

TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE

Tuesday 7 October 2008

Session 3

£5.00

© Parliamentary copyright. Scottish Parliamentary Corporate Body 2008.

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

Produced and published in Scotland on behalf of the Scottish Parliamentary Corporate Body by RR
Donnelley.

CONTENTS

Tuesday 7 October 2008

Col.

INTERESTS	853
DECISION ON TAKING BUSINESS IN PRIVATE.....	853
SCOTTISH WATER ANNUAL REPORT AND ACCOUNTS 2007-08	854
CLIMATE CHANGE EVENTS.....	874
BUDGET PROCESS 2009-10.....	877
NATIONAL PLANNING FRAMEWORK	878

TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE

18th Meeting 2008, Session 3

CONVENER

*Patrick Harvie (Glasgow) (Green)

DEPUTY CONVENER

*Cathy Peattie (Falkirk East) (Lab)

COMMITTEE MEMBERS

*Rob Gibson (Highlands and Islands) (SNP)
*Charlie Gordon (Glasgow Cathcart) (Lab)
*Alex Johnstone (North East Scotland) (Con)
Alison McInnes (North East Scotland) (LD)
*Des McNulty (Clydebank and Milngavie) (Lab)
Shirley-Anne Somerville (Lothians) (SNP)

COMMITTEE SUBSTITUTES

*Alasdair Allan (Western Isles) (SNP)
Gavin Brown (Lothians) (Con)
David Stewart (Highlands and Islands) (Lab)
Jim Tolson (Dunfermline West) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Jim Black (Waterwatch Scotland)
Tom McClements (Waterwatch Scotland)
Gary Womersley (Waterwatch Scotland)

CLERK TO THE COMMITTEE

Steve Farrell

SENIOR ASSISTANT CLERK

Alastair Macfie

ASSISTANT CLERK

Clare O'Neill

LOCATION

Committee Room 6

Scottish Parliament

Transport, Infrastructure and Climate Change Committee

Tuesday 7 October 2008

[THE CONVENER *opened the meeting at 14:01*]

Interests

The Convener (Patrick Harvie): Good afternoon, everybody. I welcome you all to the 18th meeting this year of the Transport, Infrastructure and Climate Change Committee. I remind members and everybody else present that mobile devices should be switched off. We record apologies from Shirley-Anne Somerville and Alison McInnes; we welcome Alasdair Allan, who is attending as a committee substitute.

Agenda item 1 is a declaration of interests. We welcome Des McNulty back to the committee. Do you wish to declare any relevant interests?

Des McNulty (Clydebank and Milngavie) (Lab): I refer members to the register of interests, which is available on the Parliament website. I do not think that there is anything specific that I need to declare to serve as a member of the committee.

The Convener: Thank you. It would be appropriate at this point to record our thanks to David Stewart for his work on the committee.

Members *indicated agreement.*

Decision on Taking Business in Private

14:02

The Convener: Agenda item 2 is a proposal to take in private item 7, which is a discussion about the budget process. Are we agreed to take that item in private?

Members: Agreed.

Scottish Water Annual Report and Accounts 2007-08

14:02

The Convener: Agenda item 3 is our main business of the afternoon: an evidence-taking session with Waterwatch Scotland. I welcome Gary Womersley, chief officer; Jim Black, head of customer support; and Tom McClements, who is the national service quality committee chair. I invite Mr Womersley to make some opening remarks before we get going with questions.

Gary Womersley (Waterwatch Scotland): As you have mentioned, I have with me Tom McClements, chair of our national service quality committee, and Jim Black, who is head of customer support. Waterwatch Scotland is a national statutory second-tier complaints handling organisation—often referred to as an ombudsman organisation—for Scottish Water and all domestic and non-domestic customers. It is the customer representative body for the water industry in Scotland. We welcome being invited here this afternoon to comment on Scottish Water's annual report.

The Convener: I would like to hear your general view about Scottish Water's performance in 2007-08. Are there any areas where you think improvement has taken place?

Gary Womersley: We are broadly supportive of Scottish Water's progress to date. A dynamic and momentum of continuing improvement has been created on many fronts. In our dealing with customer contacts and complaints and in holding regional panel meetings throughout the country, we noted a decrease in the number of contacts that we have received from customers of Scottish Water; the volume of complaints has reduced by 65 per cent, which is a substantial amount.

There have been improvements, and I welcome Scottish Water's greater emphasis on customers, but it would be incorrect to say that it has got there entirely; there are cultural issues and other on-going elements to address. The key aspect for me is that, in its feedback, Scottish Water has been extremely receptive to working further to introduce more qualitative performance measures and to make progress on the customer service work that has been done to date.

The Convener: The Water Industry Commission for Scotland's customer service report suggests that Scottish Water has scope for improvement in sewage treatment compliance and pressure, which is inadequate. Do you agree? Should anything else be added to the list of areas in which there is room for improvement?

Gary Womersley: We are generally supportive of WICS for raising those two aspects, but there is also room for improvement in other areas. Scottish Water needs to make progress on the overall performance assessment measures by comparison with water companies in England and Wales. It is still having to play catch-up, although we welcome the progress that has been made. As has been correctly identified, Scottish Water's OPA scoring in various areas might not be as high as might be desirable.

Our other areas of concern perhaps fall on the periphery of OPA scoring, which is primarily a quantitative measure. Most contacts that we receive are on the qualitative aspects of customer service. On issues such as external sewer flooding, which are not in the OPA scoring, we have noticed an increase—both as a proportion of the overall figure and in real terms—in the number of customer contacts that we receive.

Des McNulty: Persistent odour problems are a continuing issue around the Dalmeir sewage treatment plant in my constituency, and I understand that similar issues persist in Seafeld in Edinburgh. Susan Deacon and I actively pursued Scottish Water on those issues. Although some improvements have been made, it seems that the persistent underlying problem remains. In part, that is due to the design of the plants and—certainly in the case of Dalmeir—the management of those plants, which were built under the early stages of the private finance initiative. What is Waterwatch's role in dealing with odour problems? Is it concerned about the relationship between Scottish Water and the operators of such plants? Do any issues arise from the inadequate design associated with those plants?

Gary Womersley: That question covers—dare I say it—myriad issues. I will try to address each in turn.

It is correct to say that we are contacted about problems of odour—it tends to be called malodour in the industry—but, over the piece, the number of contacts about odours emanating from water treatment works or waste water treatment works has reduced considerably. When Waterwatch Scotland was set up, we expected a large number of our customer contacts to come under the heading of malodour problems. The situation that existed before we came into being certainly suggested that that was a reasonable assumption.

The work that was commenced by the Scottish odour steering group—a body that includes Waterwatch Scotland, Scottish Water and local authorities—appears to have been successful, at least initially, in prioritising malodour issues, particularly those from waste water treatment works. Basically, the number of customer contacts that we receive about malodour has fallen off the

radar. In other words, we receive one or two such contacts a year.

You are correct to refer to Dalmeir and Seafeld because, notwithstanding the work that has been done by the Scottish odour steering group, which would appear to have been largely successful, the two plants that still give cause for concern are Dalmeir and Seafeld. A large part of the problem is that both plants are operated under a private finance initiative/public-private partnership scheme and we have to consider the original contract specification and so on. Scottish Water is making its best endeavours to remedy that, but my understanding is that the PFI contract puts constraints on possible remedies. I hope that that addresses your question satisfactorily.

Des McNulty: The list of plants that were being prioritised did not include Dalmeir and Seafeld. That is possibly because of the scale of the problem and because a solution could not be identified for those plants, unlike other plants. There is a danger that people get fed up complaining and just stop doing so if they do not see improvement. I do not think that there is an absence of complaints about Dalmeir and Seafeld, but even if there were a reduction in the number of complaints, that would not necessarily mean that a solution had been found. I will certainly press Scottish Water to come up with better solutions to the problems at Dalmeir, and I am sure that the representatives for Edinburgh will do the same for Seafeld.

Gary Womersley: I agree that a lack of complaints does not necessarily mean that customers are satisfied. We are aware that complaint fatigue can set in. We still receive contacts about Dalmeir and Seafeld. We have experienced a reduction in the number of complaints about malodour in respect of other plants that were prioritised—Dalmeir and Seafeld were not on the list—which I do not think is to do with complaint fatigue. It would be wrong for me to seek to give an authoritative reason why Dalmeir and Seafeld were not included on the list of plants that might be prioritised, but I suspect that it was largely because of the constraints to which I referred.

The Convener: Perhaps we can return to that when we speak to Scottish Water.

Rob Gibson (Highlands and Islands) (SNP): Have you had any complaints from people in Harpsdale near Halkirk in Caithness, which is a fairly flat area where lots of new housing is being built? There have been complaints about inadequate water pressure. There has been a flurry of interest in that among MSPs. Has Waterwatch heard about any of that?

Gary Womersley: I cannot say for certain without going through a list of all the contacts that we are dealing with, but I have to say that it does not ring any bells. We have fairly good systems to record thematic contacts. I cannot say whether we have received contacts about Harpsdale, but, given that we are a second-tier complaints-handling body, there is often a time lag between an issue manifesting itself, people going through due process, whether with Scottish Water, their provider, their MP or MSP, and our getting involved.

Notwithstanding some of the quantitative successes that have been mentioned, the general issue of development and low pressure needs to be looked at. There have been successes—it would be wrong for me not to state that—but it is still an area that gives us cause for concern.

There is a great emphasis on leakage at the moment. We find that short-term operational solutions that are used to mitigate or correct leakage—or other problems about which we or MSPs might be contacted—often manifest themselves as low pressure. I would like to think that that is based on more than anecdotal evidence. Those problems are hard to deal with and can blight small communities as a whole, which, as the figures show, can suffer from low pressure for not inconsiderable periods of time. We are working further with Scottish Water on that issue. A concept of no service, no fee is being introduced, but that is a short-term solution at best; my preference would be to deal with the low pressure.

14:15

Rob Gibson: That is interesting, because it seems that people are yet to cotton on to the fact that Waterwatch can aid their case. We will return to low pressure in rural communities when we question Scottish Water.

Alex Johnstone (North East Scotland) (Con): According to the drinking water quality regulator's annual report for 2007, there was a 16 per cent drop in customer contacts to Scottish Water that year, but Waterwatch's figures for the same period indicate a 120 per cent increase in contacts by domestic customers to Waterwatch. Why is there a difference? What is the true picture of the level of complaints: was it rising or falling?

Gary Womersley: There is a slight timing issue with the release of those reports. The number of contacts from Scottish Water customers certainly increased initially, and there are several possible reasons for that. We are a fairly new organisation and were the new kid on the block in 2007, so I dare say that an element of the increase was complaints that were already out in the industry.

Alex Johnstone: So you were sort of mopping up at that stage?

Gary Womersley: That would have been a factor. The increase might also have been partly attributable to better recording systems. That would have been quite a significant aspect, because we were correctly recording a lot of complaints and the dissatisfaction that existed.

Another significant aspect was Waterwatch Scotland obtaining its new powers to deal with statutory second-tier complaints. Obviously, a degree of promotional activity for the brand and the organisation was associated with that, and our contact data show that, whenever there is an increase in our profile, there tends to be an increase in the number of contacts from customers. One of the general points that we distil from that information is that there are probably customers who are dissatisfied in some way but, for whatever reason, have not expressed their concern. When council tax leaflets or other materials that mention Waterwatch Scotland go out, we get peaks in contacts.

There may be various reasons for the increase, but if we were to examine the figures in our annual report I think we would see a slight decrease in the number of contacts that we have received, which would tie in with the figures in the drinking water quality regulator's report to which you referred.

Alex Johnstone: If the increase in the number of cases that were reported to you in 2007 was a blip, was there any noticeable trend in the nature of the approaches or complaints, or was it a general increase?

Gary Womersley: Are you still asking about complaints about drinking water quality or complaints in general?

Alex Johnstone: In general, was there any trend within the increase?

Gary Womersley: Yes. One of the key trends that we have noticed is that the largest number of customer complaints comes under the Scottish Water customer service heading. That tells us that it is still within Scottish Water's gift to remedy those complaints.

If someone complains about low pressure, or about odour at Dalmuir, there might not be a short-term solution, but the majority of contacts that we receive are about customer service. That is why we welcome the 65 per cent decrease in second-tier complaints—between the statistics that you quoted and the statistics that we are likely to publish next. We said last year that, notwithstanding the fact that complaints had increased, there were a lot of potential quick wins for Scottish Water through simple management, operational and cultural changes. We are already

seeing a manifestation of that. In year 1, a third of all contacts concerned Scottish Water customer service—not leaky pipes or whatever. Probably another 20 per cent of contacts were on charging and billing. Together, they made up 50 per cent of all customer contacts. Thereafter, the most common issues were leakage, pressure and external sewer flooding, which is significant because contacts on it are increasing.

Alex Johnstone: You indicated that the number of customer contacts is tailing off. Is that a normalisation of the process, or is there another reason?

Gary Womersley: I do not have a definitive answer to that. One element may be to do with the visibility of Waterwatch Scotland—that might be partially responsible. Another is that Scottish Water had the potential for a lot of quick wins. In fairness to Scottish Water, it seems to have taken on the challenge of putting short-term solutions in place. However, the life cycle of complaints-handling bodies is that, in the early years, there tends to be a fairly substantial and quick decrease in the number of second-tier complaints, after which the figure increases slightly before plateauing. Our organisation is still at the decrease stage, because we can give effect to the quick wins. We are being left with the complex, the convoluted and the hard to do. We are at the stage when we can get the quick wins out of the road.

Alex Johnstone: The Water Industry Commission for Scotland's "Customer service report 2006-07" states that there was a drop in Scottish Water's performance on its response to written complaints. What is your experience of Scottish Water's response to written complaints?

Gary Womersley: Most of the dialogue that we have with Scottish Water concerns complaints in general, and written complaints are a significant aspect of that. Many improvements were required and many have been made, for example in relation to tone, language and demeanour. We were keen to insist on the concept of deadlock because we found that, by the time people complained to us, they were often complaining about the fact that they had had a complaint with Scottish Water for two or three years. We have introduced the concept of deadlock and now require Scottish Water to deal with complaints not only correctly and robustly, but timeously.

Notwithstanding Scottish Water's desire to engage with its customers, there must be times when the deadlock point is reached and it says, "I am sorry, but we will have to agree to disagree. If you want to pursue the issue further, here are Waterwatch Scotland's details." We have been keen to work with Scottish Water on that and it is

probably a significant factor in the decrease in the number of contacts.

Alasdair Allan (Western Isles) (SNP): The Water Industry Commission for Scotland has identified water pressure as a concern, particularly in rural areas. Is water treatment also a concern in such areas? I am thinking particularly about areas such as Berneray in my constituency, which still rely heavily on chlorination in a way that other places do not. Are you seeking improvements in the treatment process so that chlorination does not have to be relied on so heavily in some parts of Scotland? People write to me about the issue in relation to the taste of the water.

Gary Womersley: I conferred before responding to that question because it is perhaps better directed to WICS. The issue falls into its area of expertise and that of the DWQR, with regard to the need for co-ordination and so on.

I can answer the question only in general terms. Wearing my customer representative hat, I am obviously keen for things to be done as cost-effectively and efficiently—which does not always mean as cheaply—as possible. We are keen on the concept of water efficiency and providing for climate change. I do not know that we are the appropriate body to answer your question other than in the most general terms.

Alasdair Allan: Has the issue of water taste not come across your desk?

Gary Womersley: We work with the DWQR, but we find that people seldom complain about only one issue. If someone complains about water quality, a leaky pipe or low pressure, it often turns into a complaint about that and customer service—hence our involvement. Our data tell us that over the piece, in a Scotland-wide context, water quality has improved. We have been pleased with the joint work that we have done with the DWQR to consider the chemical analysis aspects of water and, beyond that, to deal with its taste and the aesthetics, but those matters are more subjective and therein lie the difficulties. Efforts have been made to improve taste and so on, but it is perhaps for others to talk about whether there should be chlorination or chloramination.

The Convener: I ask members and witnesses to keep questions and answers reasonably brief, or we will not make the progress that we need to.

Rob Gibson: A couple of my questions have been answered in the general discussion with Alex Johnstone.

Waterwatch Scotland's annual report for 2006-2007 requests a cultural change in the way Scottish Water treats general feedback or

complaints information. Is that cultural change under way?

Gary Womersley: Yes, I am pleased to say that it is. The change is manifested in the 65 per cent reduction in second-tier complaints to which I referred. As with any aspect of cultural change, it takes time. I hope that I am not too naive in saying that I take a lot of comfort from the positive engagement and good dynamic that there has been with Scottish Water. I recognise that cultural change takes time and welcome the fact that Scottish Water's business plan reveals that a greater emphasis is being placed on customer service. I am always keen, by way of balance, to ensure that qualitative aspects of customer service are borne in mind as much as quantitative aspects, with which the OPA currently deals. On the whole, Scottish Water is certainly going in the right direction, but it will take time.

Rob Gibson: How are you encouraging that change?

Gary Womersley: It would perhaps be better in some ways to ask Scottish Water how robust we are being in our engagement with it in that regard. We are being appropriately robust when that is merited and, as with any organisation, we are also keen to work with it.

The cultural change is manifesting itself in various ways, including in the changes that have been made within Scottish Water's customer service section, in the reduction in the number of contacts and in the time taken to deal with issues.

14:30

Rob Gibson: That is manifest. Waterwatch's encouragement seems to be about being robust with Scottish Water.

Gary Womersley: It is more than that. For a culture change to work, both sides have to buy in to it. We were conscious of the dynamic between the organisations when we first received our increased powers. We could have jumped in with our tacketty boots on, but we chose not to. We decided to pick our fights carefully and hoped to work with Scottish Water and take it along with us.

In the short period of time to date, Scottish Water has seen the operational, management, staffing, and financial benefits of doing what we have suggested—rather than requiring us to use a stick to achieve the same results. That is a useful dynamic. It is too simple to say that we are being robust. We are appropriate, but I hope that we will continue to work together through our service quality committee and other committees to bring qualitative improvements, consultation and on-going customer service in various other areas.

Charlie Gordon (Glasgow Cathcart) (Lab): Waterwatch Scotland's annual report for 2006-07 states:

"WWS has identified a requirement for GSS and MSS to be reviewed and developed further".

GSS is the guaranteed standards scheme and MSS is the minimum service standards. Why do they require review and development?

Gary Womersley: One of the key factors is the passage of time. For example, going to someone who has suffered from low water pressure for six years and offering them £10 or £20 is probably well intended, but it might cause an adverse reaction. Customers would say that they do not want the money; they want their water problems to be sorted out. That was certainly an element of the requirement.

The schemes also had to be realigned because payments were available for certain things that our contacts were telling us were almost no longer a cause for concern. The pot of money is finite, so why commit to paying for problems that are no longer problems? We would rather have GSS payments realigned to new areas of concern for customers. Hopefully, with respect to the dynamic of how we work with Scottish Water, that will give Scottish Water the incentive to put its efforts into areas that are costing it money, not those where it had committed to spend money but where remedies have been put in place in the meantime.

Charlie Gordon: You have anticipated my supplementary question about how those standards can be developed. Are they being developed in that way?

Gary Womersley: Yes. Scottish Water has bought into the idea, and we welcome that.

The GSS provides for prescribed payments, such as £10 or £20 to someone who has not had water at a certain pressure for six months. It has been broadened to include the concept of no service, no charge, which has advantages over the current system. There are also areas in which we are trying to better align where payments could be made. I have some concerns because, ultimately, if I were a customer suffering from external sewer flooding, it might be okay for me not to have to pay water and sewerage service charges but, at the end of the day, I would just want the problem to be sorted. No service, no charge is a solution, but it might not be one for the long term. Our customer support team on service quality has a positive dynamic with Scottish Water and they are improving the system.

Tom McClements (Waterwatch Scotland): The other driver for change is that any measurement against which a body achieves more than 99 per cent no longer provides an

incentive to improve. Both in Scotland and in England and Wales, it has been recognised that GSS measures have more or less had their day.

Another aspect is that such quantitative measures do not always reflect customer experiences. We are starting to move towards measuring customer experience, for example by trying to measure customer satisfaction with water taste—that was mentioned in an earlier question. It is all very well to comply with the water standards, but measuring customers' experience by asking whether they like the water and what they do about it is a different type of thing altogether. Such measures get much closer to the heart of how customers feel about the service that they receive.

Charlie Gordon: Scottish Water uses the services of a claims handling organisation called Gallagher Bassett. There have been problems with the timing and content of Gallagher Bassett's communication with Scottish Water customers. Has that improved and is it now satisfactory?

Gary Womersley: Attempts have been made recently to improve the situation but, to be candid, the issue is still a cause for concern for Waterwatch Scotland. As I mentioned, we have a positive dynamic with Scottish Water but Gallagher Bassett is an external claims body. We can make culture and customer service improvements within Scottish Water but, without buy-in from external parties, I would say—if I were wearing a Scottish Water hat—that claims handling is an area of potential reputational loss for Scottish Water.

Charlie Gordon: Do you think that it was a good idea for Scottish Water to outsource its claims handling?

Gary Womersley: Is that a leading question?

I certainly think that changes are needed. We have flagged up the issue as a cause for concern. Following workshops and so on, we have seen improvements in the interim.

There is also the overall concept of Scottish Water having claims handlers. Scottish Water might say that there are legal reasons for that but, ultimately, Scottish Water is self-insured. I can understand that there might be some requirement for a claims handler, but not at the level of the claims or contacts on which we have commented. There is scope for Waterwatch Scotland to flag up the problem and make some suggestions, but it is not for us to suggest what issues should be dealt with in-house. We have expressed dissatisfaction with elements of claims handling to date.

Scottish Water has made efforts to improve its in-house facility for dealing with complaints. I hope

that that signifies a shift in emphasis from the external to the internal element of claims handling.

Charlie Gordon: So Scottish Water now has someone handling the complaints about the complaints handling.

Gary Womersley: Indeed.

Charlie Gordon: Your 2006-07 annual report states:

"there are customers who require guidance on how to make a complaint or seek detailed information".

Does Scottish Water do enough to inform customers about how to make a complaint or to find out detailed information?

Gary Womersley: That is one issue on which we have seen significant improvements. We are not yet at the perfect solution, but the situation is certainly much improved on what it was previously. That ties in with the reasons for customer contacts that were alluded to earlier.

For example, Scottish Water's website previously made no reference to the word "complaint". Internally—for management reasons, I think—the word "complaint" was felt to have negative connotations, so Scottish Water's website did not draw attention to complaints. We have worked with Scottish Water to reduce the number of mouse clicks that people need to make to find the appropriate information on Scottish Water's website for not only contacting Waterwatch Scotland, but raising concerns or formal complaints with Scottish Water and other stakeholders in the industry.

You are correct to flag up the importance of the appropriate signposting of bodies such as ours by the body with which they deal. Complaints handling leaflets now go out to customers and we have an appropriate presence on the council tax leaflet. The situation is much improved, although we are still not as visible as we could be. We continue to work with Scottish Water on that.

Charlie Gordon: You say that there is a link to your website on Scottish Water's website, but what about its headed notepaper? There are still people who use snail mail. Does Scottish Water's headed notepaper draw attention to your existence?

Gary Womersley: No. We are in discussion with Scottish Water on the issues. To be candid, my preference would be for every customer who makes a written complaint to Scottish Water to be notified immediately of our existence. Good practice dictates that.

Charlie Gordon: But you are not there yet.

Gary Womersley: A complaints leaflet with an agreed wording now goes in with cover letters.

The situation is much improved, but there could be greater signposting in general. I do not disagree with the dynamic to which you refer.

Tom McClements: Waterwatch Scotland carries out a formal audit of Scottish Water's handling of written complaints. That issue has been raised in one or two questions. This Thursday, my service quality committee will go to Scottish Water offices to examine files of written complaints. One question that we will ask is whether Scottish Water has provided the customer with a copy of the complaints procedure, which includes a description of Waterwatch's role. If Scottish Water has not done that in the files that we examine, that means an automatic fail in that process. The complaints audit is powerful in that it will in future contribute to Scottish Water's overall performance assessment score. Such an audit is part of the assessed customer service measure that is used in England and Wales at present and which will be incorporated in Scotland. Scottish Water's endeavour in its forward business planning is to achieve 100 per cent compliance, which means that it needs to show in the audits that it has flagged up the complaints procedures properly.

The audits also help to drive culture change, which was discussed earlier. We consider the tone and content of Scottish Water's response to customers. Once again, a qualitative measure is involved. The written complaints audit is a powerful tool in driving culture change as well as ensuring that complaints procedures are highlighted. I thought that that might be of interest to the committee.

Cathy Peattie (Falkirk East) (Lab): Waterwatch Scotland's annual report for 2006-07 showed that 24 per cent of all second-tier complaints were still open. Have those been resolved and, if not, why do they remain open?

Gary Womersley: In general, the figure is much reduced. The annual report to which you refer was our first formal annual report that included complaints handling data, because of the increase at that time in our statutory powers. The figure included many complaints that were transferred from predecessor bodies. Because of the phenomenon to which I have referred, a proportion of the complaints that we were dealing with would previously have done the rounds but, by virtue of the fact that we were the new body, they were passed to us. They fell into the category of complex, convoluted and historical. Believe it or not, we inherited complaints that had been dealt with in one form or another for years. As I said when I talked about deadlock, that is completely unsatisfactory. If someone is not happy about something, they do not need to be told six and a half years later what the state of affairs is.

We have emphasised a reduction in our turnaround times. However, a large proportion of the complaints to which you refer fell into the hard-to-deal-with category—the complex, convoluted and historical complaints. Jim Black will be pleased with the gains that have been made in that regard. The number of historical claims is being reduced.

14:45

Cathy Peattie: I guess that we want to know whether there is still a hard-to-deal-with file.

Jim Black (Waterwatch Scotland): The bulk of the open claims have been dealt with. Our aim has always been to deal with complaints as quickly and robustly as possible, but we do not set an artificial time limit for how long we will deal with a complaint. The key is to get the complaint resolved, or to a point where we can assist no further, and we do that as quickly as possible. So complaint numbers have fallen year on year. As Gary Womersley said, we inherited a lot of historical files from the previous complaints handling body, which took up a lot of time and led to some of the backlog that was reported at 24 per cent. We will not be reporting so high a figure this year.

Cathy Peattie: We look forward to the next report.

According to your 2006-07 annual report, the high level of customer contacts has

"led to file open times being longer than anticipated. WWS have identified that this will require to be addressed".

Has that been addressed?

Gary Womersley: Do you mean our turnaround times?

Cathy Peattie: Yes.

Gary Womersley: They have been improved. This year, in respect of the last category of contact that Waterwatch Scotland has, we have noticed a trend towards a slight increase on our very ambitious turnaround figures. That has primarily been caused by less than satisfactory turnaround times by Scottish Water, Scottish Water Business Stream and other non-domestic retail service providers. We are looking at dealing with that internally.

On the whole, our turnaround time for complaints is much improved and could withstand comparison with any other equivalent body; it is very good. It is also significant that customers have to wait only one or two months before the complaint hits us, not two or three years. The duration of a complaint is now significantly reduced, and that can only benefit customers. Even when Scottish Water and, dare I say it,

Waterwatch Scotland do not agree with the customer, at least they are told that within what I call a reasonable period. We aim to serve the customer's interests most times, but if they are going to be told no, that should be done sooner rather than later.

Cathy Peattie: Waterwatch Scotland has been concerned about how Scottish Water communicates with customers, keeps them informed and provides accurate information, as well as about the tone of that communication. Some of my constituents have expressed concerns about that. How have those concerns developed, and what has been done to change the situation?

Gary Womersley: You are right about the tone of the communication and the language used—

Cathy Peattie: People need to be kept up to date through an honest appraisal of the issues.

Gary Womersley: The general dynamic is much improved, compared to the position that our previous report described.

I will talk briefly about the historical culture. Scotland's water has always been a fairly emotive subject, even before Waterwatch Scotland came into being and received its second-tier complaints-handling role. Water issues hit the local and national press and a bunker mentality, dare I say, might have been encouraged because Scottish Water or its predecessors had had such bad press. We have tried to work through a positive dynamic to get away from that. If Scottish Water makes a mistake that is a no-brainer, we would prefer it to put up its hands and say that. There was organisational resistance to that. The resistance was not universal, but it could manifest itself in almost a refusal to concede that a mistake had been made, because it was thought that the mistake would appear on the front pages of newspapers the next day. We have tried to work around that and have said that complaints can be a positive thing. The change of mindset is, I hope, manifesting itself in the change of tone that there has been in communications.

Tom McClements: It might be worth enlightening members about the committees of Waterwatch Scotland that help the process of dialogue with Scottish Water. We have four committees, consisting of members from throughout Scotland. There is the investment committee, the charging committee and the customer engagement committee, which is charged with considering how Scottish Water engages through consultation and written communication. It focuses on that. The remit of the service quality committee, which I chair, is to develop and agree customer codes of practice with Scottish Water. The Scottish Water code of

practice that was recently published is an example of our working alongside Scottish Water to ensure that not only the standards and content of a document are correct, but its language too. The service quality committee agreed every page of that code of practice with Scottish Water. That tells members something about Waterwatch Scotland's role and about Scottish Water's commitment to working with us to ensure that language and communication are as good as they can be.

Rob Gibson: I turn to the overall performance assessment of Scottish Water. In its annual report for 2006-07, Waterwatch Scotland stated that it is

"considering improvements that can be made to OPA scoring so that a greater emphasis can be placed on Customer Service than is currently apparent."

Scottish Water's annual report shows that its overall performance assessment increased from 165 points to 248 points in 2006 to 2008; the aim is to have a score of 250 points by 2010. What improvements would Waterwatch Scotland like to see to the overall performance assessment to reflect customer service and any other relevant issues?

Gary Womersley: There are various aspects. More headings could be introduced under what is categorised as customer service in the current OPA scoring to gauge what you and I would call customer service. OPA scoring is, by its nature, a quantitative measure, not a qualitative measure. If we bear in mind Scottish Water's period of catch-up with the English and Welsh companies, there is merit in having such broad-based quantitative measures, but they are not the be-all and end-all. For example, if a measure is that every phone call must be answered within 30 seconds, that is fine; that box could possibly be ticked. However, our concern would be what the customer experience was when the phone call was answered. We would like to see greater improvement through a shift away from purely quantitative drivers to more qualitative drivers. We should ask what the customer experience has been; it is not merely a case of asking whether a box has been ticked. We often come across scenarios in which statistics should be produced. If a customer satisfaction survey of people's experiences is carried out, it might be found that people's subjective experiences have been less than satisfactory whereas there might be a good score for the quantitative objective. We are keen to see such a general shift in emphasis.

Rob Gibson: You keep talking about the catching up that Scottish Water must do. Is that not part of the problem? We are trying to measure Scottish Water's performance against the performances of the English and Welsh water companies in their longer trajectory. It is not a

question of catch-up—Scottish Water is on a different trajectory.

Gary Womersley: That question might be better directed to WICS. With regard to the general idea of catch-up, it is an unavoidable fact that OPA was introduced in England and Wales 15 years before it was introduced in Scotland, so I use the phrase in that context. Because OPA has been used in England and Wales, there is some merit in being able to draw comparisons with Scotland's position on a like-for-like basis.

Our emphasis is on Scottish Water going above and beyond the purely quantitative measures that are used in OPA. To be fair, there seems to be a general receptiveness to that in the industry. It is an area in which we are seeking to progress through the Waterwatch committees that Tom McClements mentioned, and through the work of Jim Black and others.

Tom McClements: There is an aspect of the existing OPA that has not until now been measured in Scotland: assessed customer service. The complaints audit that I mentioned earlier will come into being fairly soon in relation to that. There are another seven measures within the area of assessed customer service, which are used in England and Wales, but not in Scotland.

As an organisation, we are encouraging the incorporation of those seven measures, which cover areas such as the provision of information to customers, communication with the elderly and disabled and the management of customer information with regard to revenue and debt. They are all useful measures that sit within the existing English and Welsh model, but they have not, as yet, been introduced in Scotland. We are encouraging their introduction to help to expand our view in relation to measuring the customer experience.

Rob Gibson: That underlines my point about not being able to compare Scotland and the English and Welsh companies directly in terms of catch-up. I take your point that the additional elements ought to be addressed. Are there any other targets that you think Scottish Water might focus on to encourage further improvements in the coming years?

Gary Womersley: We would certainly like changes to be introduced in other areas in order to benefit customers. The responsibility for that might not necessarily all lie with Scottish Water. One increasingly significant area is the impact of external sewer flooding. Work is currently being carried out on future regulatory periods that will ensure that that area increases in importance, but it is currently not funded. Scottish Water does not fund work on external sewer flooding, and in many ways it is hard to chastise and criticise the

company for not dealing with the issue, as it is not charged to deal with it.

We will use our contacts data to flag up issues such as low pressure, external sewer flooding and so on, and we hope to build those into future regulatory regimes. The initial engagement that we have had with the Government and stakeholders has been fairly positive in that regard. Our role is to keep chipping away to ensure that that is the case.

Rob Gibson: Are there any other targets that you think should be added?

Jim Black: With regard to the current measures, there is scope for improvement within the areas of inadequate pressure or unplanned supply interruptions. There are also issues around sewer flooding, in relation to which there is an opportunity for Scottish Water to undertake further work and score higher through OPA.

As Tom McClements said, there is scope for including in the OPA assessed customer service. There is also scope to go beyond that, in acknowledging not only the importance of those quantitative measures, but the quality of service to customers. We are currently discussing with Scottish Water and with ministers two new scores, which fit in not necessarily with OPA, but with ministerial objectives.

One score would be based on a survey that Scottish Water would carry out, covering the start-to-finish process of the customer experience. I know that England and Wales are considering introducing something similar that is based on the survey that Scottish Water carries out just now. Scottish Water is viewed as being one of the leaders in the UK industry with regard to how it surveys its customers.

There is another measure that would lead to better customer service. The Scottish ministers should make it one of Scottish Water's objectives to reduce the number of complaints about Scottish Water that Waterwatch Scotland has to deal with. If Scottish Water dealt with them in-house and dealt with them well, there would be no need for customers to come to Waterwatch Scotland, and that is the ultimate aim. Scottish Water should deal with complaints in the first instance.

15:00

Charlie Gordon: Is a final determination score of 250 high enough, given that it is just about the average score for companies in England and Wales, and given the good raw water quality and quantity that Scottish Water has as a starting point?

Tom McClements: It is a realistic score in terms of the state of the assets, information, and ability

to do things on the ground. I go back to the phrase "catch-up". I am sure that many people are better qualified than Waterwatch Scotland to comment on the management of the capital programme and the ability to put things right. The OPA score hinges on all those things. Assets need to be in a good and working condition.

At present, the target is reasonable and helpful because it allows Scottish Water to pitch its target against what it knows that English and Welsh companies have achieved in the previous two years. That method is now being used as Scottish Water moves forward. Rather than simply picking a figure out of the air, Scottish Water has picked a figure that has some reference to the performance of the English and Welsh companies with which it has a right to compare.

The target is reasonable, given all the pressures that are on achieving it.

Charlie Gordon: Do you not think that Scottish Water has a higher baseline to start with because of the good raw water quality? In that sense, is the target not quite soft?

Tom McClements: As Gary Womersley said, we do not wish to get into the detail or discuss the technicalities of water quality. Scottish Water's final water quality figures do not start from a good position relative to England and Wales. The quality of the water produced at the tap is still catching up. That does not make the target soft.

Gary Womersley: I hesitate to say that an appropriate score should be 250, 260 or 240. Because companies in England and Wales have already been there, we can draw comparisons to a degree. However, we have to balance the ultimate cost to the customer. I am sure that Scottish Water could have increased its OPA score more quickly, but how would that reflect the customer experience? It has to be balanced. Customers bear the cost, and that depends upon infrastructure and investment works, and it has to be a balance between the two. Ultimately, there must be a stable environment for the customers.

Alex Johnstone: Your annual report for 2006-07 said that WWS could flag up issues that are "bubbling under the surface"—an interesting metaphor to use in relation to the water industry. Have we dealt with the issues that you were able to flag up, or are there others that you could mention now?

Gary Womersley: I can give an example of how we were able to identify an issue that was bubbling under the surface and remedy it through the work of our committees and the continuing dialogue between Scottish Water and customer support.

As members might be aware, there was an issue with development constraints. The measures that Scottish Water put in place to address the situation did not seem to be improving matters, but various teething problems were creating specific issues. As a result of our ability to track our data and feed that back into Scottish Water, changes were made that probably mitigated the effect of those problems.

When it comes to subjects that are bubbling under the surface, it would be remiss of me not to put external sewer flooding at the top of the list. It is all very well talking about the issue in the abstract, but we deal with people who suffer from the problem fairly regularly—perhaps quarterly or twice a year. They just have to put up with it and wait for it to be cleaned up. The fact that our statistics tell us that other issues on which we engage with Scottish Water are falling off the radar only increases the significance of external sewer flooding.

As I mentioned, customer service is still the largest category of contact with us about Scottish Water, so notwithstanding the quick wins that have been made, there are still more quick wins to be made. As regards billing and charging issues, we have received many complaints about the non-domestic business meter installation programme. We are working with Scottish Water and the relevant companies to mitigate the impact of those problems. That probably covers the issues that are bubbling under the surface.

Alasdair Allan: Is Waterwatch Scotland adequately resourced and supported by relevant organisations and, more generally, by the public sector in Scotland?

Gary Womersley: As we are a fairly new organisation, visibility is still an issue, which is one reason why we were keen to be signposted as much as possible, by Scottish Water, primarily, but also by other stakeholders in the industry. We have had many successes in that regard.

It would be easy for me to say that we would like more resource, but given that we are funded through a levy on Scottish Water rather than through general taxation, Scottish Water's failure to bring about improvements increases the levy, so it is almost a form of incentive-based regulation. Similarly, improvements in Scottish Water's performance would lead to a reduction in the levy.

The key concern is that our closest counterparts in England and Wales were fortunate enough to be able to fling some fairly large sums at advertising and raising their profile, and they did that on a fairly sustained basis. It was found that their profile was raised, but as soon as the sustained advertising campaign stopped, public

visibility decreased. Bear it in mind that we are funded through a levy on Scottish Water and that it is funded, ultimately, by customers. I would like us to have millions of pounds, dare I say it, to spend on advertising, but we live in the real world.

Signposting has been mentioned. We need to be appropriately signposted by Scottish Water and various other stakeholders. The amount of contact that we have had with MPs and MSPs has been particularly encouraging. We are still fairly new, but hopefully that augurs well for the future.

Alasdair Allan: I was going to ask about MSPs and MPs. You mentioned visibility. Is there any indication that MSPs, councils or any of the other people at whom complaints about water get directed are more aware of your existence as an organisation than they used to be? Is awareness increasing?

Gary Womersley: I would say that it is. It very much depends on whether there happens to be an emotive issue in the water industry at the time. When we first came into being, development constraints were an issue and our predecessor body had experienced a change to business charging, which resulted in a lot of complaints from customers. We cannot rest on our laurels. We will endeavour to ensure that we signpost and contact MPs and MSPs appropriately.

The Convener: As members have no more questions, I thank the witnesses for joining us to answer questions. We will no doubt follow up some of the issues in future meetings with the regulator and with Scottish Water. I suspend the meeting to allow the witnesses to leave the room.

15:10

Meeting suspended.

15:14

On resuming—

Climate Change Events

The Convener: Item 4 on the agenda is a discussion of climate change events. Members have paper TIC/S3/08/18/2, which discusses the possibility of our holding an event in the Parliament chamber on climate change. We will have opportunities to take oral evidence from witnesses as we consider the proposed climate change bill, but the level of interest in the bill is high and it is suggested that an event in the chamber would allow us to give opportunities to a far wider range of people to engage with the Parliament. It is also suggested that the event might be an opportunity to invite speakers from other countries to take part, so that we fit the bill into a wider context. Those people could be from consulates here in Edinburgh, or we could hear from people by videolink. We have suggested that the event could form part of environment week next year, which is towards the end of February. I ask for members' comments on that proposal, before we move on to the second proposal in the paper.

Alex Johnstone: I am supportive of the idea and the principles that lie behind it. However, I am slightly concerned that, as I am sure you realise, convener, having been to many events at which interest groups have given their views, we need to have a balanced cross-section of interests, rather than allowing the event to be overpopulated—I do not want to use the word “hijacked”—by a particular interest group, if you know what I mean.

The Convener: Even those of us who are very close to the interest groups that you might be thinking about would not want an event that simply had the convinced talking to the convinced, even on specific policy initiatives. If the discussion and debate are to explore the issues usefully, the event absolutely must include the broadest range of views possible.

Des McNulty: I will float an alternative suggestion. There is an annual event that brings business representatives into the Parliament—I think that the Enterprise and Culture Committee started it in the previous session. Rather than have a standalone event, given the importance of the climate change issue, we could discuss with the relevant committee the possibility of that business event focusing on climate change. That would use a parliamentary event to involve what is perhaps the most important sector in society in the work on the climate change agenda. The proposed bill will probably be the biggest legislative change to impact on business. My suggestion is an alternative to the standalone

event on climate change that the paper suggests. We could ask whether the already established event could focus on climate change.

The Convener: The suggestion is that our proposed event would form part of environment week, for which there is an established programme of events in the Parliament. I take the point entirely that the business community in Scotland has an important place in the debate. However, your suggestion might conflict with Alex Johnstone's point that we should have the broadest range of participants. There would be a danger in speaking only to the business community if we used the business event. Do you have any information about the timing of that event, if we were to talk to the organisers?

Des McNulty: I do not, but my recollection is that it is normally held in February or March. I got the impression that Alex Johnstone was suggesting that, if we have an event purely on climate change, the risk is that the stop climate chaos coalition and other organisations that have long worked on the issue will be most likely to come. We need to cross-fertilise the climate change debate so that it is not just a debate in the committee. We must take it out as a key issue in which other significant sectors need to become involved if we are to be successful.

The Convener: I will bring in other members before we come back to that.

Cathy Peattie: I understand Des McNulty's point about the business in the Parliament conference, but we are considering holding seminars with the wider business community. There is room for both types of event. I see our climate change event as bringing together people from other parts of the continent who are involved in the issue. Although the business sector in Scotland is important and we need to engage with it, simply dwelling on that sector would narrow the agenda. I am keen to hear about what is happening elsewhere in the world, as that would be valuable for us in our work on the issue.

Alasdair Allan: I hesitate to offer advice as I am only a substitute committee member. However, it strikes me that there might be a way of bringing together what Des McNulty and Alex Johnstone have suggested. Would it be worth considering an event of the kind that Des suggested in an effort to mainstream environmental issues among the business community, perhaps by devoting one part of the business in the Parliament conference to it and bringing in other people so that it is not just a dialogue involving people who have one point of view? Is it possible to devote part of the business in the Parliament event to climate change?

Rob Gibson: There would be a lot of benefits in Cathy Peattie's suggestion of trying to speak to people from different parts of the world rather than just the usual suspects from Scotland, whose views we already know. The world social forum is one example, and it would be good to involve such groups if we are to make the event significant. If we are going to go through the financial rigours of using the chamber and so on, it is important that we put on a top-class event. I support Cathy's proposal as well as the proposal to engage the business community by making environmental issues part of the programme for the separate event.

Charlie Gordon: I can see the sense of having an event related to the committee's work during an established week such as environment week, and I am reassured by the convener's response to Alex Johnstone about not just talking to the usual suspects.

I like Des McNulty's suggestion, too. It should be possible to take it forward, perhaps without a further draw on the committee's resources. It is obvious from some of the sums mentioned in the paper that the convener must have used up nearly all his favours with the other conveners. Des referred to business in the Parliament, which is an annual event. It often involves breakout sessions on transport and other issues, and it is a good idea to have a focused debate in that context with purely the business community in order, as Alasdair Allan said, to break the debate into other sectors. There is a lot of merit in Des's idea.

The Convener: Let me first point out that, in paragraph 9 of the paper, it is proposed that we explore the possibility of funding our event from the corporate events budget.

Charlie Gordon: I see—that is the real reason behind that proposal.

The Convener: I argue that the timing works well in relation to our consideration of the climate change bill. If we did not have a major input into environment week in the Parliament while we were considering the climate change bill, it would strike the wrong tone and would be a missed opportunity. I suggest that we agree to the proposal to have an event as part of environment week, that we seek the agreement of the Presiding Officer and the corporate events team, to make it as good an event as possible, and that we also discuss with the relevant committee and the business in the Parliament organisers, who may already have plans for that event's focus, whether it could focus on climate change specifically in relation to the business community. Our event would be broader than that. Is that agreed?

Members indicated agreement.

The Convener: The second part of the paper, from paragraph 10 onwards, deals with a conference in St Malo in France—the world summit of the regions conference on climate change. It obviously provides an opportunity to meet people from a range of Assemblies and Parliaments in different regions or nations—for example, sub-member states in Europe. They will have a range of legislative powers and relationships with other levels of government, and it would be interesting to explore how the Scottish approach to climate change fits into the approaches taken by the United Kingdom and the European Union. There will be a range of interesting views at the conference, and the proposal is to send one member.

Alex Johnstone: Where is St Malo?

The Convener: It is in Brittany, I think.

Alex Johnstone: So it is not that far away—it is not in the Mediterranean.

Cathy Peattie: Unfortunately. Somewhere in Italy would have been nice.

The Convener: If the geographic issues have been clarified, are there any other questions on the proposal to send a member to the conference?

Rob Gibson: It sounds like an excellent idea.

The Convener: Is the proposal agreed?

Members *indicated agreement.*

Budget Process 2009-10

15:25

The Convener: Item 5 relates to witness expenses for the budget process. Do members agree to delegate to me responsibility for arranging payment of witness expenses in relation to our consideration of the draft budget?

Members *indicated agreement.*

National Planning Framework

15:25

The Convener: Item 6 is consideration of paper TIC/S3/08/18/4, on our approach to the national planning framework 2, the final draft of which is expected soon. Do members have any initial comments or questions on the paper?

Rob Gibson: We know what the proposed nine projects are, but given current world economic circumstances, I wonder whether they might change somewhat. We should take evidence on the necessity of certain projects. Do we need to take evidence on the extension of airports and the like, given that they will obviously be hit by what is going on now and are likely to be hit in the future? I am in your hands as far as that suggestion is concerned, convener.

If we are to consider the projects in detail, there might be an opportunity to scope whether the subject matter should be expanded in some cases. I refer to my question to the First Minister last Thursday about the Scapa Flow container transshipment facility and the use of the whole Pentland Firth area. I agree that we need to call witnesses and question them, but we need a steer about what the Government is going to do so that we know which projects to focus on.

The Convener: The Government has played its cards fairly close to its chest—at least, it has done every time that I have asked it about the matter. You might think about having a go yourself and giving us any information that you find.

I agree that we need to hear evidence from witnesses. We will know which projects are to be designated as national developments when the final draft is produced. I expect and intend to allow questions on the principle of the need for those developments. I do not regard that as something that we can exclude. There is an issue about whether they can legitimately be identified as national developments, but there is also a role for us to take a view on the need for them in principle.

Cathy Peattie: It is important that the committee considers the whole issue. Looking at the list of projects, I wonder whether we need further information. I know that time is short, but we could use reporters to gather more information before the committee takes evidence. Perhaps we need to consider some of the issues in more detail. A number of them are important to the economy and to Scotland as a whole. I would like to see a bit more detail rather than simply having one or two sessions with ministers and others.

Des McNulty: When I read paragraph 7 in the paper, I was surprised, because my understanding

of the national planning framework mechanism that was introduced is that, when projects that are identified in the framework go through the planning process, there will be a light touch because they are deemed to be national priorities. However, the corollary is that the rationale for those projects going ahead—and indeed for their being included in the national planning framework—needs to be rigorously scrutinised by the Parliament. In other words, we need to consider the projects and, provided that we are satisfied in principle that they are in Scotland's best interest, that parliamentary scrutiny, together with ministerial decision making, would signal that they could go through a foreshortened detailed planning inquiry. That was the principle on which the national planning framework was set up.

If paragraph 7 of the paper reflects the Scottish Government's interpretation of the process, it is at variance with my understanding of the mechanism. I had thought that there was an absolute requirement for parliamentary scrutiny of the projects that were identified as national developments and that the Scottish Government would have to convince us that they were the correct projects and were required.

15:30

The Convener: That is why I said a few moments ago that I intended to allow questions on the need for specific developments. I feel that it is important that we express a view on that.

Des McNulty: With respect, it goes beyond allowing questions on the principle in the committee. We are not the lead committee, so perhaps we need to raise the matter with Duncan McNeil, the convener of the Local Government and Communities Committee. We should be clear about what we expect. We need to establish that there will be parliamentary scrutiny of the projects that are identified in the paper and that the Government understands that that is a mechanism for the scrutiny of the national planning framework. It is not a question of your individual decision, convener; we need to be clear as a Parliament about how we will handle the matter.

The Convener: I said that I intended to allow questions on the need for the projects because the paper could be interpreted as suggesting that that is not within the committee's remit. I agree strongly with your argument that the Parliament needs to scrutinise the national planning framework robustly. In fact, in the Communities Committee in the previous parliamentary session, there was a substantial debate about the nature of the parliamentary scrutiny that was written into the Planning etc (Scotland) Act 2006. Some members felt that it should be stronger and some felt that it should be weaker. We are in the middle ground:

ministers will sign off the national planning framework, but the Parliament will have the opportunity to scrutinise it for 60 days and will then have a vote. However, the vote will not be legally binding and ministers will still have the authority to sign off the framework.

Because it will be difficult—perhaps impossible—for any objector to challenge a national development on the basis of need once it is included in the national planning framework, it is necessary that the Parliament examine thoroughly the need for the developments. I do not disagree with you. However, it is perhaps interesting to note that, when it was proposed that the Parliament itself should have the authority to approve or reject the NPF, it was argued that ministers represent a Government, that they therefore have a majority and that that is their democratic mandate. That is the basis on which the proposal to give the Parliament the authority to approve the NPF was rejected, but it is clearly not the situation now. In going through the process for the first time, we could express a view about whether its operation needs to be refined.

To answer your other point, there was some discussion with Duncan McNeil well in advance of the matter coming to the committee, and I am sure that we will be able to continue that.

Des McNulty: One of the key issues is the budgetary capacity of the Scottish Government, or Scotland in general, to afford each or any of the projects. The last estimate that I saw for the replacement Forth crossing was £4.2 billion. I would not find it acceptable to have a discussion about the national planning framework that was not linked to some broad indication from the Scottish Government of the affordability of the projects. One could make an endless list of projects that are inherently desirable, but if none of them is actually deliverable—or if only a few are—the planning framework is being produced in an unrealistic context. It is central that the Government contextualise it in the budget choices that are being made or the priorities that are being set and the timescales that are involved.

The Scottish Government has made a great deal of its commitment to climate change targets but, as you and I have said, convener, we need to have a realistic short-to-medium term framework in which to deal with the matter. In that context, ministers will have to detail the extent to which the projects contribute towards—or do not contribute towards—meeting climate change objectives. It would be absolutely inconsistent of us to spend half the year talking about the climate change bill and ways of combating climate change in Scotland without having that discussion in the context of the set of proposals that deal with our long-term infrastructure demands. We should signal the fact

that climate change considerations will form an element of our analysis of the proposals, and that ministers better have something to say about that.

The Convener: I do not think that anyone will dissent from that view. Paragraph 8 makes it clear that sustainable development and climate change are issues on which we will have to spend some time focusing in relation to the NPF. The Planning etc (Scotland) Act 2006 also places on the Government a duty to develop the NPF with a view to contributing to sustainable development. Scrutiny of that aspect by this committee and other committees will be important.

Do members agree to take evidence on the final draft of NPF 2, once it has been prepared?

Members indicated agreement.

The Convener: Do members agree to delegate to me decisions on witnesses and the scheduling of evidence, in light of the timing?

Members indicated agreement.

The Convener: Obviously, if members have specific comments or suggestions to make, my door is always open.

Item 7 on the agenda will be taken in private.

15:37

Meeting continued in private until 15:51.

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

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

The deadline for corrections to this edition is:

Friday 17 October 2008

PRICES AND SUBSCRIPTION RATES

OFFICIAL REPORT daily editions

Single copies: £5.00

Meetings of the Parliament annual subscriptions: £350.00

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

WRITTEN ANSWERS TO PARLIAMENTARY QUESTIONS weekly compilation

Single copies: £3.75

Annual subscriptions: £150.00

Standing orders will be accepted at Document Supply.

Published in Edinburgh by RR Donnelley and available from:

Blackwell's Bookshop

**53 South Bridge
Edinburgh EH1 1YS
0131 622 8222**

Blackwell's Bookshops:
243-244 High Holborn
London WC1 7DZ
Tel 020 7831 9501

All trade orders for Scottish Parliament documents should be placed through Blackwell's Edinburgh.

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

Telephone orders and inquiries
0131 622 8283 or
0131 622 8258

Fax orders
0131 557 8149

E-mail orders
business.edinburgh@blackwell.co.uk

Subscriptions & Standing Orders
business.edinburgh@blackwell.co.uk

Scottish Parliament

RNID Typetalk calls welcome on
18001 0131 348 5000
Textphone 0845 270 0152

sp.info@scottish.parliament.uk

All documents are available on the Scottish Parliament website at:

www.scottish.parliament.uk

Accredited Agents
(see Yellow Pages)

and through good booksellers