas of growth. Residents of that village do not currently have that option.

David McDove: It is recognised that since rail services between Airdrie and Bathgate closed 20-odd years ago, the areas in between have suffered quite a lot economically and in terms of jobs. I think that the figures show that levels of unemployment in the villages there have been exacerbated since the railway closed. The reopening of the line has the potential to reverse that trend.

Cathy Peattie: Was that the passenger railway that went through Plains?

David McDove: Yes. I think that the passenger line, which had stations at Plains and Caldercruix, closed in 1982. Passenger services closed between Airdrie and Bathgate and there has been a noticeable decline in economic activity in the area since then.

Shirley Linton: It is worth noting the trend in the area for employers to close, move away or look to relocate, which means fewer opportunities for the people who live there. We hope that the railway will encourage people to stay in the villages to ensure that the communities are more mixed again.

David McLay: Nationally, there is a commitment to close the opportunity gap. North Lanarkshire is one of seven local authority areas that have targets on closing the opportunity gap in Scotland. Certainly in Plains, where there is a high incidence of economic inactivity, the rail line will provide options for people who do not have many travel choices.

Cathy Peattie: It might take more than a rail line to close the opportunity gap.

David McLay: It is one of many tools, but it is an important one, all the same.

The Convener: We do not have a copy of the economic appraisal document to which reference has been made. From the figures that were given, the document sounds interesting. Would it be possible for a copy to be passed to the clerk as soon as possible?

Graham Mackay: Certainly. Network Rail used figures from that document in the reports that have been given to the committee, but it contains other figures. We would welcome the committee's consideration of that document.

The Convener: It would be good to have the North Lanarkshire input.

Janis Hughes: You have told us about some of the positive impacts that the line would bring to your communities. What would be the economic and social impact, locally and regionally, if the line did not go ahead?

David McLay: The report to which we have referred gives an indication of the likely number of

jobs that would be created over a certain period. Our concern is that, without the scheme, those job numbers and population increases will not transpire, which would obviously be a setback for North Lanarkshire. However, we acknowledge that the scheme is one of many available tools to regenerate communities in North Lanarkshire.

Graham Mackay: If the truth be told, we have not really tested the alternatives. We have been working hard to promote the scheme since its early stages. Among the issues that we would have to consider would be bus park-and-ride schemes. As I said, the opportunities for developing that type of infrastructure are limited, but we would have to consider such schemes if the railway scheme did not go ahead.

Janis Hughes: My next question is on that issue. Do you have a plan B? You have tinkered at the edges of the issue of what else you could do, but you do not have any major regeneration plans, in case the scheme does not go ahead.

Graham Mackay: On transport, we work in partnership with Transport Scotland and SPT and we have several other proposals. We have just built a major park-and-ride scheme at Greenfaulds, and a bus park-and-ride at Harthill. However, on the corridor that we are considering, the scheme is an important measure. If it is not provided, we will have to rethink the proposals for the corridor.

David McDove: A few years ago, a proposal was made to provide a subsidised bus service along the route, but it fell through. I think that the Strategic Rail Authority was to fund the scheme in advance, but there was a problem with the funding. With the deregulation of bus services, one issue is how much control we have, which goes back to the issues of night-time and weekend services and connections. There is a limitation. The bus route development grant is a possible tool, but that is short-term three-year funding to try to generate services, so we could not guarantee that the services would continue beyond that.

Janis Hughes: We heard about bus services that finish at 6 o'clock at night. We all know about that from our local communities. That often happens because of a lack of people using the services. Will the investment that is to be put into the project result in more people using the services after 6 o'clock, including people who do not at present use buses at that time?

David McDove: From Plains, which is one of the communities in the middle of the corridor, it is about 11 miles to Bathgate, which takes about 20 minutes by car. People who wanted to go to Bathgate to work or college by bus would have to get a bus at 20 to 7 in the morning, as the journey takes an hour and 50 minutes. Coming back, a

bus that leaves at about half past 5 would arrive at about 8 o'clock, with three or four changes. That is an unattractive service.

The central Scotland transport corridor study, which was the precursor to the scheme, identified various routes along the A8-M80 corridor and had the Airdrie to Bathgate railway as the top, or one of the top, priority schemes. Subsequent reports have borne that out. That study highlighted the fact that 95 per cent of journeys between West Lothian and North Lanarkshire are made by car. There is a huge amount of travel by car because of the lack of public transport. Plains and Caldercruix in West Lothian are similar. A substantially higher than average population does not have access to a car and relies on public transport that is not there at the moment.

Janis Hughes: How many of the purported benefits of the railway will be geared towards economic and social regeneration in North Lanarkshire rather than to helping the further development of Glasgow and Edinburgh's regeneration?

Graham Mackay: The majority of trips on the line are generated from West Lothian to Glasgow and from Lanarkshire to Edinburgh. Reference was made to the fact that about 60 per cent of the trips are generated from that zone, rather than being end to end. We think that there is a great opportunity for movement of employment into the east and west, and, as David McLay said, to create about 600 jobs in the area. We think that the railway will be a catalyst for the people in those social inclusion areas to travel to employment outside the area and a catalyst for bringing jobs to the area.

David McLay: Figures for travel-to-work patterns in the most recent census show more than 4,000 journeys from North Lanarkshire to West Lothian and 1,200 journeys from West Lothian to North Lanarkshire. A significant volume of people already travel east to west for employment and other purposes. We hope that the railway would support the development of city regions, which is an Executive priority.

The Convener: In your response to Janis Hughes, you said that the railway line was a very important development. With respect to your overall ambitions of social inclusion and economic development and so on, is the railway line the most important thing that can happen?

Graham Mackay: It is one of the most important things. Getting people back into work does not rely on public transport. Colleagues are introducing several other initiatives with the local enterprise companies. It is important that all those initiatives work together to try to improve access to employment and to improve the business

community in the little towns. We are spending about £8 million a year on improving town centres. We are trying to create a sustainable business economy in the town centres. We are improving public transport from our local communities to the rail infrastructures. We are targeting investment on the rail infrastructure. All our current plans in relation to housing and business generation are geared towards the rail infrastructure. Rail is important. This is one of the key rail corridors that we want to join up with and which we would like to be promoted.

Jeremy Purvis: I do not know whether the council representatives have seen the evidence from SPT. If the promoter's memorandum is to be believed, there could be an additional 12,678 boarders on the service, including 500 a day at the relocated Drummelloch station.

"The potential impact may result in existing Glasgow bound passengers at Airdrie and intermediate stations to Glasgow being unable to board their regular trains during the morning peak".

That does not necessarily make it an attractive journey that will persuade people out of their cars.

David McDove: That is possibly in recognition of the level of patronage and the fact that it is a busy service, but it may also suggest consideration of rolling stock issues—the length of cars and the number of cars in each train—to accommodate the patronage. Rather than being negative, the memorandum is just highlighting the anticipated patronage.

Jeremy Purvis: So you are positive that with better rolling stock, which is not in our remit—we are just permitted to build the railway and keep our fingers crossed that the system will be fine—it will be fine.

Graham Mackay: Network Rail has done a very professional job in the STAG assessments. SPT has joined up too. It is bidding to Transport Scotland to improve the rolling stock. That is a key part of achieving our growth targets for the railway line. Another part of that would be to improve the park-and-ride facilities to the west of Airdrie. We have just put in a bid to SPT to undertake studies to see what land is available for SPT and the council to improve the park-and-ride access to stations to the west.

SPT and North Lanarkshire Council are committed to a lot of work outwith the Airdrie to Bathgate line, but we are keen to reassure the committee that we will try to promote the line so that it is as economically successful as possible. We all want to see that success.

12:15

Jeremy Purvis: I know that the written evidence from North Lanarkshire Council touches on some of those issues, but can we be given further information in writing on those wider aspects? Our questions have been specifically about the Airdrie to Bathgate scheme but, given the fact that these things are connected, it would be interesting to see the depth of work in which the council has been involved. Can that be provided to the committee?

Graham Mackay *indicated agreement.*

Alasdair Morgan: Following up on the statistics that Mr McLay gave, I want to ask about the disparity that he mentioned. He said that the number of people going from North Lanarkshire to West Lothian was about three or four times the number coming the other way. Given that that is what happens without the rail line, one could postulate that, with the rail line, the disparity will get even bigger. Therefore, the two figures might not equalise in the way that was perhaps suggested. How will the existence of the railway line attract people into North Lanarkshire for work or for other purposes?

David McLay: As Shirley Linton mentioned, our local plan is currently being drafted with consideration of the rail line. We are looking to expand the settlements on the Airdrie corridor and to promote urban growth. The rail line will help to address some of those concerns.

Alasdair Morgan: Given that, as you mentioned earlier, a large number of people in the area do not own a car, the railway might simply provide people with an opportunity to seek employment outside the area. Therefore, the tendency for people to seek employment elsewhere might well increase as a result of the railway.

David McLay: That might happen, yes.

Shirley Linton: It is important to note that there has been a large interest from housebuilders on the back of the potential for a railway. The railway could bring a different type of tenure to those villages. As I said, that could provide more opportunity for rounding off the villages and people will be able to use the train to go out to find employment.

The Convener: After we have finished our evidence-taking session with this panel, we will break for lunch. Therefore, the witnesses from West Lothian Council and others who want to slip out until after lunch are free to do so. However, I am sure that they are riveted by the evidence that we are hearing at the moment.

Jeremy Purvis: The written evidence on development and housing mentions the new schools that are being built; presumably those

schools, as community schools, will offer training facilities as well—at least, I hope that they would do so. Can we be given some information on how the railway would improve access to training and education opportunities in the two areas? Will it have an impact in those areas?

Shirley Linton: From what my colleague has said, I understand that very little public transport is currently available later in the evening. Clearly, if people want to attend out-of-hours evening classes and so on, it is impossible for them to do so using only public transport. The colleges in Livingston and Airdrie will become more accessible to the people in the villages when the line exists.

The new schools will be community schools, but I do not have any information at this stage on just what kind of community facilities they will offer for further education and evening classes.

Graham Mackay: Our main public-private partnership investment in schools is currently in primary schools, which will provide mixed community facilities and multicampus facilities. Therefore, some social benefits will arise from having the schools in the area.

Our villages provide some local services such as a doctor's service but they do not provide access to further education, which is provided outwith the area in Glasgow and Edinburgh. Before we came to the meeting, David McDove checked Traveline Scotland's website to find out what a typical student journey into Edinburgh is. He will give an example.

David McDove: From some of the villages that lie just to the east of Airdrie, three or four changes of bus are required. The times are unattractive. In the evening, the last bus out of Airdrie is at 20 to 6, so a taxi and a walk are required if people are going to the villages. The rail service could open up the opportunity for direct access to campuses to the west of Edinburgh—for example, Livingston has facilities for training in manual skills. Accessing such opportunities at present is not feasible by bus or by people who do not have cars.

Cathy Peattie: I asked about building job markets and about issues such as unemployment that face people in some of the villages. I am disappointed that we have before us only people who know about transport, because if we are considering social regeneration, we need to discuss education and developing people. Is the council considering that? What plans are afoot to ensure that people can have benefits from the rail line apart from access to a university or college, which will not do the business that needs to be done for social regeneration?

David McLay: The council recognises that it needs to invest in such communities. We have developed several approaches to engage with communities and to prepare training and employment opportunities in communities. We have developed Routes to Work Ltd, an organisation that operates in several settlements throughout North Lanarkshire to provide access to jobs, jobs advice and training and to link people into local employment opportunities.

We recognise the need to go out there and reach out to people and to promote opportunities for employment and training. We are doing that through several approaches, such as Routes to Work, which I mentioned. A number of full employment models also operate in North Lanarkshire. They are community based and aim to engage with what are often called hard-to-reach client groups, which are economically inactive. They attempt to support such people towards sustainable employment.

Graham Mackay: Not just transportation officers are present, as David McLay is from the economic development team. Another important initiative on which he is working is construction skills training. Perhaps the rail project provides an opportunity to introduce construction skills, because the amount of money that is to be spent offers a great opportunity to provide work for the local workforce and not just for local companies. That is another initiative that we are working on with the local enterprise company.

Jeremy Purvis: Convener, I have a question about bus services, but did you say that we would return to them?

The Convener: We will return to buses at a later date, but this panel will not return. You may ask your question if you feel that it is relevant to the panel.

Jeremy Purvis: The question may relate to the departments that are represented. Is any of the witnesses responsible for contracting out bus services?

David McDove: Strathclyde partnership for transport operates buses in the Strathclyde region and has primary responsibility for bus operations.

Jeremy Purvis: I will leave my questions on buses until later.

The enterprise company gave evidence on the number of people who travel out of Lanarkshire daily for work. In the past few years, has the population shifted out of North Lanarkshire? What are the demographics? Has out-migration occurred? Has the population grown?

Graham Mackay: The rate of population growth differs throughout Lanarkshire. As a whole, Lanarkshire has suffered a slight decline, but the

population in the Airdrie and Coatbridge corridor—the Monklands corridor—has grown modestly. We expect that growth to continue once the local plan proposals are put in place.

Jeremy Purvis: I was struck by your point about having had difficulties in delivering growth in areas that have been identified as growth areas. You have suggested in your evidence that you expect the railway to help with that.

Do you know how many people, particularly young people, have left the area over the past 10 years to find work? I just want to get a picture of the demographics. You have already indicated that the area has no further or higher education facilities.

David McLay: The annual business inquiry noted that, between 1998 and 2003, jobs growth in North Lanarkshire was 13 per cent, which equates to 13,000 jobs. After a difficult period of industrial restructuring following the closure of Ravenscraig, there has been jobs growth in North Lanarkshire and we are keen to protect and maintain the progress that we have made.

Jeremy Purvis: I was asking specifically about the population of North Lanarkshire.

David McLay: The latest figures from the General Register Office for Scotland forecast very modest growth, with the population between now and 2024 rising from 322,790 to 323,900. However, although the figures suggest that growth will be modest, they also suggest that the population will remain stable.

Jeremy Purvis: Do you have any figures for the number of housing units that are planned along the railway line in North Lanarkshire?

Shirley Linton: In the shorter term, we expect 1,000 units to be built. As for the longer term, I said earlier that we have identified the area as a growth area. As yet, we do not have any numbers for that. We have suggested that 2,000 to 3,000 houses might be built by 2010, but we must also consider other growth areas in North Lanarkshire. We need to strike a balance and work out how many of those houses will be built in that corridor.

Jeremy Purvis: What work are you carrying out on longer term projections? If it is expected that population growth will remain static—or at least that any increase will be fairly marginal—one would not have thought that there would be much impact on current housing demand.

Shirley Linton: Housing projections come through the structure plan, which has identified the need for housing in the eastern part of North Lanarkshire. Through the local plan process, we will identify where additional housing units will go. Housing growth has been projected, and we are saying that, locally, the railway corridor should be

the growth area. We do not have any projections beyond 2017, as they will come through the next structure plan. At the moment, we are working towards the medium term, which is the period between 2010 and 2017.

Jeremy Purvis: What consultation has been done with existing communities? When I visited the area, the communities seemed to be fairly distinct. Are they aware of the implications of constructing a station at Plains or Blackridge and of local plans that indicate the potential for housing growth in those areas? How do they feel about such growth?

Shirley Linton: The consultation process on the local plan and on housing growth in those areas has only begun. In fact, we have told communities that we are currently preparing the local plan and that anyone with an interest can make representations to the council. At the turn of the year, the council will agree its consultative draft in which we will define and set out our plans for the specific growth areas and will then go out to public consultation, as we are required to do. As a result, we have not received any feedback on the local plan, but consultation on the rail proposals has been carried out with communities through the area regeneration partnerships.

Jeremy Purvis: Consultation on the railway is one thing, but all the evidence that we have heard has associated housing growth with properties that have what you have called a different type of tenure. Is that code for executive homes for commuters? You have held a consultation asking, “Would you like a railway station?” and people have said yes, but you have not held a consultation in which you say that the railway comes with 300 executive homes next door. Are people to find that out from this committee’s proceedings or from the consultative draft that you are looking to produce early next year, which is six months away?

12:30

Shirley Linton: The local plan will identify land for housing, but the interest that we have had has been largely from private housebuilders.

Jeremy Purvis: They are not housing associations, one would assume.

Shirley Linton: No.

Jeremy Purvis: And they will build commuters’ houses for a quarter of a million pounds.

Shirley Linton: That may be overoptimistic for the area.

Jeremy Purvis: Well, surely you take my point that it is not housing associations that have expressed an interest in building.

Shirley Linton: Yes.

Jeremy Purvis: Is that process about to begin with the communities?

Shirley Linton: Yes.

David McDove: Committee reports are passed through the local area partnerships meetings—the regular meetings with councillors that community councils attend. The details of the concept of the urban expansion areas and of the housing that will come to those areas are being promoted through those meetings, so there is an understanding of what is being worked towards.

Jeremy Purvis: My figure of a quarter of a million pounds might have been a bit optimistic, but let us say that the houses cost £150,000. What discussions are you having with private developers about how much they will contribute to the railway on the back of whose construction they will make a profit by building their houses?

Shirley Linton: At this stage of the local plan, we are not really having any discussions, as such; we have just asked for expressions of interest, so with many of the housebuilders there has been no dialogue. Also, through our local plan we are considering a general policy for developer contributions across North Lanarkshire that is not specifically related to the railway. I know that you have asked about section 75 agreements and about the contribution that would be made, but at this stage we are not in a position to be conducting dialogue at that level.

Jeremy Purvis: I was struck by the fact that other schemes such as the Borders railway and the Edinburgh tramlines have involved a private contribution to the capital costs of the works. Indeed, there will be on-going revenue implications, and you have highlighted some potential aspects of that for your council. However, the scheme has now been lodged at the Parliament, and you have missed the opportunity to hold what could have been good discussions with private developers who will be building private houses but will be asked to make no contribution to any of the capital costs of the scheme or to on-going associated costs. That seems absolutely remarkable.

Shirley Linton: I do not think that we have missed the opportunity. As I explained, we are at a very early stage of our local plan, and that is how the timing has worked out in relation to the railway proposal.

Jeremy Purvis: You cannot have that kind of discussion after the bill has gone through the Parliament. Presumably you are hoping for royal assent before the next election—the clerk may be able to indicate whether that is the case—and you cannot have that kind of discussion post assent.

You just cannot. The timeframe is now, and if your local plan is not finalised before the bill is given royal assent, the outlook is pretty disastrous. You will lose out on what could have been a serious contribution to the capital costs, which would be to the benefit of all taxpayers.

Shirley Linton: Within the timescale for the bill, we can have only a consultative draft of the local plan; there is no way in which the plan can be finalised. However, within that consultative draft, we can present a policy on developer contributions, which is what we aim to do, but we cannot work any more quickly than that. The policy on developer contributions will not be targeted solely at the railway project; the council is considering the broader perspective.

The Convener: Is it perhaps to the council's advantage not to have the discussions on contributions at this stage, because there will still be the possibility of pulling in funding at a later stage, as each application is dealt with, at which point the money would presumably go back to the council, or at least you would have a greater say over it?

Shirley Linton: Possibly. The timescale for those discussions is set largely by our local plan programme. As I said, that is the programme that we have and that is its relationship with the bill, and there is nothing that we can do about that.

Jeremy Purvis: Would you like us to slow down and we could come back to this after the election?

Shirley Linton: No.

Jeremy Purvis: That is certainly an option for us in considering the general principles of the bill. If the committee is not satisfied that the funding for the scheme is robust, it can say that it is not happy with the general principles of the bill because we are not content with its funding structure. If we are not confident about it, we can come back to it after six months. I wonder whether that might focus some of your deliberations within the council.

Alasdair Morgan: Would the scheme that you are thinking about be a developer contribution? It would relate in no way to the presence of the railway line, as you are talking about a scheme for the whole of Lanarkshire. Is that correct?

Shirley Linton: At the moment, the council has no policy in its local plan on planning gain or developer contributions. We want to develop such a policy through the new local plan that we are preparing for the whole of North Lanarkshire. It would cover contributions for all sorts of things—education, perhaps, and community facilities. The railway might be one of those things, but the policy would not be solely for it.

Alasdair Morgan: But it would be reasonable to think that anyone who has had the prescience to

buy some development land near the railway will be laughing all the way to the bank.

Graham Mackay: There are two aspects to developer contributions. For every major development that we approve we will ask for a transport study, for contributions under section 75 and for the development to link in with the proposed railway line, so there will be developer contributions. You also talked about improved access to the railway and we will expect the development sites to be linked to the railway, so that the railway will be encouraged and promoted and so that additional traffic will go to the railway.

The council has a lot of work to do here, financially, and we hope to take some of the local plan contributions into a general fund. Education will be one of the beneficiaries and, as a transport manager, I will be bidding to get funding to improve the park-and-rides to the west of Airdrie. In the round, we are hopeful that through the local plan process we will get as much as we can out of developers. That money will go to the public good. It might not go specifically to the Airdrie to Bathgate railway, but we are determined to make developer contributions work as much as possible and to join up with all our partners in promoting public transport.

The Convener: The committee will consider the points that you have made. Do you have anything to add?

Graham Mackay: No. We thank you for the opportunity to come to the committee and we look forward to your proceeding with your business. If there is anything else that we can do to help you, we will be happy to co-operate.

The Convener: We appreciate your written submissions and the oral evidence that you have given today. Thanks very much. We look forward to receiving the document to which we referred earlier.

I suspend the meeting until after lunch, as I warned. We will recommence at 13:40.

12:39

Meeting suspended.

13:45

On resuming—

The Convener: I welcome the representatives of West Lothian Council. You sat through this morning's activities, so you know the ropes. On that basis, you have probably guessed the first question. Could you use the £340 million better? Do you think that it represents wise investment and is it the right thing for West Lothian?

Jim Dickson (West Lothian Council): We are here to offer the West Lothian perspective, but the committee is considering the project in the national context. It looks as if the project will benefit the wide area of the whole central belt and the bit in between Airdrie and Bathgate. The money will be spread over that area. We understand that the Executive and Transport Scotland have carried out wider economic analysis, against which the project scores well. Measured against many other major transportation projects, you are getting a lot for your money. As well as benefits to our area, there is electrification, the existing track is being doubled, there are station expansions and a lot of the route is being made compliant with the Disability Discrimination Act 1995. There will be a pretty broad benefit. I do not think that it is a case of West Lothian Council alone getting £340 million. I see the project in a much wider context.

West Lothian Council is enthusiastic about making a contribution to the wider Scottish economy, as well as trying to make positive use of the increase in accessibility. The bit in the middle of Scotland that we are talking about—the geographic centre—is pretty good in terms of accessibility by private transport, but in terms of public transport it is a bit of a black hole. In that broad area there are about two million people. Although a substantial proportion of those people will not necessarily benefit from the project every day, in the wider social context many people will benefit.

The Convener: Thanks very much. I think that the promoter will be happy with that response, but I will leave that to it.

Cathy Peattie: I am interested in who might benefit. What advantages over improved bus services does the railway offer local people in increasing access to wider job markets, enhancing accessibility and mobility and improving local economic performance? Would providing decent bus services for the same kind of money be just as good for local people?

Jim Dickson: I do not think that it is a case of either/or. We are enthusiastic about public transport. We have done modelling to see what would be an ideal public transport model. We have spoken to Transport Scotland about how we would like support and investment. For something like £2 million a year, we think that we could get a pretty good, enhanced public transport system. However, this project is slightly different. Rail complements bus; the two are not necessarily doing the same things. I was around when the Bathgate to Edinburgh line was reopened, at which time there was a pretty good bus service between Bathgate and Edinburgh. As you heard from Jim McFarlane earlier, it was forecast that there would be 300,000 passenger journeys in the

first year—I was one of those who did the forecast, which we thought might be a bit optimistic—but we got one million such journeys. There was obviously a pent-up demand that forecasting could not see. The line was pretty attractive. Things might be different in a city context, but in West Lothian we see buses and trains as doing a complementary job; one is not a direct replacement for the other.

Cathy Peattie: How will the proposed railway line improve the area's economic development and social regeneration?

Jim Dickson: On the economic side, we carried out a joint study with our colleagues in North Lanarkshire Council, which we thought that you had and which will be made available to you. The crude economic forecasts were for about an extra 900 jobs, although these things are quite hard to forecast. We want to build positively on the back of the project. All along the rail line, we have housing allocations and employment zone allocations and things will proceed at a faster rate if accessibility improves. In the local plan we have a concept called central park. We are trying to develop the area between Lanarkshire and West Lothian, looking 10, 20 or 50 years into the future. We believe that having access to a central Scotland railway will help us. Economically, we want to build on the back of the Bathgate line, as we did around Linlithgow; the northern line has a good service.

From an employment perspective, the committee has heard well-rehearsed evidence that the line would improve access to jobs in West Lothian and for people going out of West Lothian.

A point that was missed in earlier discussions is that members of families might be employed in different areas—one person might work locally and another might work in one of the cities or vice versa. There might not be a single family in which everyone goes in the same direction. The attraction of the line for us is that people might live in Linlithgow and work in West Lothian, whereas others will have job opportunities in Glasgow and Edinburgh. We would be improving the ability of families to move around without necessarily relying on a private car.

As regards the broader social structure, although we are trying to develop schools, culture and different facilities in West Lothian, we cannot have the high-order concerts and international stadia that Glasgow and Edinburgh have. We have found that rail is attractive to people who want to benefit from the Edinburgh festival or go to Glasgow to watch the football; dare I say it, some of our staff went to see Robbie Williams. That type of social interaction is important, so the benefits would be economic and social.

The proposed line would help to regenerate some of the towns. We are trying to put more effort into the west of West Lothian. We have been pretty successful over the years at regenerating Livingston and Broxburn and now we are starting to get into Bathgate. The railway would add another dimension to some of the issues around retailing and activities in those centres by creating local employment. The new line is a pretty balanced proposal that would hit quite a lot of our economic, social and cultural objectives.

Janis Hughes: You told us about some of the benefits of the proposed railway, but what would be the impact on social and economic regeneration if the project were not to go ahead?

Jim Dickson: It would make a big difference in the west of West Lothian—in Armadale and Blackridge, for example. In those areas that already have at least limited access, regeneration would be delayed and limited. We are planning developments along the whole corridor. The impact of not going ahead would be substantial in the west of West Lothian and would limit the upside, if you like, of development in the east of the region.

Alistair Shaw (West Lothian Council): As Jim Dickson said, there is a wider concern because the project would affect the whole of central Scotland. The majority of commuter journeys in the central belt are not point to point from Edinburgh to Glasgow; they are massively between the bits in the middle.

According to Tony Mackay's predictions, West Lothian and North Lanarkshire have the fastest growing economies in Scotland in 2004-08. As David McLay from North Lanarkshire Council said earlier, West Lothian and North Lanarkshire have created a greater percentage of jobs in the past three years than Glasgow and Edinburgh. Professor Ed Glaeser said in *The Herald* lectures organised by Wendy Alexander last year that it is the bit in the middle of Scotland that will be the future driver of Scotland, alongside the city regions. We need those to join up. In all developed economies, a well-connected economy with wider hinterlands and so on is without a doubt a key factor.

Janis Hughes: You said that there would be a detrimental effect if the project did not go ahead. What is your plan B should the project not be given the go-ahead?

Jim Dickson: As I said earlier, the region will not die, but it will not grow quickly. It would be a great big missed opportunity for everyone. Our plan B is that if the Executive wanted to put more into public transport, we have a model ready to accommodate that. We are not arguing against the railway—we think that the railway can do those

bits that railways are good at and that that can be complemented by local bus services that provide access to the railway station. We want a public transport network in West Lothian.

The project is important if we are to meet other Executive objectives such as those on sustainability and reducing CO₂ emissions. In West Lothian, we are planning for 24,000 new houses—12,000 are to be allocated. About 16,000 houses will probably have some relationship with the proposed rail line. If the rail line is established before those houses are built, it is more likely that people will use the train more often. We have a genuine opportunity to get people to use public transport more. That is not to say that people will not use their cars—they will use all sorts of modes. As a country, we want to get folk to shift the balance in transport use to meet a range of economic, social and environmental objectives. In that regard, the committee and the Parliament have the job of assessing how the proposed scheme fits into the bigger picture.

We are trying, with you, to join up the different strands of your policy, including social justice, economic development and the environment. I genuinely think that the Airdrie to Bathgate project ticks those boxes pretty well. That is why we are extremely enthusiastic about it; it is a good project for West Lothian, North Lanarkshire and Scotland. The support for the project that we have obtained from the two cities shows that it is a good thing for them. They are talking about closer collaboration. Although the project cannot meet all the various objectives on its own, it can make a significant contribution. That is the evidence from the reopening of the Bathgate to Edinburgh line, which happened 15 or 20 years ago. The Bathgate line, which had closed in the 1960s, was the first railway line to be reopened for a generation. That definitely helped to regenerate Bathgate, even though the line went only in one direction.

As we have heard, many people who live in Bathgate have connections with the west. They want to get to Glasgow for social and other reasons, including employment. As Alistair Shaw said, the proposed line will improve the connectivity of an area that is geographically at the centre of Scotland. The area has a strong distribution base, but it lags behind on public transport. Although the project will cost a massive amount of money, it is still relatively cost effective, as the Executive's economists will tell you. It fulfils a number of objectives, including that of removing some, albeit a small proportion—I think that the figure is about 1 per cent—of the traffic from the central Scotland motorway. It is one of the few projects that can make a measurable difference.

Janis Hughes: You mentioned that a substantial amount of housing will be completed.

Was the fact that the Airdrie to Bathgate proposal was in the pipeline part of the draw?

Jim Dickson: It has certainly helped. West Lothian has proved attractive for a range of reasons. We could not say that the prospect of the new railway line has been solely responsible, but it has certainly added to the area's attractiveness. The reinstatement of a railway line to Bathgate in the 1980s was a major boost for that town. Craig McCorriston will keep me right, but I think that between 2,000 and 3,000 houses are being built there. Although I have not been to Bathgate for a while, I believe that the old Leyland site that sat there for a long time is being transformed. The momentum is building, but that relates to a range of factors. The railway project would undoubtedly help economically, by stimulating more rapid growth.

Janis Hughes: How many of the railway's purported social and economic regeneration benefits will be brought to your area, rather than helping just Edinburgh and Glasgow?

Jim Dickson: According to the study that we did with the enterprise companies and the Executive—I think that some of the consultants who did it are present—the theoretical benefits were predicted to be the creation of 900 jobs and a boost in the number of houses of about 1,900. Those were the measurable benefits.

As Jim McFarlane said, we believe that there is the potential to do a lot more. Over the next 10, 20 or even 30 years, our vision is to make the area between Whitburn and Armadale not somewhere that people just shoot past, but somewhere that is important in its own right. We think that we can do that, without destroying the environment, by creating a sustainable development and an activities zone, which could be around the station at Armadale. That goes beyond the dreams that are in the plan. If the committee can deliver that to us, we would certainly assess how we could go way beyond what is in the economic assessments and make central Scotland buzz. For many people, central Scotland is a place that they travel through rather than a place that exists in its own right.

14:00

For us, the west of West Lothian is a priority area in terms of planning gain. People who know West Lothian can see how we have transformed the area in the past 10 to 20 years in a way that has made us better able to respond to the massive changes that are going on.

We have experienced a phenomenal amount of change and, in terms of accessibility, the proposal will help us to adjust. In that regard, we feel a close affinity with our colleagues in North

Lanarkshire and I think that we can do something in that area as well. People talk about city regions. We see West Lothian and North Lanarkshire not only as beneficiaries of the city regions but also as places to be in themselves. People in West Lothian are pretty self-confident and, unlike people elsewhere, do not think of themselves only as being in either the Edinburgh city region or the Glasgow city region—they think of themselves as being in West Lothian. We would like to benefit from the city regions, but also to create something in our own right. The census shows that, in the past 10 years, employment in West Lothian has gone up and the proportion of out-commuting has gone down in relative terms. We have had some success in making West Lothian a place. As well as giving people an opportunity to go out and get jobs, the railway line will give people an opportunity to come in and get jobs. It is a two-way process.

Alasdair Morgan: Given that the greater Livingston and Bathgate area is already quite developed in terms of opportunities for work, education and maybe even leisure, do you think that, in the short to medium term, any effect that the railway line has on the west of West Lothian is more likely to be on housing development, as the area is likely to be used as a dormitory for the east of West Lothian and Edinburgh, rather than on commercial development?

Jim Dickson: I think that it will be a bit of both. Through our local plan, we have genuinely tried to create opportunities for people to do things in Bathgate and around Armadale, Blackridge and Whitburn. We have gone for a pretty ambitious plan for developers to try and create more than just trite sustainable communities that have employment opportunities as well as jobs. There is a limit to what we can do, but accessibility and rail access are issues that we can do something about and that might make a major contribution to our plan. In the past 10 to 20 years, what we have done with regard to accessibility has contributed to the success that we have had.

As can be seen elsewhere, congestion levels are rising. Even to stand still we have to deal with the problem by using every device that we can, where it is cost effective to do so. I understand that, in transportation terms, the project that we are discussing is cost effective at a national level and we would be enthusiastic about it at a local level.

Sometimes, residential development comes first and stimulates jobs. Earlier, I said that you have to plan for families. Not everyone in the family works in the same area. The attraction of our area—and bits of North Lanarkshire—is that it makes sense for a family that has jobs in different directions to locate there as it is relatively easy to commute in

various directions from there. Further, if major employers go bust, it is easier for us to adjust to new job opportunities. We have had around 10,000 to 20,000 job losses but, because people are able to duck and weave better in the area, the unemployment rate has not gone up vastly. The project that we are discussing will give people in the central belt a bit more chance to duck and weave.

There will always be adjustments to major employment. In the past 10 to 20 years, there have been dramatic changes in that regard. At one stage, our unemployment rate was 20 per cent but it is now 2.5 per cent. I would argue that, in part, that relates to accessibility and people's ability to travel in various directions. The project will add to that.

Alistair Shaw: I will add a wee bit to Jim Dickson's point in response to Alasdair Morgan's question about housing-led regeneration. In the proposals for the Heartlands development just outside Whitburn, which is regenerating the Polkemmet site, the developer includes not only a housing-led development site but a significant business park. The private sector is seeing the opportunities in West Lothian not only for housing-led regeneration but for employment opportunities alongside it. It is important that the private sector is seeing employment opportunities not only in relation to the housing but for the whole central belt of Scotland. That is evident through the core development areas and the local plan process.

I will also elaborate on another point that Jim Dickson made. West Lothian has the highest proportion of large-scale companies anywhere in Scotland: 20 per cent of the private sector workforce work for a foreign-owned company. Outside of London, there is nowhere else like that in the UK. Global pressures will bring churn—they have already brought churn with Motorola and NEC—but we still have relatively low unemployment because of the diversity of our economy. That is the strategy not only for West Lothian, but by and large for the whole central belt. The opening of the rail link and the opportunities that that creates for opening up development sites will be an important part of the medium-term regeneration process.

Craig McCorrison (West Lothian Council): I will build on what Alistair Shaw said. We are in the final stages of producing our local plan, which is currently going through a public local inquiry. We recognise that although a significant amount of economic development land is identified in West Lothian, there is a need for significant amounts of additional land. As part of the local plan strategy, that economic development land is, as Alistair Shaw said, being brought forward within the core development areas. From our perspective, one of

the three key core development areas in West Lothian is around Armadale. That is partly, but not exclusively, predicated on the potential for the railway line to come there. As Alistair Shaw said, there is a significant amount of additional industrial land within the core development area itself and around Cowhill. The allocation of economic development land is moving to the west. That will be significant in respect of where future economic growth happens in West Lothian.

Alistair Shaw: Jim Dickson alluded to our experience in West Lothian. Over the past 20 or 30 years we have seen an economy that has been more dynamic in its change than anywhere else in Scotland. Effective rail connections have been a key element in the regeneration of places such as Uphall and Bathgate. Janis Hughes asked what would happen if the scheme did not go ahead. If Bathgate rail line had not reopened, Bathgate's unemployment rate would be much higher. Having rail connections has been a key factor in the regeneration of our area.

Jeremy Purvis: I want to ask about a connecting aspect of economic development, which is training and education. The panel members will have heard the similar question that I asked the panel from North Lanarkshire Council. Most of the students go to college or other education establishments in your area. Will the railway have benefits for education and training in West Lothian?

Alistair Shaw: I would say that it will have. The argument that is used for commuting can be used for education. The railway will open up the whole of the central belt and provide a variety of opportunities, not only for young people from West Lothian to go to colleges, universities or other education establishments outside the area, but for people to come in to West Lothian and benefit from West Lothian College, Oatridge College or the institute for system level integration at the Alba Centre in Livingston. It will provide that accessibility for a range of people to come in, but it will also provide better opportunities for people in West Lothian to move out and get education and training.

It is pretty clear that, in the education and training market, the game is becoming more sophisticated. As the economy becomes more sophisticated, so education services become more sophisticated and we end up with centres of excellence such as Oatridge, the institute for system level integration and others throughout the central belt. We need connectivity for people because, as the Scottish economy moves from manufacturing to service, a higher added-value skill set will be required for everybody and not just for people who live in the cities.

Jeremy Purvis: You heard my questions to your colleagues from North Lanarkshire about housing. It was helpful of you to give an indication of the scale of housing development, which is considerable. If I heard you correctly, Mr Dickson, you said that there is potential for 16,000 houses to be connected to the line.

Jim Dickson: In West Lothian as a whole, there is currently consent for 12,000 houses. We are going through a local plan inquiry and we have allocated another 12,000 houses. We will know the outcome of that inquiry by next spring, but we are pretty confident about the broad levels. The people in about 16,000 of those houses would probably use the rail line in some way, for social or other reasons. Some people from West Lothian have to go to hospitals in the south side of Edinburgh and the bus connections are not that great. It would certainly be easier for people from Blackridge and Armadale to go into Edinburgh by train and access the hospitals from there. The rail line will contribute towards a whole range of accessibility issues and it will enhance things.

I am not saying that none of that will happen without the rail line, but the rail line will be a definite added boost. It will make things happen faster and it will be complementary. People will rely on cars and they will need buses—all those things that you talked about—but it is not a case of having one thing or the other. I am not trying either to overegg or to underegg the pudding. The rail line is just something that will make a difference. It will make things happen and it will make some things happen faster. It will probably make a more significant difference to the west of West Lothian than to some other areas, but if you are asking about local regeneration and the social and cultural bits, we reckon that 16,000 of the new houses will gain some benefit.

Craig McCorriston might be able to help us a bit more.

Craig McCorriston: It is sometimes difficult to imagine what 16,000 or 25,000 houses look like. To illustrate that, Livingston new town—if you are familiar with the new town—contains 20,000-odd houses, so the scale of what we are proposing in West Lothian is akin to building Livingston new town during the next 15 to 20 years. It is a massive development. Clearly, we are not going to build the development in a single location as another new town. The houses will be spread along the route of the railway line. Some locations will be directly on the railway line and some will be offset, but still within the catchment area.

I think that, earlier, you asked North Lanarkshire Council whether the development will consist of 16,000 or 25,000 executive houses. In West Lothian we recognise that affordability is a major issue. In terms of promoting the West Lothian local

plan, up to 25 per cent of those houses will be affordable houses. They will be available to families or individuals who exhibit some form of need in terms of their ability to participate in the housing market. Certainly in West Lothian, the proposal is not about building 25,000 executive houses for commuters into Edinburgh or Glasgow. It is a significant—

Jeremy Purvis: It is 20,000.

Craig McCorriston: It is something of that order. If 16,000 houses are built within the railway line area, up to a quarter of those, or 4,000, will be for individuals with some form of social housing need.

14:15

Jeremy Purvis: What will be the breakdown of the estimated 16,000 houses? For how many has consent been given? What figure will be in the finalised local plan?

Craig McCorriston: It will be about half and half. Armadale is on the route of the line and around 3,000 houses are planned, of which 2,000 do not yet have consent. However, further along the line at Bathgate, around 5,000 houses have been allocated in the plan and the majority of them will now have planning consent. The split is broadly 50:50 between the houses that have consent and the houses that do not, but the figure varies from settlement to settlement along the line.

In a different evidence session, we will talk about the location of railway stations—and Blackridge will be a factor for West Lothian Council. However, it is worth acknowledging that the local plan promotes significant growth in Blackridge of around 400 houses. It was asked earlier whether the railway line promotes that level of growth, or whether that growth would happen in any case. When we made the allocation for Blackridge, it was to support the case for the railway line. The development was expected to be for the longer term, but as soon as we allocated the site in the local plan, a developer was knocking on the door, wanting to promote the site. The developer has a deal with the landowner. We will come back to this in the later session, but as part of the negotiation the developer has offered to make some associated infrastructure available through a section 75 agreement.

Jeremy Purvis: On the subject of section 75 agreements, you will have heard my question to the witnesses from North Lanarkshire Council. Are you asking all the developers of new houses along the railway line for contributions to the overall capital cost of the scheme?

Jim Dickson: In Armadale and Blackridge we have asked about access to the stations. We face

an enormous challenge, but we are probably ahead of the game among councils in obtaining developer contributions. When we started out on our consultations, the railway line was not yet a prospect.

We have had detailed discussions with Transport Scotland, which is, in a sense, saying that the railway is funded and that we should be looking into developer contributions. We are asking for massive developer contributions, way in excess of what any other council is having to ask for. That is our challenge.

At the moment, we have no secondary school capacity. Therefore, if developers are to develop houses, they will have to find somewhere between £150 million and £200 million of investment for education. There will also be the affordable housing contribution and a whole lot of other contributions. The planning system was not geared to obtaining that level of contribution. However, what it is good at is obtaining a missing factor. If our area had all the other factors, I do not think that there would be a problem in obtaining a developer contribution for the railway. Our challenge is that we are asking for developer contributions for everything.

We would be happy to get an independent analysis. Developers might be happy to give us the site for free, but there might not be enough cash to pay for the infrastructure. We have said to the Executive that we need ideas to be joined up. We have said what the different challenges are and what we need to do to meet Communities Scotland's objectives for affordable housing and social rented housing. The Scottish Executive Education Department is not necessarily willing to pump-prime the schools. We will have to discuss our shared agendas and find out the Executive's priorities. At the moment, no one has objected to the local plan as it stands. However, developer contributions to rail are not there—because the idea was not there at the start of the process.

We were pretty up front with developers about the range of things on which we were asking them to spend money. The thought to them was not to buy any land without taking those options. They have been pretty good at doing that, but the challenge is pretty substantial.

There are lengthy policies on developer contributions and, as the local plan inquiry goes ahead, a lot of the developers are challenging those. We are reasonably confident that we will get away with those but, because of the planning cycle, there is no specific policy on developer contributions for rail. It would be quite hard to introduce such a policy at this stage in the planning cycle. If we were to do that, we would need to join up with the Executive to see what the

priorities were and how else we could fund the work.

The council's stance is that if the developers cannot put together the total package, the development will not take place. A substantial proportion of the development in West Lothian is going ahead for national reasons. We have directions through the structure plan regarding the amount of housing land to be taken in Lothian and how much of that will be in West Lothian.

Quite a sophisticated discussion needs to take place about how we can get developers to pay and for what. We certainly have developers co-operating in acquiring land and bringing things together.

Jeremy Purvis: Or knocking on your door in Blackridge—

Jim Dickson: We are trying to create sustainable communities. In principle, if there was money left over, a station at Blackridge would be possible. I am not sure whether there is any money left over for that, but we are prepared to consider it in terms of the overall principles. However, I would not want to say that the development was dependent on that, as I am not sure that it is deliverable.

As part of the Winchburgh CDA, which is on the other line, we are trying to get the developers to pay for the stations. That requirement was built in. We are enthusiastic about securing as much contribution from the private sector as possible. However, there would need to be detailed discussions on the practicalities in West Lothian because of the fact that we are at the extreme end of the process on the infrastructure.

In the past, we had new town development corporations. Schools and roads were forward funded and we have lived on the back of that investment for years. Nowhere else has had the sustained level of growth that we have experienced over the period; until recently, most other areas in Scotland have been in decline. We have built between 1,500 and 2,000 houses a year in West Lothian since the 1960s and that has been able to piggy-back on the back of pretty big public investment. Until recently, however, through the Executive's funding of rail projects, that public investment had largely died. For 10 to 15 years, there was not much investment in infrastructure. We would need a detailed paper to set out clearly what is realistic.

The national Government is considering introducing a developer planning gain supplement. We have some concerns about that and we have made representations to the Executive about how that could be done. It makes sense at a national level to trap a proportion of money for development. However, at a local level, we are

probably getting far in excess of that. We have some reservations, as a national scheme might be the equivalent of 10 per cent, whereas we would need 20 to 30 per cent.

Jeremy Purvis: Treasury decisions are slightly outside the remit of the committee.

Jim Dickson: That decision impinges on it, though.

Jeremy Purvis: At the beginning of the process, however, you did not indicate that there could be a development contribution for the capital costs—that just did not happen.

Jim Dickson: It did not happen. North Lanarkshire Council had been lobbying for years, but no one had been interested in the project. When we started this process, it was not even a twinkle in anybody's eye. Generally, the pretty negative view was held that it was not a project that we could support. If we had had a twinkle in the eye, we would have been in there like a shot—we are pretty opportunistic. It is great that the project has come forward and that people have carried out the analysis that North Lanarkshire Council asked for and have got a positive result.

If we had had any inkling of that when we started the process, three or four years ago, we would have been on the case. There might still have been the practical problem of how we could afford everything, but it would have been a lot easier to get folk into a room genuinely to discuss how to fund things.

Jeremy Purvis: Regardless of whether the committee indicated to the Executive or the promoter that we wished to see a demonstration of the private sector investment under the scheme, like under comparable schemes such as the Borders railway or the Edinburgh tramlines, perhaps using a ratio of 85 per cent to 15 per cent, you are still at a stage at which it would be possible to put in a mechanism to raise funds from private developers.

Jim Dickson: That is probably the case in theory. In practice, however, that might mean that no development happens because we have asked for too much. It is fine if we can have a meeting with the Executive, as a corporate body, and if it recognises that we have an issue with schools and says that it will forward-fund or contribute towards schools. If we get that funding, we will be able to meet the requirement on rail. It is not about the point in principle; it is a practical issue. The developer contributions to the public purse generally are substantial; I am not sure that we in West Lothian could deliver that for you.

Jeremy Purvis: But that does not seem to have put people off building the roads or the stations. A contribution to the capital costs would be involved,

but using a different mechanism. The point is that you have not tested that.

Jim Dickson: No—I am just telling you, quite genuinely, the danger of that.

Cathy Peattie: I am aware that we are to have a session on stations later, but I am interested in your paper's emphasis on the case for a station at Blackridge. As you will be aware, the committee went on a field visit, and I can see why you emphasised the case for a station there. However, I am at an absolute loss to see why you are pushing for a station at Armadale. We visited the proposed station site, and there was absolutely nothing around that area. Would you prefer a Blackridge station to an Armadale station?

Jim Dickson: No. The council's view is clear. The Armadale station would have a much greater impact than the Blackridge station according to the modelling and the patronage figures. That makes sense for the rail line, from both sides, because of the relative scale of Armadale and its possibilities. We do not think about it in the way that you have suggested.

We are enthusiastic about having a station in Blackridge but, given our information on its volumes compared with those at Armadale, although the case for Blackridge might stand up to scrutiny against other sites, it is relatively weak against the case for a station at Armadale. It is to do with the scale. Armadale is a much bigger place—it is as simple as that.

Cathy Peattie: But the proposed station would be quite a distance from the town of Armadale.

Craig McCorriston: It might appear so at the moment—clearly, it is. We have talked about the core development areas in West Lothian. The location of the proposed Armadale station is right in the centre of a core development area. We anticipate development or building work commencing in the core development areas in 2008-09. By the time that work on the railway has started, work on delivering the core development area will be progressing. There will be something in the region of 1,500 houses around that station, which will be linked into Armadale town centre. As I said earlier, 50 hectares of industrial land has been allocated in that area. There will be various other mixed uses, and there will be local community facilities within the area. The location is out in the open at the moment but, 15 years from now, when the plan is implemented, that area will be part of Armadale town.

Jim Dickson: We would be happy to provide you with a plan for that area. Armadale is of a scale such that a bus service could link round the town and bring people to the station. We think that, in terms of economic, social and regeneration factors, the case for Armadale station is the

stronger one. That does not mean to say that we do not think that there is a case for Blackridge. You asked us about making a choice. Hopefully, I am giving you a straight answer.

The Convener: I wish to ask Mr Malcolm about transportation interests. One of the problems that I always encounter is the build-up of traffic on the M8 around Bathgate and Livingston, both at night and in the morning. Will the railway be guaranteed to do something to improve that, or will all these new houses mean that we will still be stuck in the traffic on the M8?

14:30

Graeme Malcolm (West Lothian Council): As Mr Gallie knows, there are no certainties in life. The central Scotland transport corridor study that was commissioned by the Scottish Executive looked at a range of projects that, although they might not reduce traffic on the M8, would help to maintain existing traffic levels against a background of increased car ownership and increased use of the car for longer commuter journeys. Throughout Scotland, people now seem to be willing to travel in their cars further and further to work. Therefore, rather than see the proposed line as the saviour of the M8, we should see it as a project that will provide opportunities to help to control travel on the M8.

An important point is that a reduction of perhaps 1 per cent in the number of vehicles can lead to about a 10 per cent reduction in congestion. We are trying to work on that. We all know that only so much water can be forced through a pipe. As traffic volumes increase and as the road network approaches saturation, delays and congestion increase exponentially. That is an important point. As the people from the chambers of commerce said this morning, the important issue for businesspeople is the time spent sitting in the car. As that amount of time increases, and increases at an exponential rate, their costs will also increase. Businessmen quite like using the train because they can sit down and they know what the timetable is. Despite all the criticisms of the railways, we have seen big improvements in Scotland over the current period. Certainly, First ScotRail's standards of performance have improved and users of the railway are gaining in confidence.

On the issue of the M8, we have worked with Transport Scotland and the private developer at the Polkemmet regeneration project at Whitburn. We have secured the provision of a new junction on the M8 that will have park-and-ride facilities and we are looking to provide the same on the M9. On the A71, we are looking at bus corridor projects for services into Edinburgh.

We need to look at the issue in the context of the whole of what can be done for transport. If we consider the issue in isolation, we will not solve the problem. For example, people are now talking seriously about home working whereas, when I started my career, anyone who suggested home working as a solution would have been told to step aside because it was thought that people had to come into work. However, technology is moving on. The project would just open up so much more.

We might not see a reduction in congestion. It is for the promoter and Transport Scotland to provide evidence on what reductions can be achieved, but my understanding is that we might not see anything substantial. It will not be the case that it will become easy to travel on the M8 as a result of the new line. However, if people cannot get on to the M8 because they do not have a car, how do they get about? The project will be another way of improving accessibility. We need to remember that somewhere in the region of 60 per cent of all households in Scotland do not have a car. As a rule, those people will not be sitting on the M8 in a traffic jam each morning, because they do not have a car. However, they still need to be given access to facilities, services and opportunities for employment. The proposed rail project is just another tool by which we can try to provide that.

The project has been brought forward very quickly as part of the corridor study because it is a good idea. That study also contained other ideas, such as hard-shoulder running. An announcement from central Government in London last week suggested that hard-shoulder running would be permitted on some motorway corridors around London. There are still complications with that suggestion and we are quite a long way off from achieving that on the M8 and M9. However, the proposed rail project—

The Convener: I acknowledge the wider aspects, but my question was more specific.

Jim Dickson: To answer your specific point, we hope that, at Uphall station, which is near the point at which traffic on the motorway begins to queue, we can create a visible site to the north of the track, which will have a psychological effect. People on the motorway will be able to see the park-and-ride station and will know that they have a real choice. Sometimes, all we can do is give folk choice. With money from the Executive plus our money, we are trying to expand the existing stations. At Uphall, the specific aim is to get a site that is next to the motorway so that folk can see it. We might even get a sign on the motorway that says, "Leave the motorway now for park and ride: avoid the congestion". That is the point at which traffic comes to a dead halt. We can use such ideas to build on the back of the railway line to try to give folk choices.

Jeremy Purvis: I want to follow on from Mr Malcolm's point about the development at Whitburn. He might be able to help me out. The information that we have from the promoter is that there will be increased congestion on the A801 at Armadale and Whitburn.

Graeme Malcolm: I picked up that point from this morning's questions. The transport model that has been run for the project includes the core development area in the Armadale area. As Mr McCorriston stated, there are to be thousands of houses joining up with the road network in that area, so there will be a substantial increase on the existing congestion. At present, the A801 corridor is not particularly busy—certainly at off-peak times it is fairly okay. As part of the contribution under the section 75 agreement, we want the developers of the CDA to upgrade that section of road to dual carriageway standard. That links with our long-term aspiration for the new crossing of the Avon gorge on the A801, which Cathie Peattie will be keen to see.

Jeremy Purvis: For our purposes, you can confirm that there will be even more congestion, regardless of the railway.

Graeme Malcolm: In the transport modelling for the scheme, no attempt will have been made to include the measures that will be put in place to mitigate congestion on the A801.

Jim Dickson: We believe that, because of the mitigation measures, there will not be more congestion, but we are happy to investigate the issue and get back to the committee. We do not envisage that the scheme will make matters worse.

Jeremy Purvis: A chat with the promoter would be helpful. We will ask about that. We asked how many car journeys annually would be removed from the M8 and local roads. That was a specific question, but we are not getting specific answers. We will ask the promoter about the issue.

Jim Dickson: You are asking about congestion rather than volumes. The volume could go up but, if mitigation measures are in place, the congestion might be less. However, the question is fair.

Jeremy Purvis: I asked earlier about potential developer contributions. Transport Scotland's evidence on the overall costs states:

"The promoter and Transport Scotland are investigating the potential for contributions from other sources."

For the record, is it the case that those bodies have not had discussions with you with regard to developer contributions for the scheme?

Jim Dickson: We have spoken to them and put the case that I outlined to you. We have had an exchange on the issue. Our assumption is that

they accept our position because they have not come back to us on the issue. We have had a discussion to explain the dynamics. We said that, from an Executive point of view, if funding can come in from a different source, the decision could be different.

Jeremy Purvis: If the projected outturn cost of £341 million and the range of £300 million to £375 million, depending on the rate of industry inflation, are not accurate, you expect that West Lothian Council will not pay anything toward the project at all.

Jim Dickson: The question is one of affordability. We have raised a series of issues about the affordability of our allowing development. The bottom line is that all we can do to protect the council position is not to allow development to happen, which is not what we want to do. We have no funding of our own to put in.

Jeremy Purvis: Right.

The Convener: Members have no more questions, so I thank all the witnesses for attending and for the evidence that they have submitted.

We will hear from the promoter next. Welcome, gentlemen—some of us met last week when the committee inspected the line, which was interesting for all concerned. We will again follow a process whereby each member will ask questions that are similar to those asked previously. I will start. The value of the project is £340 million. From a railway viewpoint, will that be a good investment, given experience elsewhere of investment in new lines or highly developing lines?

Ron McAulay (Network Rail): The straightforward answer is yes. The scheme will bring several major benefits. At every place that I have visited since I became involved in the project, I have been delighted with the support that we have seen for the scheme. Throughout the many consultation meetings that we held earlier this year, although issues were raised about localised matters, support for the railway was overwhelming.

The reason for that level of support is clear. The project has many benefits. The committee has heard about many of them from other panels, but I will run through some. The railway will open up opportunities to access labour markets in Glasgow and Edinburgh and will improve the local economy through improved accessibility. It will create more opportunities for residents to reach educational and health facilities and will open up opportunities for people to link in with the national rail network more easily and to travel more widely.

The railway will offer an alternative to using the car. In the area that we are discussing—the central corridor—the level of car ownership is lower than that elsewhere in the country, so giving people an opportunity to use public transport is extremely important. From a rail point of view, a slightly selfish benefit is that the railway will help us to address congestion on the existing Edinburgh to Glasgow line. We believe that some people will shift from that line to the Airdrie to Bathgate line, which will help to address congestion.

Perhaps the most important issue when measuring value is the benefit cost ratio. The scheme has a BCR of 1.81, which means that the benefits outweigh the costs quite significantly. That is a strong point and suggests that the project is good value.

The Convener: In some of the assumptions that you have made—the assumption about the number of jobs that were likely to be created over 10 years has been referred to—it was suggested that you have been rather pessimistic. Could the factor of 1.81 be improved with further consideration?

Ron McAulay: I ask my colleague David Simmonds to answer.

14:45

David Simmonds (MVA Consultancy): The benefit cost ratio to which Mr McAulay has just referred is based on a strictly conventional analysis of the transport benefits, mainly in terms of time savings and accident reduction. That is a purely transport analysis, following the procedures laid down in the Scottish transport appraisal guidance. All the economic and social regeneration benefits of the line, any environmental benefits and any wider benefits of the kind that we have been hearing about—such as linking different parts of central Scotland more closely, linking different labour markets and so on—are in addition to that benefit cost ratio of 1.81, and the number of additional jobs has been estimated using a modelling system known as the transport/economic/land use model of Scotland, which my colleagues and I developed for the Scottish Executive some years ago. That is the analysis that gives rise to the figure of approximately 1,500 additional jobs within the corridor directly served by the line.

It is fair to say that the modelling process will produce a fairly cautious assessment because it assumes that everything else remains the same. It assumes, for example, that no additional housing is developed in the corridor because of the line and that no additional land is made available for the development of offices, factories and so on. It

is deliberately constructed to be a cautious assessment of the impacts that would emerge over the 10 years after the line opens and it is entirely possible that well thought out actions by the local authorities and economic development agencies could improve on those numbers.

Alasdair Morgan: Paragraph 6 of the promoter's memorandum says:

"Delivery of the Airdrie-Bathgate rail link is a key aim of national, regional and local transport and planning policy."

I am puzzled about why the rail link should be a key aim of national transport policy. How does it impact on the wider rail network?

Joe Magee (Jacobs Babbie): A definite feature of the Airdrie to Bathgate rail link is that it connects two complex networks in the Glasgow and Edinburgh areas with the south and with the east coast main line. For the cost of 14 or 15 miles of new twin track, it connects those active and important networks with the whole of the UK network. That is one reason why, in relative terms, it delivers a high BCR.

Alasdair Morgan: You are not running any trains to the south—they terminate at Waverley.

Joe Magee: There are connections to the south and the link will allow people on the route to access the wider network.

Alasdair Morgan: So these are, effectively, people from between Glasgow and Airdrie.

Joe Magee: It will also allow people in the villages of Plains, Caldercruix, Blackridge, Armadale and Bathgate to connect directly into the wider network via Waverley.

Alasdair Morgan: People in Bathgate can do that at the moment. How many journeys of that type—people from those stations going south—do you anticipate? Is that a significant factor in your modelling?

Joe Magee: The modelling that has been done indicates that the main users of the railway line—about 60 per cent—will be commuting to work. Roughly 14 per cent will be on shopping trips to the city centres. Those are the highlights of the people who will use the line, but there will be the opportunities that I have described for the same people to access the UK network.

Alasdair Morgan: But that hardly makes it a key aim of national transport policy.

David Simmonds: I cannot identify precisely why the scheme was included as a national aim, but I can see a very good reason why it should be. After all, we have already heard the arguments for linking together the different parts of central Scotland. Moreover, continuing substantial job growth, particularly in the Edinburgh area, has

been forecast, and there is a need to widen the labour pool from which workers can be drawn. Linking the Airdrie to Coatbridge corridor to Edinburgh Park and central Edinburgh with a relatively fast public transport system will play an important role in widening the pool of labour available to present and future Edinburgh employers without putting more pressure on the Edinburgh housing market. Given that growth in the central belt—particularly in Edinburgh—is a driver for the Scottish economy and that labour supply is a critical constraint in that respect, the scheme will play a nationally important economic role.

Alasdair Morgan: I do not want to nit-pick over the precise meaning of words, but in agreeing to provide national funding for a project one must assure oneself that it has a national economic benefit. If we pursued your argument, we could quite easily say that almost any project had a national benefit. In comparison, the proposed Edinburgh airport rail link is very much a national project as it will enable people from Aberdeen, Inverness and wherever to use the airport. I am struggling to see how this project has a similar national importance. I can see that, regionally, it is of great importance to the central Scotland corridor, but I am not so sure that people in Inverness or Dumfries will agree that it is of national significance.

Ron McAulay: The national planning framework highlights the aim of supporting cities, and providing another link between the two main Scottish cities must help in that respect. Scottish Enterprise Edinburgh and Lothian's submission highlights a surplus of something like 10,000 jobs by, I think, 2015—although it might be slightly later than that. Surely providing that additional labour to those markets must support cities and therefore help the country's economy.

Alasdair Morgan: Okay.

On the point about providing another link between Edinburgh and Glasgow, in response to the convener's question, you mentioned people transferring from the current Edinburgh to Glasgow service, which goes through Falkirk, to this proposed service. How many people are projected to make such a transfer?

Ron McAulay: Overall, we expect an additional 12,500 boardings per day on this line. I am struggling to remember exactly how many people will transfer from the current Edinburgh to Glasgow service, although my colleague tells me that the figure is about 50 passengers per train in the peak hour.

Alasdair Morgan: So 50 passengers who use the current Edinburgh to Glasgow service would

transfer to this service, but out of how many passengers?

Ron McAulay: It is about 12 per cent—or, say, an eighth—if that helps you to work things out.

Alasdair Morgan: That number is quite high, given that people would transfer from a service that took 45 minutes to one that would take 70-odd minutes.

Ron McAulay: Yes, but you must remember that many people come into Glasgow Queen Street station on low-level trains. At the moment, they have to transfer to the higher-level station to get a train through to Edinburgh. I imagine that many of them will find it just as easy to stay on the low-level train instead of having to get off and wait for a connection.

Alasdair Morgan: Are the figures a result of modelling or have passenger surveys been undertaken in which people were asked what they might do?

Ron McAulay: The figures are a result of modelling that we have carried out.

Alasdair Morgan: I will move on to something more specific. The current Bathgate to Edinburgh service is half-hourly and is decidedly overcrowded at the peak period. The Airdrie to Bathgate project would result in the service being quarter-hourly. Do you anticipate that it will be able to cope with the current Bathgate to Edinburgh traffic plus the additional traffic that will be forthcoming?

Ron McAulay: Yes. In effect, by providing a 15-minute service instead of a half-hourly service, we will double the capacity in that part of the corridor for moving people from Bathgate into Edinburgh.

Alasdair Morgan: Right, but obviously the other two trains that you will put on will not be empty, because people will come in from the west. How soon will it be before they get full up?

Ron McAulay: There would not be so much of a capacity issue at that end of the line. If anything, I would have more concerns about the other end. However, capacity is being addressed through a rolling stock strategy that Transport Scotland is pulling together. We are looking at the whole issue of the type of units that would be available and that would be used on the line.

Alasdair Morgan: Does that mean that, in order to avoid congestion at the Glasgow end because of the opening of the Airdrie to Bathgate line, you will have to invest in more rolling stock?

Ron McAulay: Yes, there will be a need to invest in more rolling stock for the overall scheme.

Alasdair Morgan: Where did the costs come from and from where are they being met?

Ron McAulay: They are included in the operating cost element of our estimate of expenditure and funding.

Alasdair Morgan: There was a story in the paper earlier last month about the phase 2 development of Waverley, which was just a re-run of the question whether that will go ahead. Is anything in what you propose dependent on phase 2 of the Waverley remodelling, or does it all fit quite happily with what is proposed in phase 1?

Ron McAulay: We are not dependent on what is being called phase 2 of Waverley. The on-going project at Waverley will increase the capacity of the west throat by four trains per hour. Two of those trains will be taken up by the Airdrie to Bathgate service. Two trains come in from Bathgate at present, and four trains will come through. The on-going work will be completed by the end of 2007 or the beginning of 2008 and it will provide the capacity that we need.

Alasdair Morgan: There will be an additional four trains per hour, so is somebody bidding for the remaining two slots?

Ron McAulay: We anticipate that they will be taken up with additional services from Fife, but that has still to be finalised.

Alasdair Morgan: Okay.

Ron McAulay: I should say that Fife is one option and that others that might take up the other slot are being looked at, so where the two services will come from is still a bit fluid.

Alasdair Morgan: I have a final question. On a personal note, as somebody who uses Waverley station, the usual excuse that I hear when we are delayed is that there is congestion in the station. If you propose, through the remodelling, to offer an extra four trains and to use up all the slots, does that mean that there will still be congestion?

Ron McAulay: We have modelled the operation at the west throat to ensure that the design that we put in will be able to accommodate the flow of traffic there and will not result in performance deterioration. We have designed the operation in such a way that it should still be able to perform as it does today. I should say to you that performance at the moment is extremely good on the railways in Scotland.

Alasdair Morgan: Yes, but on the Haymarket Edinburgh section we continually get the excuse that trains are being held up because of congestion at Waverley. What you are saying is that the modelling shows that you can run four extra trains and that we will still be in the same position, so we will continue to have congestion at Waverley.

Ron McAulay: I do not want to sound overly optimistic—

Alasdair Morgan: Perish the thought.

Ron McAulay: The modelling suggests that as soon as we finish the remodelling of the west throat of Waverley, we will see quite an improvement in overall performance there. Moreover, as the additional services come on, performance will start to come back to where it is now. However, current performance is actually very good. We are seeing performance figures across Scotland in excess of 90 per cent.

Alasdair Morgan: I was not interested in performance across the rest of Scotland; I was just asking about the west end of Waverley. After we remodel it and put on the four extra trains, what will the situation be?

Ron McAulay: There should be no worsening of performance compared with the situation at the moment.

Alasdair Morgan: I do not know that a lot of people would be happy with that, but I shall leave it at that.

15:00

Ron McAulay: I should point out that the second phase, to provide even more capacity at Waverley, is a major operation in terms of what needs to be done to the station to get more paths in there.

Alasdair Morgan: But that is at a cost of £700 million plus.

Ron McAulay: Yes, but the figures that you are quoting include things such as building a shopping complex on top of the station, which is not what we plan to do.

Jeremy Purvis: I would like to ask about your response to the further questions from the committee. In response to question 8, you indicated:

“Electrification of lines through the Mound Tunnels in Edinburgh and into platforms 12-15 at Waverley station will be required ... to be undertaken”,

and that they are

“scheduled to be completed well in advance of the introduction of the new Airdrie-Bathgate rail link services.”

What if they are not?

Ron McAulay: There is no reason to suggest that they will not be. We are already planning that work in. Our design engineers have been looking at that part of the project, and the intention is to carry out as much of that work as we can within the works that will be going on at Waverley over the next year and a half.

Jeremy Purvis: If they are not done, that will cause considerable problems for the project.

Ron McAulay: Yes, but if we do not do the west throat remodelling, that will cause the project similar problems. There is no doubt that the work at Waverley is needed if we are to be able to deliver the service.

Jeremy Purvis: There is money for the work that is being done at Waverley, which you have said is scheduled to be completed in advance. The work is under way, or will shortly be under way, and there is no problem with the funding for that.

Ron McAulay: That is correct.

Jeremy Purvis: That money is in the bank.

Ron McAulay: The funding has been made available, contracts have been let and the work is under way at the moment. I would not say that the money is in our bank; let me put it that way.

Cathy Peattie: The promoter's memorandum refers to the railway

“enhancing public transport competitiveness in the M8 corridor”.

How does it do that?

Ron McAulay: We are saying that, by providing a public transport link that gives people the opportunity to make fast, reliable, punctual journeys into city centres at either end, we can provide an alternative that is more attractive than using private transport. Have I misunderstood your question?

Cathy Peattie: I just want to know how that enhances competitiveness.

Ron McAulay: We believe that providing a fast, reliable service will be more competitive. It will be more attractive for people to use that service than to be stuck in a car in a traffic jam or to have unreliable journey times.

Cathy Peattie: You state that in your memorandum, in paragraph 78.

Ron McAulay: Unless I am missing something, that is what we mean in that part of the memorandum.

Cathy Peattie: Okay. What advantages to local people does the railway offer over improved bus services in increasing access to wider job markets, increasing inward investment and improving local economic performance?

Ron McAulay: I shall ask David Simmonds to pick up on that point, but the issue will be about the ability to provide fast, reliable, shorter journey times.

David Simmonds: The key point is to do with wider job markets and wider opportunities, as mentioned in the question.

The advantage of the rail scheme over possible bus alternatives is its speed over middle to longer distances and its ability to get people to jobs, particularly in the city centres and other increasingly congested areas, with a higher degree of reliability and at higher speeds, compared with what buses can do on a congested road network, even with bus priority measures. Our analysis, using the model that I mentioned earlier, has shown that the benefits of the scheme in terms of having more people in work, which are additional to the purely transport benefits such as substantial time savings, fall within the corridor itself. There will be additional jobs in the Bathgate and Airdrie areas and additional residents of those areas who are in work.

Cathy Peattie: You list six policy objectives that would not be achieved if the railway was not built. Why would the first five of those objectives not equally be achieved by an enhanced bus service? If the kind of resources that are going in to build the railway network were put into bus services, could not the objectives still be achieved?

David Simmonds: I want to make sure that I am looking at the same list, so that we are not talking at cross-purposes. Are you referring to the list in the memorandum?

Cathy Peattie: Yes. It is in your supplementary reply.

David Simmonds: In relation to the first three objectives, which are improving direct access to labour markets in Glasgow, Edinburgh and West Lothian for people living in the Airdrie to Uphall corridor, stimulating economic growth and increasing social inclusion, my answer is the same as the previous one. It is about the greater effectiveness of the railway in carrying people and greater acceptance of the railway. The fact that people are more willing to use the railway because of its greater speed and comfort relates to the point that the witnesses from Scottish Enterprise made about the possibility of making good use of time on trains as working time, which is much easier on trains than on buses. Those of us who have experience of trains and buses will know that it is difficult to work effectively in a bus seat and that it is much more likely to be possible to get valuable work done on a train.

The appeal of the transport system to business travellers is particularly important when it comes to attracting additional jobs to the area. The fact that people are much more willing to use the railway, in many cases despite fares that are slightly higher than those on bus services, is critical to increasing the number of people who use public transport.

That goes back to the competitiveness of public transport as an alternative to the M8.

Michael Greig (MacRoberts): It is worth mentioning that the central Scotland transport corridor study, from which this project came, considered the possibility of an express bus package as an alternative to the Airdrie to Bathgate proposal. The study found that although there would be a small uplift in bus use, the package would increase road traffic and reduce rail patronage, which would not sit particularly well with the objectives of the scheme.

The Convener: I want to pick up on economic development and social regeneration, about which others from deep within the communities have said much today. Given the objectives that have been set with respect to transport investment, how could the railway uniquely aid economic development and social inclusion?

Ron McAulay: Again, I will call on David Simmonds to assist me. One of the things that I picked up from the evidence that was given earlier is that although people have attempted to introduce bus routes and services in these areas, the services have not been sustainable and have not provided the links that people were hoping for. The railway will represent a permanent feature on the landscape—it will provide a permanent link between Glasgow and Edinburgh and the communities will regard it as something that is there to be used.

I will describe what railways—as opposed to buses—are good at. Railways are good at moving people long distances in short journey times, but they are also good at moving large numbers of commuters into heavily congested areas, such as cities, because they do not get held up in road congestion. Railways provide fast and reliable links—people know when their train is coming and when they will arrive at their destination, which reduces the amount of wasted time. The railway will bring many benefits that would perhaps not be realised by other forms of transport.

Do you want to add to that, David?

David Simmonds: I emphasise the point that railways are better accepted, and not just for the reasons of speed and the potential value of the time spent on board, which I have already mentioned, but also—as Mr McAulay said—for their expected permanence. That might be a result of the way in which transport planning has developed in Scotland. The introduction of a bus service is not regarded as a permanent change. The committee heard evidence this morning that bus services have been introduced but it has, under the existing arrangements, proved to be impossible to sustain them. If the railway line is reopened and improved in the way that is being

discussed, the expectation is that it will be there for a long time—for decades, at least. The scale and nature of the investment gives people greater confidence.

Related to that are the ways in which the different markets will come together. Through traffic and more local traffic can both be served—perhaps neither of them ideally, but reasonably well—by the proposed through trains. It is also more likely that socially important provision, such as evening services to take people out for the evening and, above all, to get them home again afterwards, can be maintained on the railway because the marginal cost of providing an additional train in the evening, especially if it is part of a through service, is likely to be relatively low. The chance of providing services that start early and finish late—and which therefore allow a much wider range of journeys to be undertaken without the use of a car or with use of a car only from the nearest station—is that much greater.

The Convener: I am concerned that you propose to run, at one particular station, a 30-minute service rather than a 15-minute service. I realise that you can adapt and change the scheduling of services as time goes on, but it seems to me that to have a reduced service at Drumgelloch station would put people off, especially at peak travel times when they seek to get to their businesses at certain times. Is that service set in stone or will you consider it again to see how you can improve the service before it gets off the ground?

15:15

Ron McAulay: Our philosophy in drawing together the overall timetable is, first and foremost, to ensure that there is no detriment to the existing service. If an existing station has a half-hourly service, it will not have anything worse than a half-hourly service. Similarly, if it has a 15-minute service, it will not have anything worse than that.

I take it that you were referring to the new Drumgelloch station. At the moment, the existing Drumgelloch station has a half-hourly service and the proposal is to continue with that.

You asked whether the timetable is set in stone. Timetables are reviewed every year and the process that is used in the rail industry involves the train operating companies—in Scotland, that would be First ScotRail—making bids for various timetables and changing things. There are always opportunities to change timetables, so the answer to your question is no.

The Convener: I am looking to get the maximum economic development gain from the project. I would expect that, after an investment of

£340 million, a given station's service might improve.

Ron McAulay: We have used a timetable to model the benefits of the railway and to work out what patronage numbers might be. That timetable has the new Drumgelloch station as having a half-hourly service. That modelling shows the economic benefits that we have included in our submission. Changing that timetable might well change the overall cost-benefit ratio, but I am not sure whether that sensitivity was included in the calculations.

David Simmonds: I am not sure whether that was included in the main cost-benefit analysis that produced the ratio of 1.81 of benefits to costs. It would be expected that if an increase in the number of trains that stop at a station was to lose more passengers than it gained, that would reduce the benefits slightly, although one would have to go back and do the calculations in order to be absolutely sure of that. It is, perhaps, worth adding that although the service from the new Drumgelloch station would still be only half-hourly, it would now be half-hourly in both directions. That is a big change that would result from the service continuing eastward all the way to Edinburgh Waverley.

In relation to the economic impact in terms of the additional jobs and residents that would be attracted into the corridor, we have done some analysis. We found that the test with four additional stations rather than two made a negligible difference to the number of jobs and people that would be gained by the area because the benefits of the additional stations would be outweighed by the delays that would be caused to the service. I suspect that something similar would happen if we were to conduct an analysis that would involve stopping all the trains at Drumgelloch rather than half of them.

The Convener: In your written evidence, you state that if the railway is not constructed, many of the areas that are already defined as deprived communities

"would not develop as quickly as if the line was built unless other equivalent measures were adopted".

You have explained that initial part of that statement, but what other measures are you talking about? What are the alternatives?

Ron McAulay: I will have to come back to you on that one, convener. Earlier, we heard from the two councils that the view is that the speed at which improvements would be seen would reduce and that the railway will be simply one tool in the overall toolkit for driving economic growth.

Janis Hughes: How much of the railway's purported benefits are geared towards the

economic and social regeneration of North Lanarkshire and West Lothian as opposed to their simply supporting the continued development of Edinburgh and Glasgow?

Ron McAulay: Again, I will ask David Simmonds to answer that question, because it relates to the overall analysis that was carried out by his team.

David Simmonds: As I have mentioned several times, we used the transport/economic/land use model of Scotland to carry out our modelling. It is the main basis for the job and population impacts that we have quoted. As the name of that model implies, it covers a much wider area than just the corridor with which the bill is concerned—it covers the whole of Scotland and models in considerable detail the whole of the central belt and much of north-east Scotland, as well as some of the south of the country.

We compared the impact of reopening the railway line with that of leaving it closed and found that the growth in job and population numbers would be concentrated in the parts of the corridor around the Airdrie and Coatbridge and Bathgate and Livingston areas, where noticeable percentage increases in the numbers of jobs and residents are predicted. In other words, it is envisaged that the net effects of the project will be experienced in the corridor. We could circulate more details of those forecasts if that would be helpful.

Janis Hughes: Thank you. That would be helpful.

Can you give examples of businesses or types of business that would, but for the lack of a rail link, have established bases in the area to which the bill relates, or of businesses that have indicated that they will establish a base should the project proceed?

David Simmonds: We conducted detailed surveys of existing businesses in the area. We are thinking more of the expansion of existing businesses than of major new inward investment. The recent history of West Lothian and North Lanarkshire shows that relying on major inward investment is a risky strategy, so the general emphasis is now on providing conditions that allow and encourage the growth of businesses that are already located in the area. The effects that we forecast will be mainly in the service sector—we do not forecast that the project will result in major gains in manufacturing. The growth that will be achieved will be additional growth in the service sector, which is very much in line with what is happening throughout most of the central belt.

Janis Hughes: So your predictions are based on modelling—you have no specific examples of companies that have shown an interest in locating

in the area because they know that new line might go ahead.

David Simmonds: As part of the work that was done, a number of firms were interviewed in some detail about the ways in which the railway line might affect them, but those interviews took place in early 2005 and the responses were based on the circumstances that the companies faced at that time and related, for example, to the difficulties that they were experiencing in attracting and retaining their workforce. The responses tended to confirm that the mechanisms in the model were the correct ones to consider, so we have relied on the modelling results in the figures that we have put forward.

We have not tried to extrapolate from what businesses said a year and a half ago by carrying that forward to forecast what they will be doing five years or so from now. We should bear in mind that we are examining what impacts we expect to emerge over a number of years following the opening of the railway line. It seems too unreliable a method to take individual firms and to say what they will be doing in 2016. We generalise such evidence by incorporating it in the modelling methods.

Joe Magee: The almost 50 new jobs to be created at the light maintenance depot in Bathgate are one example. There is also the retention of the car-based jobs that currently exist at that site.

Michael Greig: It might be worth picking up on some of the points that came out of the survey of businesses. There was certainly evidence of labour-market exhaustion in some sectors, and of a lack of skilled staff. Businesses saw public transport as being a negative characteristic of their location. More than half of them thought that the line would be used by their business and 26 out of the 37 firms thought that they would benefit from the improved access to labour. That provides a bit of context.

Jeremy Purvis: Turning to the light maintenance depot at Bathgate, I was just reading First ScotRail's submission, which says:

"The appropriateness of this is yet to be tested since the maintenance strategy for the fleet will depend upon the type of train identified to work the services".

It is not a given that the depot will be there.

Ron McAulay: We see it as a given. There is a need for ScotRail to have a depot at which it can maintain the trains that will be running back and forward on the line. The trains that will come through Bathgate will replace existing diesel trains, so there will be a need for a place where electric rolling stock can be maintained. I am quite happy to go back and question First ScotRail on what it meant by that.

Jeremy Purvis: You are more confident about there being a depot at Bathgate.

Ron McAulay: Yes.

Janis Hughes: We heard from other witnesses about the fact that bus services in some communities often stop early in the evening, which precludes people from getting out and about for leisure purposes, social purposes or even for educational purposes in relation to some of the new community education facilities. How do you think the railway will attract people to use public transport facilities in the evening, when they will not currently use buses? Bus services are often taken off in the evenings because of lack of patronage.

Ron McAulay: I mentioned the idea of the railway being a permanent item on the landscape. The railway will be there, and people will know when the trains arrive and leave. We hope that new bus routes will be developed to link communities to the stations—tying in with the times when the trains will arrive and depart, so that people can plan their journeys, knowing that they can get back by train—and that the bus companies will start to appreciate that there is a market there for them to feed.

We have had discussions with SPT and the councils about trying to promote such bus links and we have included within our estimates funds that will contribute to bus route development grants. As I am sure you will be aware, such grants are made on a sliding scale to try to kick-start bus services. The difference is that the railway will be there—it is not going to start and then stop again. It is easy to put bus services on and to give up on them if they are not working. The railway will be a permanent feature and it will be the catalyst that will make bus services operate.

15:30

David Simmonds: The route will provide a through service between Edinburgh and Glasgow, and it will cater for a mix of purposes and journeys. It will be particularly attractive for people who are going into the centre of either of the two cities. That will attract the passengers and, hence, the revenue that will support the services, which will also be available to people who will make shorter journeys within the corridor. By providing for that mix of markets, it should be possible to sustain a service that does not work on its own in the central part of the corridor, with a separate bus service currently being required there. A through bus service is not so attractive for journeys from Airdrie or Coatbridge into central Edinburgh, for example.

It is important to bear in mind the fact that the service may be promoted through careers advice services, jobcentres and so on, not through formal incentives but through the processes of getting people into work and into college—especially further education opportunities. Widening of the range of education opportunities that people can take advantage of—even if there are only subtle differences between a course that is offered at a Lothian college and a similar course that is offered at a Lanarkshire college—should help to get young people and people who are retraining into the most appropriate courses for their qualifications and requirements, thereby contributing to the development of a skilled and prosperous workforce.

Cathy Peattie: We are keen to ensure that people can take up educational opportunities. I note from the papers that the stations along the route will be compliant with the Disability Discrimination Act 1995, but a number of the stations will not be staffed. I wonder how disabled prospective students will be able to take up the opportunities in colleges and so on if they have to use stations that are not staffed. Often, staff are essential at a station to help people to use the trains.

Ron McAulay: It is not normal policy for all stations in Scotland or in Great Britain to be staffed—in fact, very few are these days. The facilities that we would provide at the stations would include ramps that are designed to the right gradients to allow such people to use them on their own. Staff would not necessarily be needed to assist.

Cathy Peattie: Just ramps? Ramps are not the only thing that you need to provide to ensure that disabled people can use the stations.

Ron McAulay: The only two stations that would be staffed would be Airdrie and Bathgate stations. At this stage, we do not expect the others to be staffed.

Jeremy Purvis: I want to move on to houses and housebuilding in the area, but first I want to follow up a couple of earlier questions about the expected patronage levels and the type of patronage. Forgive me if you have provided the information and I have not seen it, but what is the expected level of modal shift from cars travelling on the M8? We have heard that it is expected that the railway will reduce traffic congestion. It would be helpful if you have figures for the modal shift. If you have already provided that information, you can refer us to it and I will go away and do my homework.

Joe Magee: I believe that we have provided that information. In broad terms, 31 per cent of the patronage at each station can be assumed to be

car drivers who will turn up in their cars and park. About 21 per cent of the patronage is expected to be car passengers who are dropped off. It is estimated that people arriving on buses—we all hope that the bus services will improve—will account for about 18 per cent of patronage. Cyclists account for a lowly 1 per cent of patronage at the moment, but it is hoped that that figure will rise, and pedestrians are expected to account for 26 per cent. That is a broad estimate of the types of people that we think will use the service.

Jeremy Purvis: Right. So, what is the expected level of modal shift from car use on the M8?

Joe Magee: That is a complex question, which has been asked several times. We estimated that about 41,000 vehicles per annum will shift from the M8 as people use the service travelling east, with a lesser figure of 28,500 per annum shifting as people travel west. It is a relatively small number.

Jeremy Purvis: Did you calculate the percentage?

Joe Magee: It is less than 1 per cent.

Ron McAulay: It would be wise to point out that, although that percentage might appear very low, the space cleared on the M8 will quickly be filled by people who previously used back roads. They will divert to fill any spaces on the M8.

Jeremy Purvis: We have just heard from West Lothian Council and, even if only a proportion of the people who move into the new houses use the M8—and of the potential 24,000 new houses, 20,000 will be executive houses whose owners will, we presume, have cars—there will not be any reduction in congestion on any roads. Any reduction caused by the introduction of the rail line will be wholly offset by the growth in housing.

Is your figure of less than 1 per cent based on expected congestion levels or on today's levels?

Joe Magee: Those are today's figures. However, as Mr Malcolm pointed out, a 1 per cent reduction in traffic road use might reduce congestion by a much greater amount—by up to 10 per cent.

Jeremy Purvis: When I asked about the A801, the witnesses from West Lothian said, I think, that the information that you have provided us with does not take into account what the council plans to do with the road network. It seems to me that a lot of work will be done but that the impact of the project will be minimal. The growth in car use in West Lothian alone will easily outstrip any benefits of modal shift that the project will bring.

David Simmonds: It is important to distinguish between, on the one hand, what we have

assessed as impacts and benefits and, on the other hand, the changes from the present situation that will occur over time. The present forecast is still for a growth in the use of cars, but that growth will be slightly less than it would otherwise have been. Nobody has claimed that the rail link will lead to an absolute reduction in car use. However, providing an attractive public transport system that is attractive to some people who currently use their cars will mean that the growth in the use of cars will slow slightly. That analysis has been carried out based on the same levels of housing development with or without the railway.

Jeremy Purvis: So, your modelling incorporated the housing estimates that we heard this morning from West Lothian Council and North Lanarkshire Council.

David Simmonds: I believe that those are the same figures as the councils provided us with 15 or 16 months ago. We included the figures at a late stage in the modelling.

Jeremy Purvis: You used those forecasts in the traffic modelling.

David Simmonds: That was—

Jeremy Purvis: You have—I am sorry, I am cutting over you and I should not do so, because it is rude. You have taken account of the forecasts from the two councils, so your traffic modelling is not of today's existing patterns.

David Simmonds: It is based on forecast growth.

Jeremy Purvis: Right. I am trying to get an accurate picture of absolute modal shift. We have heard evidence on that—including evidence from you—and you have given an interesting clarification. Not only are you saying that the difference on the M8 will be less than 1 per cent—which I accept—but your ambition is that growth in car use will increase at a slower rate, rather than that congestion should be reduced. If that argument had been a bit more transparent in some of the written material, it would have been more helpful.

You are also saying that, given that 31 per cent of drop-offs are from a car, on the local roads that serve stations, and certainly at Drumgelloch, which will have a car park of 336 places, with more places at Airdrie—which is not enough to satisfy the chamber of commerce, but there we are—congestion could increase at the same time as hardly any impact is made on congestion on the M8. The project will have public transport benefits but, as a solution, the railway will create more traffic, because more people will access the stations by car than by bus—the figures are 31 per cent against 26 per cent. Is that inaccurate?

Ron McAulay: Let me be clear. If the Scottish Executive, or whoever, promoted only additional road schemes, people with cars would benefit immensely, whereas people without cars would be left behind and the gap in opportunities would widen. The scheme will provide another public transport link for communities and people who have no access to a car, which will help to keep the gap from widening further.

The benefits that the link will provide come not just from removing traffic from the M8. They include increasing opportunities for people to access labour markets and providing a public transport alternative that addresses some of the concerns. We have never claimed that the link is intended solely to reduce congestion.

Jeremy Purvis: That is one of the major aspects of the written evidence. I am not saying that it is an untruth; I just wanted clarification of the real impact that the project will have.

We are looking at the general principles of a £340 million scheme. Would an alternative provide better value for money and be a better way of solving some of the problems that have been identified? How many of the journeys that are forecast will be end-to-end journeys rather than local journeys within Lanarkshire and West Lothian? Mr Simmonds's case was based largely on modelling of end-to-end journeys.

Ron McAulay: We do not have that detail with us, but we can provide it later.

Jeremy Purvis: I was interested in what First ScotRail said about the end-to-end figures. You say that the service will relieve pressure on the Edinburgh to Glasgow service, which First ScotRail kind of questioned. It says that you are comparing a 74 or even 70-minute journey on the proposed scheme with a 50 to 53-minute journey on the Edinburgh to Glasgow service, which it says

"will remain the most attractive option for end to end journeys."

If you say that the case is strong, I would have thought that you would have analysed the local passenger data, but you have not done that.

Ron McAulay: We have always said that when we talk about end-to-end journeys, we are talking in effect about journeys from the Glasgow area and the east of Glasgow to Edinburgh and about journeys from Edinburgh through to Bathgate back through to Glasgow. The benefits to people there will be immense. This morning, Graham Mackay from North Lanarkshire Council spoke about a study that said that going from Airdrie to Edinburgh Park would take 1 hour and 29 minutes in the peak. We are saying that the journey from Airdrie to Waverley station, not just Edinburgh

Park, will take 45 minutes in the peak. The benefits are immense and that is what we are talking about to attract people.

Jeremy Purvis: I do not necessarily disagree with you; I am asking for your evidence of the numbers of passengers who will make end-to-end journeys. When I say end-to-end, I mean journeys from Airdrie to Waverley, too. How many people in Airdrie work in the centre of Edinburgh? Considerable times need to be added for journeys to other parts of Edinburgh. How many people who board the service will leave at Waverley?

Joe Magee: I will approach the matter from a slightly different angle. The projected increase in passengers on the line is approximately 12,600. I will run through the stations from west to east. On the line's opening in 2011, we expect an additional 673 passengers at Airdrie, approximately 500 at the new Drumgelloch station and 260 at Caldercruix.

Jeremy Purvis: Where will those passengers go?

Joe Magee: Those passengers will use the stations to go west or east. I am trying to capture—

Jeremy Purvis: I accept that.

15:45

David Simmonds: May I clarify a point about the modelling system that was used to generate those figures? The original model was the transport model for Scotland. That model divides the area into more than 1,100 zones, of which probably 1,000 or so are in the central belt. It looks at the travel between each pair of zones, which gives 1 million different journey possibilities—1,000 times 1,000. There are figures in the modelling system for each of those 1 million cells. All those flows—end to end or any part to any part—were taken into account in the process that was used to produce the figures. The problem is that we do not have the breakdown of those 1 million cells with us and we cannot remember the 1 million numbers in question. That is why we use a computer model. We can assure you that the patterns have been taken into account. If it is critical to your considerations, it would be possible to extract particular numbers for you to consider.

Jeremy Purvis: Standing with a clipboard on a given day and asking people where they are going would often be too blunt a tool compared with your very effective 1 million cells. However, my point is that you are telling us that if we consider the general principles, rail is far better than the bus and other modes. We have found out that the impact on congestion will be marginal, but you have not done a like-for-like comparison to

establish whether a light rail solution would be better for moving people within Lanarkshire and West Lothian.

Ron McAulay: Do you mean a light rail system that goes from end to end?

Jeremy Purvis: No, I think that we are discounting the end-to-end option because you are saying that you are not comparing an end-to-end system with an Edinburgh to Glasgow service.

Ron McAulay: Do you mean a light rail system between Airdrie and Bathgate?

Jeremy Purvis: Yes.

Ron McAulay: So you would introduce stops and changes at each of those locations.

Jeremy Purvis: What I am getting at is that we are being asked to approve a large scheme. You will have gathered from the pattern of questions today that we are trying to find out how much the scheme will benefit communities in Lanarkshire and West Lothian and how much it will just shift people from their home to the cities. What alternative transport options were considered that might bring better benefits for communities in Lanarkshire and West Lothian?

Ron McAulay: Is the alternative of a light rail system between Airdrie and Bathgate, which would link in with the existing stations, an option that you feel should be considered?

Jeremy Purvis: I am asking you whether you considered it. You might think that it is a ridiculous suggestion. What about extending Edinburgh tramline 2, which will go out to Newbridge?

Ron McAulay: As soon as one starts to introduce additional connections, so that people have the inconvenience of arriving, meeting another mode of transport, moving on, meeting another mode of transport and moving on again, one starts to reduce the number of people who will find the system attractive. The beauty of the scheme is that people can get on a train as far west as Helensburgh and go straight through without having to change—that is one of its attractions. I can say almost with certainty that a different form of railway between Airdrie and Bathgate would be less attractive to customers, so the number of people who would use it would reduce dramatically.

Alasdair Morgan: I have a supplementary, which ties into the question that I asked earlier about the number of people who would switch from the Edinburgh to Glasgow via Falkirk line to the new one. I think that you came up with the figure of 14 per cent.

Ron McAulay: It was 12 per cent.

Alasdair Morgan: I notice that First ScotRail's submission states:

"However, detailed modelling of passenger flows is needed before this question can be answered".

The question is how much the new line will reduce congestion on the current main line. Do not different parts of the railway share such information? Have you not talked to First ScotRail about the modelling? Is it not aware of those projections?

Ron McAulay: We have spoken to First ScotRail; we consult it and speak to it. Obviously, there is a bit of confusion between us in this area, but we do speak to each other.

Alasdair Morgan: So it simply forgot that you had been undertaking this modelling.

Ron McAulay: I am afraid that I cannot speak for First ScotRail.

Alasdair Morgan: Well, we will have the opportunity to ask it these questions in a couple of weeks' time.

Ron McAulay: Absolutely.

Jeremy Purvis: I will move on to the questions on housing that I promised a long time ago.

How much of the housing that we have heard will be built along this route will have easy access to train stations and will not require the sort of change in transport—for example, to a bus—that Mr McAulay said is unattractive to passengers?

Ron McAulay: I want to be clear about the transport change that you have highlighted. We expect to attract people to the railway through bus links or through park-and-ride facilities that allow drivers to park their car and transfer to trains. Railways are not good at going round people's house and picking them up. Instead, we must focus on what they are good at and ensure that the links between Edinburgh and Glasgow, Glasgow and Edinburgh or wherever are fast and convenient enough to attract people to the line. We need—and are trying to encourage—an integrated overall approach to transport that makes use of good park-and-ride facilities at stations and good bus links. Unfortunately, we cannot control bus companies to ensure that such links are running as we want them to. However, we can certainly encourage such an approach.

The Convener: We will deal with bus services at a future meeting.

Jeremy Purvis asked about the relation of new housing developments to planned stations. Can you give us a feel for that?

Ron McAulay: The number of new houses that West Lothian Council, in particular, suggested would be built because of the railway is far larger than the number that we expect to be generated. I do not have any details about the exact location of

all the properties that have been proposed.

Michael Greig: Our written response to question 57 in the list of further questions that the committee sent us provides some detail on the extent of existing and proposed housing that is within 800m of each station. Such a distance is the kind of standard by which one measures accessibility to public transport.

Jeremy Purvis: As you heard, we asked the councils about developer contributions. Why are there no plans to use such contributions to meet the costs of the project?

Ron McAulay: The councils gave fairly full responses to that question. We have discussed the issue with them but, for various reasons, such contributions have not been forthcoming.

I point out that we have also been discussing with councils the transfer of land for nominal fees to support the project. The councils are currently considering such matters.

Michael Greig: One practical difficulty for the promoter is that it is not a planning authority and so cannot require developers to pay contributions. As a result, it must rely on what planning authorities can do.

Jeremy Purvis: So there is no policy decision that part of the project's costs should be met from private means. I understand that you are discussing these matters with Transport Scotland. What point have those discussions on alternative sources of funding reached? After all, if the funding is not to come from developer contributions, where will it come from?

Ron McAulay: At the moment, Transport Scotland has indicated that it will grant-fund the entire project.

Jeremy Purvis: But Transport Scotland's evidence says:

"The promoter and Transport Scotland are investigating the potential for contributions from other sources."

You are saying that that is not the case.

Ron McAulay: Transport Scotland is exploring other opportunities, and indeed we have been discussing with the councils opportunities for contributions under section 75 of the Town and Country Planning (Scotland) Act 1997, the transfer of land for nominal fees and any contributions that the councils might want to make. However, so far, none of those contributions has been forthcoming. We have confirmation from Transport Scotland that it will fund the project, which is why, in our estimate of expense and funding statement, we made it clear that that is the source of funding.

Jeremy Purvis: Where is that confirmation and in what form is it?

Ron McAulay: It is in a letter.

Jeremy Purvis: Do you have that letter?

Ron McAulay: I do not have it with me, but I can get you a copy of it.

Jeremy Purvis: That would be helpful, because what you say tends to counter what Transport Scotland said in evidence, which is that it is in discussions with you to investigate

"the potential for contributions from other sources."

Ron McAulay: Transport Scotland and Network Rail have been in discussions with the councils about the issue, so that comment is correct.

Jeremy Purvis: But the investigations so far have come up blank.

Ron McAulay: The transfer of land is still being discussed with the councils. On section 75 agreements, we have so far drawn a blank, for the reasons that the councils explained.

Jeremy Purvis: What level of commercial development is planned along the railway corridor and what contribution will it make to the project's viability, or are the two not connected?

David Simmonds: I am not aware of any commercial development, such as development at stations, being planned as part of the scheme. The forecasts that have been made are for impacts throughout the corridor in general, not for development at stations.

Jeremy Purvis: So although one of your priorities is to stimulate economic growth along the corridor, that is not specific to the rail route.

Ron McAulay: That is correct—the aim is for growth along the corridor.

Jeremy Purvis: Is the business case dependent on residential development near the railway, or are there sufficient numbers of people to allow the predicted patronage levels and the cost-benefit analysis to stack up?

David Simmonds: The cost-benefit analysis is based on the situation that is expected in 2011. Therefore, a large part of the assumed development is either already in place or actively in the pipeline. That part of the case does not depend on, for example, the outcome of North Lanarkshire Council's local plan decisions, which relate to a later period.

Jeremy Purvis: I asked the question because we heard from North Lanarkshire Council this morning that it has had problems delivering its plan up to now and that it forecasts housing growth on the back of the railway. It seems as if the two are dependent on each other. I am just trying to get a picture of what the situation will be if that development does not happen.

David Simmonds: The level of benefit that has been forecast is such that the business case is robust even if there are difficulties in delivering some of the development that is already in the plans.

Michael Greig: A sensitivity test was conducted that assumed no population growth from 2001 levels in the intermediate settlements. The results of that are given in paragraph 142 of the promoter's memorandum, which shows that there would still be significant 12-hour additional boarding levels and a benefit to cost ratio of 1.81.

Jeremy Purvis: We will no doubt find this out from the letter from Transport Scotland, but have you been given any indication that its funding is capped?

Ron McAulay: No. In effect, Transport Scotland will fund the project. We have discussed the overall cost estimate and keep using the figure £340 million. The figure in today's prices is £300 million. That is where we think that the project will come in—in fact, we are hopeful that it will be less than that.

16:00

Jeremy Purvis: That is the projected outturn, which is uplifted from today's figures of £299.7 million.

Ron McAulay: That is correct.

Jeremy Purvis: That is in 2006 prices, but the expected cost to the purse when the services start is £341 million.

Ron McAulay: That is correct, but in today's figures that equates to £300 million, or £299.7 million.

Jeremy Purvis: But that figure is not capped.

The Convener: We will hear from the Minister for Transport and Transport Scotland next week and the promoter will follow. That might be a good point to pick up then.

Jeremy Purvis: Absolutely.

Alasdair Morgan: I want to follow up a question that I asked earlier about the on-going running costs. You said that new rolling stock was crucial to avoid congestion at both ends and to allow the increase in frequency of service from Bathgate to Edinburgh. You estimate that the releasing cost of the rolling stock will be £1.9 million. Transport Scotland states that it is

"working to a programme which will ensure deployment of the required number and specification of trains at the required time."

That could be very coy. Is it your impression that Transport Scotland is totally signed up to providing the rolling stock that you think is necessary? I ask

that because for lots of other rail projects in the past the building has been done but the provision of rolling stock has been cut back when it has come to running the service.

Ron McAulay: Transport Scotland is developing a rolling-stock strategy. It will be a number of months before it is finalised, but it is making good progress on it. The strategy has implications for the rolling stock throughout Scotland, not just for this project. I am confident that the matter is being considered seriously.

Alasdair Morgan: We will be able to ask Transport Scotland about that in a couple of weeks' time.

Ron McAulay: Absolutely.

Jeremy Purvis: First ScotRail told us that the indications are that the most likely outcome is that the new rolling stock will be procured for use in Ayrshire and Inverclyde.

Ron McAulay: You will find that if we introduce rolling stock, there will be a cascade of existing rolling stock. It moves around the network, so that best use is made of it.

Jeremy Purvis: So the discussions will include the point that any new rolling stock that is introduced in Ayrshire and Inverclyde will free up stock that is suitable for use on this line.

Ron McAulay: Yes. It might cascade through and have a knock-on effect elsewhere in the network. Rolling stock is introduced where it is most effective and then moved around. Transport Scotland is considering its overall strategy.

The Convener: I declare an interest in that rolling stock in Ayrshire and Inverclyde.

I thank the witnesses very much for coming along. I suspect that we will see quite a lot of one another in the coming weeks. I have a point to make that I think the clerk has already spoken to you about. Last week, Mr MacMillan was extremely helpful to us, but I think that there was a swap of personnel just before the meeting. I suggest that witnesses give us more notice of such changes, because all the names are published in our agendas. If people want to make a change, they should let the clerk know in advance so that we can ensure that the information that we issue is accurate.

I thank everyone for helping us to conduct our business. We move into private session, although I would like the sound system to be left on.

16:03

Meeting continued in private until 16:11.

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