

# **TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE**

Tuesday 6 October 2009

Session 3

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## **TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE** **22<sup>nd</sup> Meeting 2009, 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)  
Murdo Fraser (Mid Scotland and Fife) (Con)  
David Stewart (Highlands and Islands) (Lab)  
Jim Tolson (Dunfermline West) (LD)

\*attended

### **THE FOLLOWING ALSO ATTENDED:**

Lewis Macdonald (Aberdeen Central) (Lab)  
Sandra White (Glasgow) (SNP)

### **THE FOLLOWING GAVE EVIDENCE:**

Stephen Boyd (Scottish Trades Union Congress)  
Harry Cunningham (Trades Union Congress)  
Bob Darracott (Renfrewshire Council)  
Anne Douglas (Prospect)  
Charles Hoskins (Strathclyde Partnership for Transport)  
Paul Noon (Prospect)  
Councillor Steven Purcell (Glasgow City Council)

### **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 6 October 2009*

[THE CONVENER *opened the meeting at 14:00*]

### Climate Change (Employment and Workplaces Impact)

**The Convener (Patrick Harvie):** Good afternoon. I welcome everyone to the 22<sup>nd</sup> meeting this year of the Transport, Infrastructure and Climate Change Committee. I record that we have apologies from Alex Johnstone and that Lewis Macdonald MSP has joined us as an observer at today's meeting. I remind everyone present that all mobile devices should be switched off.

The first of the two items on today's agenda is an evidence-taking session on the impact of climate change on employment and workplaces. This is a chance to consider further the implications that the Climate Change (Scotland) Act 2009 will have on employment. For that discussion, I welcome representatives of the trade union movement: Stephen Boyd, who is an assistant secretary at the Scottish Trades Union Congress; Anne Douglas, who is national secretary of Prospect; Paul Noon, who is general secretary of Prospect; and Harry Cunningham, who is the Trades Union Congress's regional education officer for Scotland. I welcome them warmly to the committee.

In questioning, we will want to discuss a number of themes, which will include the definition of "green jobs"; the net impact on employment, given that there will be swings and roundabouts; transitional and low-carbon industrial strategies; transition and diversification; and the implications for the changing workplace. Before we begin the questions, I invite Stephen Boyd to make some opening remarks.

**Stephen Boyd (Scottish Trades Union Congress):** We appreciate this further opportunity to discuss these issues with the committee. Obviously, we had what we hope was a productive session during the committee's scrutiny of the Climate Change (Scotland) Bill. We regard today's session as a valuable opportunity to pursue in more depth some of the themes that we raised at that time.

The STUC continues to regard the Climate Change (Scotland) Act 2009 as a key piece of legislation. We view the act positively, but we believe that it will introduce a period of potentially

massive industrial restructuring. Given that the impacts of previous industrial change in Scotland were not handled as well as they might have been, it is important that the industrial change that will flow from the act is planned for proactively by the Government, so that we avoid repeating some of those impacts, which still affect too many of our communities. If the people whom we represent and the communities in which they live are to be brought along in support of the act, people need to be aware that the Government and legislators are behind them. We need to acknowledge the potential adverse impacts—as well as the beneficial effects—and work with people to address those as proactively as we can.

Both in our previous submission and in the short discussion paper that we have provided for today's meeting, we have tried to highlight a number of key issues. We think that the potential net impact on employment is positive, but we believe that the impact needs to be managed. The Government can do a lot to realise the opportunity and to maximise the economic and employment benefits during the transition to a low-carbon economy. However, we certainly believe that, if properly handled, the net impact can be positive.

One issue to which we could perhaps return during the discussion is the uncertainty that exists about what is meant by "green jobs". In trying to be positive about the climate change agenda, people have sometimes confused or alarmed people with talk about distinguishing between green jobs and other jobs. Clearly, the trade union movement hopes that, in the move towards a low-carbon economy, all jobs will become green jobs and that those that do not become completely green jobs will include a far bigger sustainable component than they do at present.

Skills are a major issue that needs to be addressed. As well as the specific skills that will be needed to move forward on delivering targets for renewable energy, general skills will be required for all jobs to make the economy more sustainable. As Harry Cunningham will mention later, an important issue for us is the emerging agenda on upskilling trade union representatives, who we believe have a key role to play in greening Scotland's workplaces. Of course, upskilling the current workforce will be pivotal, given that 75 per cent of those who will work in the economy in 2020 are already in work today. We must bring them along and ensure that they are included in the change.

We have spoken in the past about greening the workplace. Paul Noon is co-chair of the trade union sustainable development advisory committee, which is a TUC and Department for Environment, Food and Rural Affairs body that has very much led on that agenda at the United

Kingdom level. The TUC has been fortunate enough to be able to access funds and run pilot projects in the workplace. I am sure that Paul Noon will touch on that in our discussion.

We are somewhat concerned that the Government and employers are slightly behind the curve on greening the workplace in Scotland. Big employers are certainly aware of the external pressures on them to react to climate change, but much more can be done so that they work with their workforces and bring about change in the workplace.

I would like to touch on a key development since we last spoke to the committee. In May, at one of our biannual meetings with the First Minister, we signed a joint communiqué with the Scottish Government. We regard that document as important. It gives us a way into Government and commits the Government to doing important work on greening the workplace and considering ways in which the transition can be made more just. It is important to us that industrial change in Scotland is managed more effectively than it was in the past.

Members will recall that, during scrutiny of the Climate Change (Scotland) Bill, we were slightly concerned that more research had not been done on identifying potential adverse impacts and working towards managing them more effectively. We are now considering with the Scottish Government how such research might be carried out and effectively completed, and how we can use it together to bring the workforce along with us on a positive climate change agenda.

I will leave things there. The convener identified many themes that we can consider. We will be delighted to answer any questions that members have.

**The Convener:** Thank you very much.

I would like to explore the concept of green jobs in a little more depth. If we asked the person in the street about green jobs, they might say that somebody who manufactures wind turbines has a green job. We have had debates on a green jobs strategy in which different views have been expressed about whether such a strategy is supposed to be a strategy that is about green jobs or a jobs strategy that is green. Do we need to unpack whether the concept of a green job is coherent? If someone does insulation work one day a week, fits boilers on another day and fits air-source heat pumps on another day, the balance of their job might be shifting in the right direction in view of our climate change objectives, but at what point do we say that they are in a green job? Will the panel explore that issue in a bit more depth?

**Stephen Boyd:** That is an important question. There is no generally understood definition of

“green jobs” out there. The definition is closely aligned with new jobs. New jobs that are created are seen as being green jobs or not green jobs. We think about renewable energy development in particular. People would describe manufacturing wind turbines at Machrihanish as clearly being green, but there are existing jobs in the economy that we can describe in that way. The water industry is the clearest example. We would argue that jobs in the water industry are absolutely green because they involve husbanding a key resource for Scotland, but they have hitherto never been described in that way. We must develop a better understanding of the importance to sustainability of existing jobs in the economy, and we must try to develop the necessary skills in the existing workforce to make those jobs more sustainable.

My colleagues will have much to add to what I have said.

**Paul Noon (Prospect):** The definition of “green jobs” is not always helpful. The phrase is mostly used when people talk about green-jobs-led recovery. There will certainly be opportunities for export in green manufacturing in the future. Our submission identifies examples such as electric vehicles. The Department for Business, Innovation and Skills has put quite a bit of effort into the area and into low-carbon energy production of various sorts.

To pick up on the point that Stephen Boyd made, we view the issue as having a transformational effect on employment. We think that people in all jobs have the skills that are needed to achieve the carbon reduction targets that have been set. Our perception is that, in future, the jobs that exist at the moment will be different. Whether that is because of a need for environmental advice—quite a lot of which will be needed—or because of issues such as green accounting, people in every aspect of employment will need to have a much stronger sense of such matters. We do not think that it is helpful to divide the economy into jobs that are green and therefore good, and those that do not have such a strong, directly environmental component to them and are therefore to be viewed pejoratively. It is a question of how we transform the whole workforce.

**Anne Douglas (Prospect):** In future, if the targets are to be met and we are to have a genuinely low-carbon economy, every job will have green components to it. Even if the jobs themselves do not change, how they are undertaken or, equally important, where they are undertaken and what resources are used to undertake them will change. I echo what Paul Noon said—I do not think that there is such a thing as a green job per se; I think that all jobs will have green components.

**Cathy Peattie (Falkirk East) (Lab):** I agree with what has been said. I represent an area where the petrochemical industry has its biggest presence in the north of Britain. In my view, some of the jobs that are done there are potentially green jobs. I am not talking about refinery jobs; I am talking about the skills that folk who work in the petrochemical and offshore industries have. We must ensure that those people can be upskilled and that the skills sector is ready to do that. If we agree that all jobs are green jobs and that we want to mainstream climate change across the sectors, are there ways in which we can ensure that the sectors are ready for that and that folk in the workplace have the opportunity to build up their skills so that we meet the climate change targets that Anne Douglas mentioned?

**Paul Noon:** Let me say, by way of introduction, that the public sector has a strong role to play in this area, for example by linking policy objectives that Governments may have with the action that they take, and by ensuring that, as well as reducing the amount of carbon that is emitted, they provide demonstrable leadership to the wider economy. It is extremely important that Governments plan ahead to see what will be necessary for the future and that they ensure that they have programmes that will deliver that.

I do not underestimate the extent to which the commercial sector must view the process that we are discussing as being to its commercial advantage. The manufacture of green vehicles is an example. Over the past few years, those manufacturers that have got into more environmentally sustainable forms of production have made savings in production costs by modernising. In addition, they have brought to the market products that the public want. It will be important for manufacturers and the public and private sectors to work together closely on that, in the interest not just of saving the world but of making those companies commercially successful and of ensuring that the public sector successfully delivers what it sets out to deliver.

**Des McNulty (Clydebank and Milngavie) (Lab):** Just to play devil's advocate, if the slogan becomes "Every job is a green job"—I can see why you want to go down that route—that takes away from the idea of there being a discrete group of jobs that are additional to existing employment and which are seen to be the spin-off of a move towards more environmental sectors of the economy.

I suppose that it is a matter of semantics. Should we keep the term "green jobs" for jobs that replace or are additional to traditional forms of employment, and use the phrase "more environmentally aware employment" more generally? If by "green jobs" we mean more

environmentally aware employment, how do we describe the additional jobs that need to be created as a result of a sectoral shift, in relation to which we might want the Government and industry to set targets?

14:15

**Paul Noon:** My view—and therefore I suppose my union's view—is that dividing jobs into green and non-green jobs is not the best approach in the long term. I do not see how we can do that. The actions that an employer might take might be regarded as green one day and less green the next. Someone who lags lofts and installs boilers is a good example of that.

On a green-jobs-led recovery, Gordon Brown has talked about having 100,000 more green jobs and the STUC would welcome such a focus. However, we have never been able to define what a green job is. There is no single common or consistent definition, and we think that all jobs need to be green jobs.

**Des McNulty:** Do we not end up almost in a "Nineteen Eighty-Four" situation? If we say that all jobs are green jobs, including, for example, the jobs of power station workers at Longannet, who provide us with power by a method that efficiently puts carbon dioxide into the atmosphere, do we not get into a daft position? What are we talking about?

**Anne Douglas:** In future, all jobs will have to be carried out in a more environmentally friendly way. The engineers and operators at Longannet will still be engineers and operators, but they will carry out their jobs in a more energy-efficient way. The green jobs at Longannet are the additional jobs that are created, for example to retrofit flue gas desulphurisation technology, or as part of the pilot project on carbon capture. If we need to define "green jobs", we should say that they are the catalyst that makes a low-carbon economy possible.

There must also be a culture shift, so that everyone works in a more energy-efficient manner. Just as health and safety in the workplace were not considered decades ago but are now taken for granted, energy efficiency must be considered if we are to have a low-carbon economy—I do not think that I have helped to answer your question.

**Des McNulty:** I used the example of Longannet because I think that we can talk about green jobs in that context: they are the bolt-on jobs. That is my preferred definition of "green jobs". I think that you have given two other definitions and, ultimately, we will have to decide on a definition. We can say that we want to take employment in a direction in which all jobs are green jobs. We can

say that green jobs are the additional jobs that are associated with a change in practice in existing sectors or the development of new sectors, and if we use that definition we can measure the additionality. Culture change is the third aspect. "Green jobs" sounds like a good slogan, but we cannot apply the term to all three aspects without getting confused, so we need to decide what it means.

**The Convener:** Perhaps we are moving to a recognition that, if we are looking for transformational change in every industry and every workplace, there will be both positive and negative employment consequences. Just thinking about green jobs as additional jobs might distract us from considering the wider impact, so perhaps we could explore what the net impact might look like.

I will bring in Charlie Gordon and Lewis Macdonald and then go back to the panel.

**Charlie Gordon (Glasgow Cathcart) (Lab):** Recently, I got an e-mail from a young constituent who said that he had just graduated from university with a decent degree. He wanted to use it to have a career in one of the thousands of new green jobs that he had been reading about but, when he researched that on the internet, he could not find any. He asked whether I could help him. I could not help very much, although I tried my best to point him in the right direction.

I have started to think—and I firmed up my view as I listened to the past few minutes of debate—that the term "green jobs" is a misuse of language. It is so imbued with ambiguity that it is starting to get in the way. Perhaps we should start a campaign, albeit a possibly forlorn one, to get rid of the term. What do you think?

**The Convener:** I call Lewis Macdonald before I bring the panel back in.

**Lewis Macdonald (Aberdeen Central) (Lab):** I will use the phrase "net additional jobs". The Economy, Energy and Tourism Committee has heard a little about the matter and I am interested in exploring it with the panel. A few months ago, the Scottish Government suggested that 16,000 additional jobs might arise from the greening of the economy in general and the energy industries in particular but, when we explored that with ministers, it turned out that that number was simply 10 per cent of a United Kingdom Government projection of 160,000 green jobs, as it calls them. What is the trade unions' view of the additional employment opportunity? Is 16,000 net additional jobs in Scotland a modest aim? Is it ambitious? Is it realistic?

**Stephen Boyd:** In my six years at the STUC, I have seen a number of strategies and policy papers pass before me. I think back to when Jim

Wallace was the Minister for Enterprise and Lifelong Learning and the original green jobs strategy was published, and to the first meeting of the forum for renewable energy development in Scotland—FREDS—that I attended, which was in Aberdeen in 2004. I think that Lewis Macdonald was there. The first marine energy report that was published at that time said that there would be 7,000 jobs by 2010.

My concern has always been that the strategies have created a massive hostage to fortune. At the FREDS meeting, I was asked whether we had the skills to deliver what was promised. I said that I could not answer the question because I did not know what or where the jobs would be. People have to describe those things in some detail before we can consider the skills issues.

The first green jobs strategy took a mechanical percentage approach to the renewables gap chain analysis that had been undertaken at that point at the UK level. It seemed highly speculative and had the potential to generate a lot of cynicism. That is what continues to worry me about the targets. I understand why they are attractive to use and why people think that they will help to bring along workers and employers in a positive agenda about climate change, but we have to start moving towards them.

To answer Lewis Macdonald's question specifically, I would hope that a net impact of 16,000 jobs in Scotland is a modest target. We talk about Scotland's comparative advantages in renewable energy, and those are genuine. Last Wednesday and Thursday, I spent some time in Caithness at the annual regeneration conference. The opportunities in the Pentland Firth are real. There are a number of major challenges to be overcome if we are to develop those projects, but it is not unrealistic to hope that substantial numbers of high-quality jobs will be generated in that area in the medium term. There is much to be done to ensure that the supply chain remains in the area. We have to look at the hard constraints that can be placed on developers to ensure that they use local supply chains, but there is a genuine industrial opportunity.

Much can be done in onshore wind if we approach it in a different manner. I think back to when I undertook a youth training scheme after I left school in East Kilbride in the late 1980s. At that point, the national engineering laboratory in East Kilbride was undertaking cutting-edge work on wind turbines but, unfortunately, we never capitalised on that. It hints at major structural weaknesses in our economy that we do not make the most of such opportunities. However, all is not lost in onshore wind if we approach developments slightly differently from how we have done hitherto.



Offshore wind definitely offers us an opportunity, given the facilities around Scotland, particularly those in Fife and Nigg. Those are top-quality facilities that should be able to benefit from development. Do we want to regard clean coal and carbon capture and storage as providing green jobs? I can understand that that might be difficult for some, but we would certainly look at it in that way. I think that Scotland has a genuine comparative advantage in that regard. I am sure that Paul Noon and Anne Douglas can speak in more detail about what we need to see happening at Scottish and UK levels to ensure that we generate such jobs in carbon capture and storage, and clean coal—much can be done.

We are keen to talk about low-carbon industrial strategies. We are not big users of the phrase “green jobs”, and we certainly do not attach figures to it. However, we want to see meaningful industrial strategies at UK and Scottish levels that outline in reasonably specific terms how we hope to make the most of our comparative advantages and maximise the economic and employment opportunities. The latter have often been secondary to achieving the targets for renewable generation. I would like the target for renewables almost to be secondary to generating the jobs.

To go back to Lewis Macdonald’s question, I would hope that the target is a modest one. Much can be done, but we must be clever about how we present opportunities to people out there so that we do not generate unrealistic expectations.

**Cathy Peattie:** Building on that and on Charlie Gordon’s question, how do the skills sectors prepare? Young apprentices are starting in my area and in others, but if an apprenticeship takes three or four years, apprentices will come out in 2014 who have been trained in a skill that is perhaps no longer appropriate. I think that opportunities will present themselves, and we need to be able to take them up. However, I am not convinced that the skills sectors and the colleges are ready. How do we ensure that that happens? Stephen Boyd said that the jobs are there now, but are the skills there now? How do we ensure that, in the future, young people get appropriate training rather than training for jobs in the petrochemical industry, for example, which will be inappropriate? Perhaps we need to consider now the training of the young engineers and workers of the future to ensure that they have the skills to take up posts.

**The Convener:** Can the panel address that point as well as think about the relationship between what needs to happen at the Scottish level and the UK level? We have the Scottish climate change delivery plan and the UK’s low-carbon transition plan, but Stephen Boyd has expressed slight wariness about dealing with

industrial strategies that have perhaps not delivered everything that they said that they would. Can you comment on the training and education issues that Cathy Peattie raised, and on the other aspects of what Government needs to do to drive the agenda forward and create not green jobs in the narrow sense but employment opportunities from greening the economy?

**Anne Douglas:** Many different bodies come up with reports about which skills are needed, which are in short supply, and which we have an oversupply of. Wearing a different hat, I note that Skills Development Scotland is now working closely with the Scottish Further and Higher Education Funding Council and the energy sector to identify and bring all the information together so that, probably for the first time, there can be a coherent understanding of what skills are currently in short supply and what skills will be in short supply in the future, given existing renewable technologies.

14:30

I had a meeting two or three weeks ago with one of the big energy companies in Scotland, which said that, in addition to traditional skills shortages, it had big skills shortages in renewables. I asked what those shortages were and the company told me that they were in project management, planning and the infrastructure that is connected with the wind farms being in situ and generating electricity. Skills Development Scotland, the Scottish funding council and the energy companies are beginning to address those issues for that sector.

It is more difficult to identify the skills shortages for technologies if we do not yet know how those technologies will work out in practice. Everybody knows that marine energy will be great if it works but I suspect that nobody yet knows how it will work—not even the academics who are working on the prototypes and research. They have probably thought about how that really new technology will be installed and commissioned, but I doubt whether they have thought much about how it will be maintained and operated once it is up and running.

We need to cope with the skills shortages that we can easily identify for the medium term and continually refer back so that we identify the skills that will be needed in the future and change the curriculums and courses in colleges, universities and schools to enable us to match that need.

**Stephen Boyd:** There has been a lot of progress on industrial strategy at the Scottish and UK levels over the past year. There is nothing like a financial crisis to focus minds on the benefits of manufacturing to the economy. The Scottish

renewables development plan that was published this summer was slightly more focused on maximising employment opportunities than previous strategies have been, which is welcome.

At the UK level, a number of interesting reports have emanated from the Department for Business, Innovation and Skills. It is clear that Peter Mandelson's time in Europe was well spent. He has learned much about what other member states do to ensure that they maximise employment opportunities in their own countries. There have been so many reports that I forget their titles, but the key industrial strategy paper that was published about six months ago focused on matters such as procurement in a way that the UK Government has not done over the past 20 or 30 years. It spoke about using procurement to boost markets for new products, for example. There is a long way to go to develop that thinking, but it is to be welcomed.

We had a very interesting break-out session in Caithness last week on energy and the local supply chain. The facilitator of the session was keen that nobody should say anything that could be perceived as anticompetitive in any way. My concern was that, if an opportunity comes up and we get the regulatory framework right but leave it to the market to deliver, the local supply chain might be bypassed completely. That would not happen in other member states, so we have to be a wee bit clever and ensure that, from ministerial level down, the message is relayed with great certainty that Scotland expects that the people who live next door to a precious natural resource will benefit from its exploitation. There is nothing wrong with that and it is not anticompetitive. Taking a slightly wider view, we have to ensure that policy is focused on making the most of such opportunities.

**Harry Cunningham (Trades Union Congress):** I reiterate what Anne Douglas said. There may well be skills shortages that need to be identified and worked on, but there is real good practice on putting existing technology in a more hostile environment, such as in the sea rather than on land.

I was lucky enough to be at the Rolls-Royce factory in Dalgety Bay, where I met a young apprentice who is working on wind power and things such as that. It was a really good example of joined-up thinking between a local college—from which he gets day release and so on—and a university in promoting the leading technology. We need more of that; it should not be an isolated example of good practice.

**Cathy Peattie:** How do we build on such examples? I am aware of some good work that is happening, but it is happening in a small way. Because the timescale is very tight—we are

looking towards 2020—I am interested in young people being work ready and in people who are in the workplace having an opportunity to upskill and change the work that they are involved in. How can we encourage colleges, universities and others to be ready and to work with people to provide training for the future? Given that 2020 is not far away, we need people in the workplace who have the skills to meet the targets.

**Harry Cunningham:** Encouragement can be done in at least a couple of different ways—through challenge funds, for example, which the Scottish funding council could offer. The appetite and enthusiasm are there; we just need to harness them and move things on.

**Stephen Boyd:** Going back to Caithness—Caithness is live in my mind, as I spent some time up there last week—some great work is taking place at North Highland College. I am sure that Rob Gibson knows far more about the detail of that than I do. The college is waiting to see what happens and is ensuring that it is ready to make the most of the supply chain opportunities.

We are at quite a difficult stage at the moment. We have had this discussion in relation to the development of the port infrastructure in the area. People want money to be spent now to do things to the ports, but some of the developers have told me that we need to hang on and see which projects get consent and what their leads are before we spend the money. I think that the skills situation is similar. As Anne Douglas said, we are not entirely sure what skills will be required in the Pentland Firth and other areas with marine energy potential. However, we need to ensure that the infrastructure is in place to enable us to react quickly once we know what skills are required.

**Alison McInnes (North East Scotland) (LD):** My question is on the subject of the skills sectors, focusing on people who are already established in the workplace and who are perhaps halfway through their working lives. Do we need more innovative employment practice to encourage people to take up training opportunities? I am thinking of incentives such as longer sabbaticals, opportunities to work in the private sector rather than the public sector, and exchange networks. Do you think that there is any scope for such approaches?

**Paul Noon:** That is a very relevant question. Of course, it is important that we get people with environmental skills coming through schools, colleges and universities, but we cannot write off the people who are already in work. Many of them—certainly Prospect members—have a background of technical skills but they might need to retrain to bring those skills up to the required level. The trade union movement is working quite actively to ensure that people have wider

environmental skills. We provide training, and the TUC does a lot on that.

Employers recognise that those skills will be important, but it is a question not just of bringing people in but of taking the actions that need to be taken to ensure that the existing workforce has up-to-date skills. Those skills may be in mitigating and addressing climate change, but they may also be in adapting to the climate change that is inevitable—the climate change that we already see. This morning, one of our representatives from the Royal Botanic Garden Edinburgh told me about the extent to which that employer tracks climate change and the work that is being done on native species.

Quite a lot needs to be done to address those issues, and both public sector and private sector employers need to be forward thinking in addressing them for their own business needs, apart from anything else.

**Rob Gibson (Highlands and Islands) (SNP):** I want to encapsulate the idea of the transition that we are in from jobs that might not have been seen as green to jobs in green areas.

Many of the small engineering firms in Caithness have done very high-quality decommissioning work at Dounreay and are leading the country in that work. Those firms find that the education that is provided in North Highland College is good in theory, but that the college's equipment is not up to the standard of equipment that they are used to working with. There is an issue about funding colleges so that they have up-to-date equipment, but there is no doubting the college's intent. Those firms have been doing green jobs—they have been mastering the removal of very dangerous materials from the old nuclear plant. They can move into jobs that are associated with developments in the Pentland Firth and the Moray Firth.

In some ways, trying to see people as doing green jobs is complicated. The issue is complicated further by the fact that some firms are far ahead. I know that I am supposed to be asking the questions, but if we are to make progress on the transition to a low-carbon economy, we should recognise that, largely, current workers are the ones who will do that, and that they mostly have the necessary skills already.

**Harry Cunningham:** Through TUC education, we train union representatives in the workplace on issues such as the environment and greening the workplace and economy. We should think back 25 years to the introduction of the Health and Safety at Work etc Act 1974 and the prominence that it gave to health and safety. We now have a dedicated cohort or cadre of union reps in the workplace who are first-class health and safety

professionals. The trade unions want to have environmental reps in the same way, with the same professionalism and enthusiasm as the health and safety reps have. As Paul Noon mentioned, we have produced a series of briefings, workbooks and other materials and we have a curriculum for reps. We want to encourage that enthusiasm so that the reps take it back to the workplace and make real changes through measures such as environmental audits and inspections. We are happy with progress on that—we just need to do more of that work, more often. That is an exciting adventure for us, and many reps have a great enthusiasm for it, in comparison with their enthusiasm for some of the other workplace issues that they have to deal with from time to time.

**Cathy Peattie:** You have talked about health and safety. I am aware that the Health and Safety Executive has concerns about wind power, because people have new kinds of jobs in which practice has not been developed fully. What discussion is the trade union movement having with the Health and Safety Executive and others about those new challenges? Obviously, health and safety is considered, but it is appropriate to find ways of training people and making employers aware of the issues. Twenty or 30 years ago, employers did not think that asbestos was a problem, but look at the outcome of that. It is vital that employers are aware of the dangers involved in someone having to climb to the top of a wind turbine, for example. What discussions are taking place and how will the situation develop to ensure that trade union members on the ground have an opportunity to train in and to be pioneers of the importance of health and safety in the new industries?

**Paul Noon:** Although Prospect represents staff of the Health and Safety Executive, I do not know the answer to the question. I am sure that the HSE is aware of the issue, but the best thing that we can do is ask it about that. With new installations, the HSE is keen to ensure that, before people start work, it is safe to work.

**Anne Douglas:** With wind power and other generation capacity, the premise is that a risk assessment is always done before work starts. Whether we are talking about climbing a turbine or going into a boiler, the risk assessment process is carried out, as it is for every other aspect of work. However, Paul Noon is right that we need to ask the HSE about what it is doing on that specific issue.

14:45

**Paul Noon:** One area that the HSE has expressed concern about, although perhaps not as much as we might have liked, is the effect of

the changing climate on the workplace. The absence of a maximum temperature in workplaces has resulted in some workplaces being unbearably hot—although perhaps not as hot as we might have liked it to be this summer. I know that the HSE has given some thought to the implications for people in the workforce of the climate change that has already taken place.

**The Convener:** I want to take us slightly away from the renewable energy sector and think about the public sector workforce. You might not have looked at this already, but the Government's approach to the carbon assessment of the Scottish budget includes consideration of induced emissions as a fairly major element of the carbon emissions that are associated with each department heading. That largely relates to the way in which employees spend their salaries, interact with the wider economy and generate emissions in their own lives.

Are the witnesses concerned about the implied expectation that a part of Government can make savings only by reducing its workforce or by focusing on induced emissions? The health and local government areas of Government have a high carbon assessment under that methodology—far higher than some other sectors that might be seen to have a bigger impact on climate change through the decisions that they make.

**Stephen Boyd:** That is an interesting question. However, I have not studied the issue in any way, shape or form, so I am reluctant to say anything too definitive.

As you can imagine, we are currently looking at the budget, and this is a new issue. Unfortunately, such issues are hitting us in the middle of a deep recession in which the pressures on us all are quite intense. I would like to have a look at the question and come back to the committee with some thoughts, perhaps on paper.

**The Convener:** It would be useful to explore the matter further at a later date.

**Harry Cunningham:** The trade union approach to education, especially of representatives and officers, is to look beyond the workplace. In principle, I agree with Stephen Boyd that we cannot really deal with the detail, but we need to look beyond the workplace in many areas, and obviously the issue that you raise is one of them.

**The Convener:** Okay. I will take us to one of the slightly harder-edged questions. We have talked about some of the opportunities that will exist and the way in which existing jobs might need to change or adapt. However, there might be some areas of the economy in which we would expect to see the possibility of reduced employment. Which areas are you concerned about, and what

transitional structures need to be in place for employees who might have to face that possibility? What support mechanisms need to be in place for people who might be displaced? How can we ensure that people find new opportunities?

**Stephen Boyd:** Clearly we are concerned about high-emission sectors. We hope that, through carbon capture and storage and the deployment of clean coal technologies, substantial mitigation can be put in place for the coal-powered stations in Scotland's power generation sector. We also hope that the future impact on employment in the high-emission sectors can be positive.

That brings me back to one of our fundamental points about the need to plan for change. In the past, we have left such change to the market but, in dealing with the demise of Scottish manufacturing over the past two or three decades, we did not have that planning in mind. We must recognise that there will be an impact on people's lives and we must plan for that, which is why we need to maximise employment opportunities and to have coherent and well-developed transitional skills strategies to provide employment opportunities to those who will be affected. That is fundamental if we are to bring the population along with us so that we can deliver the climate change targets. The Government must recognise that it has a role to play, and it must plan for such industrial change.

I mentioned the communiqué that we signed with the Scottish Government, and the issue of research and how the Scottish economy will change. We have had some interesting and constructive discussions with the analysts in the environment department of the Scottish Government, but it is fair to say that there is something of a disagreement on how to approach the issue.

The analysts are concerned that they do not have the modelling techniques and power to investigate the changes that might occur in the Scottish economy. Our view, however, is that we are not looking too far forward: we are looking only at 2020, in which a number of key players in the Scottish economy will still be in the workforce. We need to talk to the major power companies, which will already be planning for such a change. We also need to examine other sectors, such as coal production and transport, and engage with key people—employers and unions—in those industries to get their views on how their sectors might change in the future.

We are not looking at complex statistical modelling—that type of modelling is not particularly necessary, and a reliance on it can be quite dangerous. We require a qualitative piece of work to be carried out; we can start with the Scottish Government's six key sectors, if that is

the best way of doing it, but I hope that the work will extend further than that. We need to speak to key people in those sectors to get a decent handle on the type of change and the net employment impact that they envisage and where they believe adverse impacts will happen, on a geographical as well as a sectoral basis. Some of the adverse impacts may hit a certain locality particularly hard, and we need to plan for those.

It will be difficult to answer your question until the underpinning research is carried out, which I do not view as being particularly difficult. We will continue to work with the Scottish Government on the issue, but there is an expectation, now that the communiqué has been signed, that the Government will deliver something that allows us as a trade union movement to work with it to identify and address the potential adverse impacts.

**The Convener:** Have you been given a timescale for the research that you mention?

**Stephen Boyd:** No. I emphasise that discussions have been constructive, and I acknowledge that if the rate of progress has been slow since we signed the communiqué, that is probably more down to us and the pressures that we currently face than it is down to the Scottish Government.

**Lewis Macdonald:** My question is on the same area. I want to find out about not only the timescale—which you have said is not agreed—but the wording of the communiqué, which states that there will be

“a scoping exercise of what research”

already exists.

A scoping exercise is a preliminary step to carrying out the work, so I want to get a sense—although you do not have a formally agreed timescale—of what is happening. Are we scoping this year and researching next year? What is the expectation?

**Stephen Boyd:** There was an amount of to-ing and fro-ing with regard to the wording of that particular bullet point in the communiqué; I am not responsible for the inelegant language.

Much of the scoping has already been undertaken, and the analysts have done a fair amount of work so far. They have suggested to us what might be possible, and we have suggested to them that some more detailed work is required on some areas; there will be further discussions on that. The scoping has begun, but we hope that more substantial work will be carried out in the short term, rather than the medium term—in the next few months, rather than next year.

**Lewis Macdonald:** Do you expect that the initial stage of the work will produce something that you and the Scottish Government can put in the public domain? Will we see it?

**Stephen Boyd:** I certainly hope so. We have not discussed that explicitly, but our aspiration is that in the end that piece of work will provide us with a decent analysis of potential job impacts in Scotland's key industrial sectors, although we will need to put a lot more flesh on the bones.

**Lewis Macdonald:** Does it extend to—as Paul Noon mentioned—the impact of climate change on workplaces, as well as on industrial sectors, or is it more of a sectoral and geographic study?

**Stephen Boyd:** There is a commitment elsewhere in the communiqué to work closely with the Government on the workplace impact. I do not know whether you remember, but during our previous appearance at the committee, we raised the issue of the climate challenge fund and the fact that workplaces were not able to bid for that fund as communities. The Scottish Government has helpfully said that that is no longer the case, and we are working with the climate challenge fund to identify how unions might be able to access that money to bring about change in the workplace. I do not know whether that is part of the research, but I emphasise that we are working with the Government to consider ways in which it and the unions might work together to bring about the type of change that Paul Noon described, which is fundamental.

**Paul Noon:** On the convener's question about the possibility of reduced employment, I defer to Stephen Boyd, not only because it was a difficult question, but because he knows more than I do about the situation in Scotland. At the UK level, in the discussions that trade unions have had through the TUC, the conclusion that we have come to is that there is no long-term future in simply trying to defend jobs that involve high levels of CO<sub>2</sub> emissions. That is the broad picture. Many employers will want to anticipate the changes that they know will take place. That has happened in the steel industry, which is covered not by my union, but by Community. Moves have been made towards ultra-low carbon production and other production methods, and the workforce has been taken along with that.

Having said that, there are still concerns at TUC level about carbon leakage and the operation of the European Union emission trading scheme. If we decarbonise our economy, we do not want jobs to go to other countries that are less concerned about the issue, particularly in eastern Europe. That is why we have been arguing in the European Trade Union Confederation and more generally that it is vital that the more-than-somewhat-complicated arrangements for the

European emission trading scheme, which we broadly support, work fairly for British workers. We want to do the right thing, but we want everybody else to do the right thing, too. So we see the issue as not only a national one.

**The Convener:** If no other member wants to pursue the theme of Government and the trade unions working together, we will move on.

**Cathy Peattie:** This might seem fairly minor, but one change in working practice is increased home working. Although I am the first to admit that I can do a lot more at home than I can in the office, it is not so long ago since home working was seen as a cheap alternative and some home workers were exploited. The safety practices and the equipment that was provided were not particularly good. Do you have concerns about home working for your members or people in the workforce who are not trade union members? Are there threats from the development of home working?

**Anne Douglas:** I recently dealt with one employer in which home working has become a reality for a number of people who are in posts for which it previously would never have been considered. That was not because of the environmental agenda but because of mergers and takeovers. The jobs have transferred to London from Scotland and the employer has agreed that home working from Scotland is an alternative to relocation.

We have spent a lot of time developing home working policies that have all the checks and balances in place and which cover health and safety. That is not only about someone being at home on their own, out of touch with colleagues; it relates to equipment and all sorts of issues. The process has taken time but, where we have put policies in place, so far they seem to be working well. I would say this, but that happens only when we have a trade union-organised workplace and an employer that is used to dealing with representatives on such issues.

**Paul Noon:** A good example of that is BT in Scotland and throughout the UK. A tremendous proportion of its workforce, particularly its middle and senior management, works from home, although I have forgotten the exact percentage. The company has worked with our sister union Connect on precisely the point that Anne Douglas talked about—the terms and conditions. Home working is popular and effective, and it is seen as something that is good to do. Of itself, it is not the answer, but it has allowed BT to reduce its office space. I do not know what the net effect is, as people have to heat their homes, and I do not know what happens to the gas bills, as I have not seen the agreement. However, the issue is important and several employers are starting to follow suit.

15:00

**Stephen Boyd:** The STUC held its first climate change conference in the early part of last year. To everyone's surprise, home working was a key issue to emerge from it. There was a lot of scepticism about whether home working would deliver cuts in emissions, for the reasons that Paul Noon outlined. To build on Anne Douglas's comments, there are health and safety concerns, particularly about the mental health of people who are forced to work at home. As she said, it is imperative to have a trade union leading on effective home working policies.

**Cathy Peattie:** I am keen to see how the trade union movement develops the issue, because it will be important for many workers, given that large corporations such as BT are telling people that they can keep their job if they work at home. Although home working has benefits, I have concerns about the pitfalls that exist.

**Shirley-Anne Somerville (Lothians) (SNP):** The discussion paper that the STUC sent as written evidence contained a lot of informative points to give us a good start. One interesting issue was how workplaces can adapt and the role for employees in that. I am particularly interested in the important role that trade union representatives can play in adaptation. Is there good practice that it would be useful for us to hear about and are there lessons that workplaces need to learn when they consider adaptation?

**Stephen Boyd:** There is a lot of good practice already. For several years, we have had joint trade union-employer initiatives on the issue. The TUC ran its greening the workplace programme, which involved 10 pilot projects, and an agenda is certainly emerging.

A key issue for trade unions is the lack of facility time for trade unions to undertake that type of work. The evidence is that, when we work with an enlightened employer that is prepared to give the trade union rep the facility time that is required, there is an impact on emissions and on the workplace and productivity. However, when we are not working with an enlightened employer, as is all too often the case, it can be difficult for trade unions to take the lead on such activity. Making the case at UK level for facility time for trade union environmental reps is fundamental.

**Harry Cunningham:** To reiterate Stephen Boyd's point, we know from independent research that workplaces with properly trained trade union health and safety reps have a safer working environment with, for example, fewer injuries and accidents. The HSE has done research on that. We want to train green or environmental reps so that they have a similar impact, workplaces become more environmentally friendly and people

are more conscious about what they do. As Stephen Boyd said, one big hurdle to achieving that is the lack of facility time to allow reps to access training. Reps currently have statutory rights to access health and safety and learning rep training, but nothing is in place for green reps. We want to pick up that issue on a UK-wide basis and push forward on it.

**Shirley-Anne Somerville:** The example of health and safety was the one that came to mind when I read your submission. That approach has been proven to have a clear benefit for employees and, from a selfish point of view, employers. The argument surely has already been made. What are the barriers to some of our more enlightened employers taking up environmental issues directly instead of having to wait for changes at UK level? Can the Parliament or the committee do anything when we speak to business organisations to encourage them to show their green credentials more? The issue of reps is one of the key ways in which we might do that.

**Stephen Boyd:** In much of the debate on the Climate Change (Scotland) Bill, and in some of the subsequent consultations on adaptation, the workplace has not been as prominent as we would like. It is important to talk about these issues. Convincing your colleagues in Government that these are important issues will ultimately make a substantial contribution to achieving the targets. I think that the whole culture shift agenda is really important. My colleagues might have some more concrete things to say about the workplace.

**Anne Douglas:** The TUC started the greening the workplace project and, as I think we said when we gave evidence to the committee previously, we are trying to roll that out in Scotland. A couple of employers, one public and one private, are supporting it.

As an employer, Prospect has environmental champions. They are not green reps as such; they are employees who are interested in environmental issues and who have been nominated by their colleagues to be champions. They meet centrally, keep up to date with information and new initiatives, take it back to the workplace, and make sure that all their peers implement the good practices that they have heard about. That is beginning to happen in a lot of places, but not to the same formalised extent as health and safety reps or shop stewards who are acknowledged by employers.

This point might come back to the question of whether a job is green. In the transition from high carbon to low carbon, jobs are going to change—some might disappear altogether, but there must be some jobs that can be changed. We are already working with enlightened employers on workforce development, skills utilisation and re-

skilling through the learning and skills agenda, which can all be used to make sure that there is neither a net loss of jobs nor a series of job casualties that make the net increase smaller than we would like it to be.

To some extent, this all links together with the relationships with employers who are enlightened enough to realise that organised workforces are more productive, better and safer.

**Stephen Boyd:** Shirley-Anne Somerville also asked about the role of the employer representative organisations. Without being too controversial, I think that some of the representative organisations in Scotland, particularly those that look after larger companies, have not been amenable to any discussion about the workplace. Anything that could be perceived as infringing on the managerial prerogative is not up for policy debate. If the committee has such representatives before it, it would be helpful if they were challenged on that point.

Representative organisations that look after smaller businesses have been up for a discussion on these matters. Some of the barriers to them undertaking the work are slightly more obvious, and certainly the issues that face them at this time are such that they are unlikely to give much emphasis to the Climate Change (Scotland) Act 2009. However, at least they can be engaged in the debate, as opposed to the organisations that do not like the Government or politicians to consider anything that could infringe on their members' ability to manage their workplaces as they see fit. That orthodoxy must be challenged.

**Paul Noon:** The good news for such employers is, when they take such action, they find that they can engage with a new generation of environmentally aware young people in the workplace who want their employer to do something and will respond in a different way. Employers can also reduce costs under the green agenda, but they will not get a response if they just tell people that they need to cut costs and must, for example, travel in one way or another.

If employers say, as they should do, "This is about reducing our carbon footprint, which we set out and explain in our annual report," and they do it for its own sake, they will get a good response, including from trade union reps. People in businesses or public sector organisations will get more engaged and will want to make a contribution—we have found that people will get involved in everything from car sharing schemes to recycling projects and so on.

We are fortunate in that in many areas our members understand what is needed—they get it. The message spreads, which works to people's advantage. However, some employers are slow to

understand the issue. Too many employers that we deal with do not have a long-term plan and think ahead only as far as the next crisis that might come along. When employers have a long-term plan and the confidence of the workforce, a lot can be done.

**The Convener:** People who work in politics recognise the phenomenon that you described.

**Rob Gibson:** In discussions with employers, is consideration given to the greenhouse gases that are created by travel-to-work patterns? Issues to do with working from home are sensitive for employers, who want an organised workforce made up of people who can meet one another. Do you put the issue in the pot and talk about how employers should organise their business?

**Paul Noon:** Very often. There are many examples of people who recognise the advantages of working from home, or working more flexibly if employers have more rigid systems of working. Often the union leads the discussion about that. Employers are motivated in different ways and do not consider their business only from the perspective of individuals' domestic arrangements, as I am sure you know. It is often that the union puts the issue on the agenda and not that the employers try to force something through.

There are issues. It would be wrong of me to claim that many of our members do not have a deep affection for the internal combustion engine and driving everywhere—they do. However, that is often because of the absence of reliable public transport that can get them to work. People might use that as an excuse in some cases, but when employers work with us to ensure that there are ways for their employees to get to work other than by cramming the car park full of cars, particularly on remote sites, there is a good response.

**Stephen Boyd:** Shirley-Anne Somerville asked whether employers can tackle environmental issues directly. The Scottish Government has tried to do a bit of work on that, not just as an employer—through initiatives in the Edinburgh area, for example—but from a policy perspective. I understand that employers' representative organisations have singularly failed to engage.

**Alison McInnes:** Not just home working but the working week has an impact on travel patterns. How resistant are employers to changing the shape of the working week by moving to annualised hours, compressed working and so on? Such arrangements have a direct benefit, particularly in the context of equality, because they can help women to get back into the workplace. Have you had many discussions about such issues?

**Anne Douglas:** We have agreements with public and private employers that cover a variety of arrangements, from old-fashioned flexitime to annualised hours and nine-day fortnights. It is usually difficult to get members to agree to such arrangements in the first place, but once the new approach is implemented people say that they would never give it up. There is a bit of an education process to go through on both sides.

In some jobs it is not easy to have anything other than a standard way of working, given how the supply chain works or how customers and competitors work, so there can be issues to do with equality of implementation.

15:15

**Alison McInnes:** Should there be more focus on raising awareness of the indirect benefits of such arrangements?

**Anne Douglas:** That would not go amiss. However, they probably have more equality, family-friendly and work-life balance benefits than environmental benefits.

**Alison McInnes:** Congestion might be spread out and travel patterns might change. Even if emissions are not reduced, people will not sit in congested traffic.

**Paul Noon:** Things are difficult because there are continuous processes in many jobs, and certain arrangements are not possible. If a turbine has to be kept running at a power station, people must be there to keep it running. Changing how people work is not always easy—it depends on the nature of employment. I am sure that many air traffic controllers would like to work from home, but that is not yet possible.

**The Convener:** Are there any other aspects of the working environment, such as potential changes in terms and conditions, working practices or greener practices, that might be controversial? Is there anything that we have not touched on to do with the workplace and terms and conditions?

**Stephen Boyd:** We have approached the matter not by trying to identify what the particular issues will be but by trying to encourage employers, the unions and the Government to get involved in a proactive agenda to manage the process as it happens. There will be changes that we are not yet even aware of. It is a matter of embedding positive working relationships in organisations to ensure that transitions are managed effectively. The literature refers to the process as internal adaptation.

**Des McNulty:** I want to get away from details. The Climate Change (Scotland) Act 2009 has been passed. From the trade union perspective,



are there three big asks that the Scottish Government and the Scottish Parliament should concentrate on in implementing that act and the changes that it is intended to produce?

**Stephen Boyd:** Those three things might be slightly tangential to the act. I think that I would call for a low-carbon industrial strategy, a just transition strategy and a transitional skills strategy. That might seem a bit nebulous, but we must focus minds on those areas. Policies can be fitted into those boxes. I do not claim to know about the activities that have been undertaken, but we need to be slightly more concrete about what we are planning to do in those three areas.

**Des McNulty:** I gave you the opportunity to be concrete, and you said that you want three strategy documents. We have plenty of documents—indeed, we are awash with strategy documents, legislation and so on. What three things that you want to see changed are at the top of your agenda in the context of climate change? What should we focus our attention on? I did not prepare you for that question.

**Anne Douglas:** Sufficient funding is needed for research on the new technologies that will replace the existing generation sources and to ensure that people whose jobs disappear or change will reskill and retrain so that they can continue to be a productive part of the Scottish economy. However, I suspect that it will not be easy to achieve those asks.

**Paul Noon:** What about agreed time off for environmental representatives across the public sector?

**Anne Douglas:** Yes—and in the private sector.

**The Convener:** That is a specific and deliverable measure in the public sector that the Scottish Government could introduce. Perhaps we will find an opportunity to put it to the Government.

**Stephen Boyd:** We are aware of instances in the public sector in Scotland of employers actively preventing trade unions from taking forward their positive environmental agenda. In the fire service, the trade union was proactive about getting an environmental champions initiative off the ground, but the employer refused to engage. There are problems in the public sector.

**The Convener:** If you have any further examples of which you want us to be aware when we question Scottish Government or other witnesses, the committee will be glad to hear of them. Would you like to raise any issues that have not been touched on in our questions?

**Harry Cunningham:** Stephen Boyd's paper is based on a model of social dialogue, participation and engagement in the workplace. Such engagement has a positive effect. If the detail is

underpinned by that kind of framework, we will move forward. If we struggle on participation and social dialogue with employers, we will not realise the opportunities that exist in relation to climate change.

**Stephen Boyd:** We need to recognise that the UK's tradition of social dialogue is not strong. That is why we need Government to play a proactive role and to encourage employers to engage positively with the climate change agenda.

**The Convener:** Thank you for taking the time to answer our questions. I know that many of you will participate in other events throughout trade union week in the Parliament. I am sure that members look forward to having the opportunity to talk to you more informally at some of those events.

We are not quite ready for the second panel of witnesses, so I suspend the meeting until 3.30.

15:22

*Meeting suspended.*

15:31

*On resuming—*

## Budget Process 2010-11

**The Convener:** As there are some new people in the room, I remind everyone to ensure that all mobile devices are switched off—they interfere with the sound system, even if they do not ring.

I welcome to the committee our second panel of witnesses. This is an evidence session on the draft budget for 2010-11, with a particular focus on the recent cancellation of the Glasgow airport rail link project. We will hear from Charles Hoskins, who is director of projects at Strathclyde Partnership for Transport; Councillor Steven Purcell, who is the leader of Glasgow City Council; and Bob Darracott, who is the director of planning and transport at Renfrewshire Council. I invite the witnesses to make brief opening remarks on the budget as a whole, but with particular reference to the GARL project. I am not fussy about the order in which you speak.

**Charles Hoskins (Strathclyde Partnership for Transport):** SPT was the original promoter of the Glasgow airport rail link and our view has not changed from the day when the announcement was made: we are disappointed that the rail link has been cancelled. SPT takes the view that the transport and wider benefits that we set out in the Glasgow Airport Rail Link Bill remain. The rail link would have provided a transport benefit not only to Glasgow airport but to Glasgow, Renfrewshire and beyond. The works for it would also have improved services to Ayrshire and Inverclyde. In our view, the wider economic benefits of the link—the jobs that it would have supported—remain. Our presentation of those benefits to the Glasgow Airport Rail Link Bill Committee was based on a great deal of analysis. They included a specific opportunity to link Paisley directly to the airport, through a fixed rail link, and for further office development in Paisley town centre.

There can be much debate about transport and rail and what it does and does not do. However, without a rail link to Glasgow airport, people have only one choice. If they want to use public transport, they can take the bus, but that is road based. There was much criticism of the patronage figures, but the rail link was a unique opportunity for Glasgow airport, Glasgow and the Strathclyde region.

**Councillor Steven Purcell (Glasgow City Council):** The committee may have noticed that I, too, was somewhat disappointed by the decision, not least because of the way in which it was handled.

Over the past couple of years, I have worked hard to strike up a productive working relationship with the Scottish Government and, in a number of other projects in which there have been difficulties with finance, there has been an open dialogue between the city and the Government, which has resulted in our being able to find alternative ways to tackle the problems that have been presented.

Most important, the outstanding economic case for the airport rail link has been set aside. When the city and SPT were asked to consider handing the project over to Transport Scotland, one of the reasons why ministers requested that was—to use their words to me at the time—that the project was “of national importance”. It would have brought 1,300 jobs to the west of Scotland and the conservative estimate in the business plan at the time was that it would have brought £300 million of investment to the west of Scotland. The link would have been vital for passengers at Glasgow airport, whose numbers are expected to increase to between 15 million and 17 million by 2030. It is now a given that any modern 21<sup>st</sup> century city in Europe has an airport rail link when it has a railway system so close by.

For those reasons, we remain disappointed by the process, by the lack of transparency and by the undermining of what ministers agreed only 18 months ago was a transport project of national significance.

**Bob Darracott (Renfrewshire Council):** On 15 May 2006, I spoke to the Glasgow Airport Rail Link Bill Committee and said that Renfrewshire Council supported the GARL project in principle. We supported it only in principle simply because a legal agreement was yet to be signed regarding disruption to St James's park in Paisley. That agreement was subsequently signed by Renfrewshire Council, SPT and Transport Scotland.

The potential longer-term spin-offs of the GARL project, particularly its benefits to Paisley town centre, were noted at the time. The council considers that economic support for the Paisley town centre project is vital to our priorities at this time.

I also noted in my evidence in 2006 that there had been much debate in the council about GARL. At the time, there was not whole-hearted support for it throughout the council or in Paisley and Renfrewshire more widely. The council was of the view that GARL alone would not address the increasing problems of congestion on the M8 west of the city, and that we would continue to press, by whatever means possible, for improvements to the M8, some of which emerged through the strategic transport projects review, as you know.

There is some disappointment about the GARL decision, particularly in respect of the impact on Paisley town centre. The council will continue to argue for improved public transport services to the west of the city and, in particular, to help serve the important destination points along the south side of the river: Renfrew riverside, Braehead, the Southern general hospital and so on. We particularly feel at this time that the Government should give some consideration to the Clyde fastlink project, which would improve public access along that side of the river, and access to major public facilities, leisure facilities, commercial destinations and the new hospital.

We also understand that further investigations are under way by Transport Scotland and Network Rail into how to address the increased rail capacity that now exists between Paisley and Glasgow city centre, which we welcome. We would seek to have greater involvement as the review is undertaken. We have put much work into a major community growth initiative down at the Royal Ordnance factory at Bishopton—a 2,500 house extension to the urban area in Renfrewshire. The investigation will be critical to implementation of that project.

**The Convener:** Before we get into questions about the merits or otherwise of the decision that the Scottish Government announced when it published the draft budget, I want to ask a couple of questions about the process. When were you last given assurances that the project was on track with no potential problems that could cause concern about its future? Were you involved, in advance of the Government's announcing its decision, in any discussions about the possible cancellation or postponement of the GARL project?

**Charles Hoskins:** SPT in effect left the project 18 months ago. Since the project was transferred to Transport Scotland in May 2008, we have not had any involvement in it. If the question is whether we were given any prior indication of the decision, the answer is no. We were informed on the day of the announcement, slightly before the announcement was made. I am not aware that we were involved in any discussions about potential cancellation before then.

**Councillor Purcell:** Over the summer, I heard informally that Transport Scotland was concerned about the project's future. In mid to late August, I used the opportunity of a meeting on another subject to ask the Minister for Transport, Infrastructure and Climate Change whether there were any concerns that we should be worried about. The answer was categorically no. When the Scottish Cabinet met in Glasgow in early September, ministers were again asked publicly about the Glasgow airport rail link. The transport

minister gave a public assurance that there were no matters for concern. I personally was informed of the decision about 20 minutes before the statement was made to Parliament. Although Glasgow City Council was a major stakeholder and interested party in the project, we were not consulted on, or invited to discuss, any of the concerns that ministers apparently had about the financing of the project.

In comparison, negotiations were conducted about the M74 extension when ministers in the current Scottish Government had concerns about the financing of that project. For months, we were involved in discussions about alternative ways of funding that project. As a result, a productive alternative proposal from the city council was agreed to by ministers.

**Bob Darracott:** I had a similar experience to Councillor Purcell's in terms of timescale and timeframe. In August, the minister made an announcement indicating that funding remained and that there were no major issues. We did not hear officially until quite late in the process. Between August and the minister's announcement—I cannot give a specific date—I spoke to staff in Transport Scotland but was given no indication that an announcement would be made about cancellation of the project.

**The Convener:** Was there any discussion or consultation with any of your organisations on the implications of cancellation? Was there any opportunity to put forward alternative proposals?

**Councillor Purcell:** No.

**Charles Hoskins:** No.

**Bob Darracott:** No.

**Alison McInnes:** Mr Hoskins said that the project was handed over to Transport Scotland in May 2008. Was it handed over in good health?

**Charles Hoskins:** As far as SPT is concerned, yes it was. The Minister for Transport, Infrastructure and Climate Change and Transport Scotland officials are on record as applauding SPT for the work that had gone beforehand. BAA is on record as saying something similar. The transfer process was relatively straightforward, in that the announcement was made in March and the legal document was signed off in May. The project in its entirety—it involved volumes of information—was physically trucked to Transport Scotland, so SPT no longer has all that detail. As far as we are concerned, the project was handed over in good health. The costs, risks and typical management processes that would be needed in a project of that size were all handed over.

**The Convener:** I have a final question before I hand over to other members. If there had been an opportunity to discuss the implications of the

decision or to suggest alternative proposals, what alternative approaches might have been proposed, given the Scottish Government's argument that it must save money on the capital projects that are currently in the pipeline?

15:45

**Councillor Purcell:** Now that we can analyse the figures that have been provided to you by the Cabinet Secretary for Finance and Sustainable Growth, there is clearly a dispute about how much the costs of the project have increased since the Minister for Transport, Infrastructure and Climate Change's statement in December 2008. The starting point of our debate about alternatives would be an examination of the finance. We now have the opportunity to do that and I hope that it is something that the committee wants to do.

Of course we would have been willing to consider alternative proposals. We would have been willing to debate with ministers, our officials and civil servants any alternatives that would have helped to save money. We did that in relation to the M74, which was a complex project that involved more than one council in the west of Scotland. Ministers explained the financial pressures that they were under and Glasgow City Council stepped up to the plate and front-loaded our £50 million contribution, which allowed the project to proceed.

**Bob Darracott:** There was considerable debate in 2005 and 2006 about alternatives to the scheme, through the Glasgow Airport Rail Link Bill process. Had an approach been made to Renfrewshire Council, we would have wanted to engage with Government on the impacts and we would have tried to argue the case and talk about alternative projects that I mentioned, for which there is some support, such as the improvements to the M8, which provides access to the airport as well as being a vital link road through Renfrewshire, and the fastlink project.

**The Convener:** I welcome Sandra White, who has joined us as an observer.

**Alison McInnes:** Bob Darracott talked about alternatives to the project, but the starting point for a project whose costs are beginning to overrun is an attempt to manage the costs back down or at least to find savings elsewhere in the project. At what point did Transport Scotland or the minister have discussions with any of the witnesses about that?

**Bob Darracott:** There was no discussion of that nature.

**Charles Hoskins:** None.

**Cathy Peattie:** Since the announcement of the cancellation of GARL, has the Scottish

Government explained in discussions or correspondence how it reached its decision? Do you know, for example, whether the Government carried out a comprehensive analysis of transport projects, to ensure that those that were going ahead provided a greater cost to benefit ratio than GARL?

**Charles Hoskins:** I can say from SPT's perspective that I am not aware of any discussion on that.

**Councillor Purcell:** Prior to the announcement, I had one brief discussion with the Minister for Transport, Infrastructure and Climate Change, in which he said that he believed that the cost had increased by around £70 million since it was last considered by ministers. I said that I found that hard to believe and asked for a detailed breakdown of the figure. I had no other discussion with ministers about the reason for, or process that led to, GARL being chosen for cancellation out of all the capital projects. It is also not clear whether GARL has been cancelled or postponed, which is a significant issue.

Now that we have had the opportunity to see the figures that have been provided to the committee by the Cabinet Secretary for Finance and Sustainable Growth, it is clear to me that the £70 million figure is not accurate and is misleading.

**The Convener:** For clarity and for the record, when you said that you had a "brief discussion" with the minister, were you referring to the phone call that took place 20 minutes before the ministerial statement?

**Councillor Purcell:** Yes.

**Cathy Peattie:** That discussion took place prior to the announcement. Are you telling the committee that there has been no discussion with the Scottish Government since the statement about whether the decision is to postpone or to abandon the project?

**Bob Darracott:** As far as I am concerned there have been no detailed discussions of that nature.

**Councillor Purcell:** I had one further discussion with the First Minister and the Deputy First Minister at the Commonwealth games strategic committee, but it was not productive in terms of the detail or the question that Cathy Peattie is asking. It was simply about process.

**Cathy Peattie:** So you had absolutely no discussion.

**Councillor Purcell:** None.

**Charlie Gordon:** You have referred to the figures that the ministers have provided to the committee—I think you are referring to the annex to the letter to our convener from John Swinney.

That annex mentions a gross figure, in one context, of £397.5 million. That is the figure that Mr Swinney gave to me in the chamber on 17 September, when he was answering questions on his draft budget for next year. That is the parliamentary context of his cancellation decision.

Are you aware that, on 25 September, I received two written answers from the Minister for Transport, Infrastructure and Climate Change, Stewart Stevenson, which said that the money that had been spent on GARL so far was £18.84 million and the amount to be saved by the project's cancellation would be £170 million? Those two figures add up to less than half the figure that was quoted by Mr Swinney.

**Councillor Purcell:** The figures that were quoted by the finance secretary include the work that is being undertaken by Network Rail for the Paisley signalling project—

**Charlie Gordon:** Which is not cancelled.

**Councillor Purcell:** It is not cancelled, and it is not funded by Scottish Government money. The investment in that is by Network Rail.

In December 2008, when ministers last made a statement about the finance of GARL, they indicated that the cost range—as is indicated in the papers that the finance secretary has provided—was £365.5 million to £395 million. At the time, that was contained in the capital budget. Figures that were also provided by the finance secretary tell us that the amount has risen since then to £397.5 million. The increase would appear to be £2.5 million, not the £70 million that was quoted in my telephone conversation with the transport minister, and which has appeared in the press.

The £70 million figure appears in table 2 in annex B of the committee's paper—annex A of the cabinet secretary's letter. That table shows a breakdown of the costs pertaining to the fuel farm and associated costs relating to that part of the airport rail link project. The breakdown of that £70 million might have changed over time, but that sum was clearly contained within SPT's budget estimate of £210 million, which was the figure that was agreed on and handed over to Transport Scotland when the city and SPT were asked to hand the project over to the Scottish Government's transport agency.

Although there might have been a debate with BAA and others about the breakdown of the £70 million, we are absolutely clear that it was contained within the £210 million maximum figure that was agreed at the time of the transfer. That, to my mind, poses some very serious questions about the rationale for taking this project out of the draft budget at this time.

There are other questions about the figure of £129 million, which has been referred to this morning in the media by a spokesperson for the Scottish Government, in terms of GARL's cancellation being to replace capital that has been removed, through Barnett consequentials, from the national health service capital fund. The finance secretary told Parliament that the £129 million could be recovered this year from the end-year flexibility money that had not been spent by the Scottish Government.

If it has already been saved, it begs the question whether, in this financial year, there is double accounting of the figure—£170 million in the current figure relating to GARL, and £129 million already agreed with the Treasury for end-year flexibility. On top of that, with my local government hat on, I know that the Convention of Scottish Local Authorities agreed to take a third share of the capital reduction figure—the NHS consequential figure—this year, with the NHS taking a third and the Scottish Government taking a third. Now that those figures have been reported, it begs the question whether a saving has been taken out of local government as well, on top of that double accounting. If that is the case, what is that money being kept back for within the Scottish Government's capital projects? Is it another transport project? Is it being put into balances? That is another issue I hope the committee will be interested in pursuing.

**Des McNulty:** In essence, when the cancellation of GARL was announced, the Scottish Government made two arguments. One argument was about overspends in the project and the other was about an overall cash saving. The figure that was mentioned in relation to the overall cash saving was of the order of £380 million to £400 million. I just want to be clear that we are now being told by the transport minister that the saving amounts to about £180 million. To argue that there will be a cash saving and then to get the amount that is being saved wrong by a factor of 100 per cent is a considerable error. That is one issue.

In addition to that, witnesses seem to be saying that the argument about the £70 million is erroneous as well, because when the GARL project was put in place, there was sufficient funding for what was required. You appear to be arguing that the issue here is really mismanagement of the project by Transport Scotland, rather than the project being wrong in the first place. Is that the essence of your argument?

**Councillor Purcell:** That is a fair summary. There has either been some serious mismanagement, which should be examined, or

there is a great deal of double accounting going on within the current budget process.

When Transport Scotland wanted to take the project over, a thorough risk assessment and due diligence were conducted. I think that it took three months in total—maybe Mr Hoskins can confirm that. Seven different stages of examination were carried out by a range of lawyers, technicians and other experts. Network Rail did a review, as did Audit Scotland. Many of you will know John Howison, who has 40 years' professional experience in that field. We are absolutely confident that the figures that I have quoted to you stand up to rigorous examination and should be the subject of public examination.

As I said, the breakdown of the £70 million may have changed because of negotiations, but we are clear that it was contained in the original business plan; due diligence supported that before its transfer to Transport Scotland.

**Shirley-Anne Somerville:** Councillor Purcell mentioned end-year flexibility. In his announcement to Parliament, the cabinet secretary said that the £129 million was being put into the NHS and health budgets because it was required to deal with the Barnett consequentials. Are you suggesting that that £129 million should come out of the health budget and be put back into transport, and particularly into this project?

**Councillor Purcell:** No, I am absolutely not suggesting that. In fact, I am making exactly the opposite point. The £129 million has been put into the health service budget, so the Barnett consequential has already been addressed by end-year flexibility. There is therefore no requirement for another £129 million to be transferred from the saving from cancellation or postponement—whichever it is—of the GARL project. It is not required.

16:00

**Shirley-Anne Somerville:** We have a fixed budget. If the money is being spent in one place, it cannot be spent somewhere else. You are keen to see the project go ahead, but the money has to come from somewhere. We can debate later and at great length the £70 million and the airport, but the fact is that that is not in the draft budget. Where will the money come from?

**Councillor Purcell:** It is not in this year's draft budget, but it was in the Government's capital programme. The Government asked for the project to be transferred and it accepted the proposed budget. Stewart Stevenson said:

"I thank Alistair Watson and SPT for the sterling work that they have done on the Glasgow airport rail link. Their stewardship of and preparation for that project enabled Transport Scotland, which is now the authorised

undertaker, to take on board in good heart a project that is important for the 2014 Commonwealth games."—[*Official Report*, 17 April 2008; c 7783.]

My point about the £129 million is that it has already been restored to the health budget by end-year flexibility and it does not require to be saved from the proposed transport budget.

**Shirley-Anne Somerville:** My point is that the money to pay for the project has to come from somewhere. You might have noticed that the economic climate has changed quite dramatically since the project was initiated. We have seen a £500 million cut in the Scottish Government's budget that means that we all have to make difficult decisions; you have made difficult decisions in Glasgow about many school closures. We are at a point at which the Government has to make a decision. Our budget is fixed, so if GARL is to go back in, what is to come out?

**Councillor Purcell:** Of that £500 million, £129 million is capital and, as we understand it from Scottish Government officials, the remainder is the knock-on effects of the reduction in growth to meet efficiency. My point is that the £129 million of capital that is required to be found so that it does not have to be taken out of the NHS has already been found.

**Shirley-Anne Somerville:** So apparently we can fund the GARL project without harming any other single heading in the Scottish budget.

**Councillor Purcell:** You would have to ask the Scottish Government that question. The only consequence of proceeding with GARL under the current Scottish Government budget that I have read about is that there would have to be a reduction of £129 million in the NHS. According to the Cabinet Secretary for Finance and Sustainable Growth's statement to Parliament, it appears that he has found that £129 million.

**The Convener:** I remind members that we will have the opportunity to question the cabinet secretary at the end of our budget scrutiny and I am sure that he will make his case.

**Cathy Peattie:** I am interested in the panel's view of the impact that the cancellation of GARL will have on job creation, access to Glasgow airport, and the attractiveness of investing in Strathclyde.

**Charles Hoskins:** That goes back to my opening remark about the estimates that we provided as the promoter. We were clear about the economic benefits that the airport rail link would bring. It is difficult to show that such transport projects have wider, tangible economic benefits that will support jobs. We estimated that those benefits would be in the region of 1,300 jobs during the next 30 years. I am not aware that our estimates or anything else have changed from the

original statement that we made as part of the private bill.

**Councillor Purcell:** There could not have been a worse time to make the decision. The construction industry is one of the most significant parts of the west of Scotland economy and it is feeling the most pressure in that economy—it has had the most job losses during the recession. We made a case for the benefits of what is a national economic project and the decision is a long-term blow to that case and a short-term blow to our efforts to work our way through the recession.

Governments all over the world are investing as much as they can in construction and infrastructure projects because we know that it is important to do that during a recession and because they want to have the most competitive infrastructure to take advantage of the upturn when it comes, which it inevitably will. Every modern city in Europe that has a rail network close to its airport has a rail link to that airport. The city of Glasgow and the west of Scotland economy and beyond benefit from hosting big events. A huge part of our city's economic regeneration has been due to hosting big events. Attracting more tourists to the city by such an addition to the transport infrastructure to support our airport and economy would have been a huge benefit in the medium term and the long term.

**Bob Darracott:** I will answer the question in two ways. The airport is a major employer in Renfrewshire. It employs 5,000 to 6,000 people, and is probably our largest private sector employer. Any investment, in access or whatever, that seeks to support the airport in the longer term and create a more sustainable product will be good for the airport and consequently good for the local economy. That is one issue.

Secondly, I return to the point that one of the major selling points that we considered in Renfrewshire four or five years ago during the gestation of the project was that Paisley town centre needs every bit of support that it can get. It was failing in those days and it is failing even more now. The only stop on the Glasgow airport rail link, other than the two stops at either end of it, was going to be Paisley Gilmour Street station in Paisley town centre. That would have provided direct access from the centre of Paisley to the airport, which is the major local employer. Separate economic development studies were carried out when the bill was being considered that proved that that access would be a bit of a boost for the town centre.

Since the GARL decision was made, planning consents have been granted for a hotel and residential development in the centre of Paisley that may be related to the prospect of GARL being established. A major employer has certainly

relocated into the centre of the town. Those investment decisions and applications resulted from the confidence that was given about improved accessibility to the airport.

**Cathy Peattie:** Do you think that the Scottish Government did not consider the implications for jobs and the effects on Glasgow and Scotland more widely?

**Bob Darracott:** I am sure that it took local effects into account in making a wider decision. I fully accept that difficult decisions have to be made in the current economic climate and that GARL's economic development potential was spelled out in detail when the initial decision was being made.

**Rob Gibson:** Getting the project started again is in your interest, but it is obvious that money needs to be found from somewhere. We have had an argument about whether there is money for it. Would you support further accelerated capital expenditure as a means of getting that money?

**Councillor Purcell:** I would support Government ministers sitting down with the council, SPT and all the other stakeholders and partners to examine all the alternatives to the design, financing or staging and phasing of the project, as happened with the M74 project, when we ended up compromising not on staging and phasing but on who paid what when. In my opening statement I talked about my disappointment about such discussions not happening, particularly given the city council's productive working relationship with the Scottish Government up until the announcement. If ministers had been willing, we could have found an alternative to the fait accompli with which we seem to be presented every time that we try to discuss the matter.

**Rob Gibson:** I hear what you are saying, but you did not say whether you would support accelerated capital expenditure as a means whereby the Government, the council and others could stand together to argue for the project.

**Councillor Purcell:** I have been absolutely clear that I am happy to explore all alternatives, including that one.

**Alison McInnes:** Councillor Purcell, you referred earlier to the major events that the city will host. That leads me quite nicely into the issue that I want to explore, which is what role GARL was expected to play in the transport arrangements for the 2014 Commonwealth games. Was GARL understood to be an integral part of the transport system for the games? If so, will you comment on the minister's letter to the president of the Commonwealth Games Federation, in which the minister says:

"We are of the view that a similar level of service can be provided through alternative transport provision ... It would be relatively straightforward to provide an enhanced shuttle between Paisley and the airport".

Frankly, I think that the minister's letter gives quite a glib reassurance.

**Councillor Purcell:** I am absolutely clear that, both in our bid and in the more significant guarantee document that we submitted early in 2007 to the Commonwealth Games Federation, the Glasgow airport rail link was one of the guarantees that all parties signed up to in bidding to stage the 2014 Commonwealth games. Obviously, it is a matter of great relief that the Commonwealth Games Federation believes that the decision will not affect the delivery of the games per se, but I stood shoulder to shoulder with the First Minister in Sri Lanka and we looked all the voting delegates in the eye and assured them that we would deliver each and every one of the guarantees in the bid document. It is clearly debatable whether we can still look people in the eye and say that every other guarantee on the games infrastructure will be delivered on.

**Charlie Gordon:** Given Mr Hoskins's knowledge of travel patterns in the west of Scotland, does he know whether many people who land at Glasgow airport take a bus to Paisley Gilmour Street, take a train from there to Glasgow Central high level, then go down to Glasgow Central low level and get another train to the east end of Glasgow? That seems to be what the Commonwealth Games Federation president suggests in his letter.

**Charles Hoskins:** I might need to defer to my planning colleagues to source that data. I could not say how many people undertake such a trip at the moment.

**The Convener:** I think that Charlie Gordon has made his point by asking the question.

**Alison McInnes:** Let me reassure Mr Gordon that the suggestion was made not by the Commonwealth Games Federation president but by the Minister for Transport, Infrastructure and Climate Change in his letter to the president.

What discussions have started about alternative transport provision to ensure that there is easy access from the airport to the games?

**Councillor Purcell:** I am cheeky enough to reply to Charlie Gordon's point first. All that I would say is that the route that he described certainly cannot be called a shuttle service by any means.

**Charlie Gordon:** My granny would have called it a long road for a short cut.

**Councillor Purcell:** We are ready and willing to look at any alternative transport provision if Parliament tells us that the Glasgow airport rail link has been cancelled or postponed. As I said earlier,

I wish only that we could have had those discussions over the summer before the Cabinet Secretary for Finance and Sustainable Growth made his statement to Parliament. Given the city council's record on working with the Scottish Government over the past two years, I genuinely believe that, if we had had those discussions over the summer, we would not be sitting here taking up the committee's time.

**The Convener:** Am I right in saying that a large emphasis of the transport element of the games bid was on the legacy for Glasgow's transport system as a whole? There are arguments for and against GARL's environmental merits, but it seems fairly obvious that a shuttle bus has no legacy of any kind.

16:15

**Councillor Purcell:** No, it does not. You are right to say that all the transport infrastructure aspects of the bid were about legacy, the environment and our commitment to more sustainable transport infrastructure in the city of Glasgow. We made that case jointly when we were in Sri Lanka at the Commonwealth assembly.

**The Convener:** Sandra White was trying to speak earlier. Do you want to come in now?

**Sandra White (Glasgow) (SNP):** If I may, convener; thank you. I apologise for being late but I was at the Public Petitions Committee.

I might have missed this; the convener can tell me. Have Transport Scotland and BAA been asked to give evidence? I am mindful of Councillor Purcell's opening remarks that there is a clear dispute about the figures. If there is such a dispute, we should get some evidence from Transport Scotland about the £7 million and the £70 million.

I think that most people are aware that if BAA objected to any plans in relation to GARL, it would have the first say. I wonder whether the committee is aware of that in regard to the planned removal of the fuel tank and so on. All of that is to do with the GARL situation.

I have a question for SPT and Charles—Hopkins is it?

**Charles Hoskins:** It is Hoskins.

**Sandra White:** I am sorry; I do not have my glasses on.

I was intrigued by Councillor Purcell's statement that the £70 million is included in the £210 million. Could Mr Hoskins elaborate on that as he is the SPT spokesperson?



I know Paisley quite well, having lived there. We know that the link to Paisley will still be built, so you will come in there. However, GARL would only connect to the east end of Glasgow if it connected with crossrail, otherwise people will still have to come into the city centre and get another form of transport. What are Councillor Purcell's thoughts on fastlink, which could be built without a parliamentary process? SPT's paper mentions that it is looking to make an eastern route for the Commonwealth games. Fastlink is less expensive and it does not need a parliamentary process. Councillor Purcell has £144 million in reserves, so Glasgow City Council might be able to put something towards fastlink, as the Scottish Government has.

Convener, I am sorry for going on so long, but I would like some answers to those questions.

**The Convener:** The first issue that Sandra White raised is a question for me. We will be hearing from BAA and, as Transport Scotland is an executive agency, we expect any view that it wishes to express to come through the minister at the end of our budget scrutiny.

Other members will ask about fastlink later in the meeting, but if the witnesses wish to touch on that aspect of the questions that Sandra White asked, they should feel free.

**Charles Hoskins:** I think that a question was asked about the £70 million, although I think that the convener has answered it. We have no further knowledge and, in some respects, we left the project 18 months ago. The first time that I saw mention of the £70 million was in the evidence provided by Transport Scotland, and it is not for SPT to comment on that.

**Sandra White:** Convener, can I come in on that?

**The Convener:** I will allow the other witnesses to address the comments first.

**Councillor Purcell:** I am quite clear that all the issues around the £70 million that were in the evidence were included in the budget that was transferred to Transport Scotland. As I said earlier, two questions have to be asked of Transport Scotland, and I hope that the committee will do that.

**Bob Darracott:** I believe that the £70 million was included in the £210 million. If it was not, there has been no explanation of where it has come from.

On the latter point, about the connection, the connection goes from the airport across St James's playing fields—which you may know if you know Paisley well—through Gilmour Street and into Central station.

**Sandra White:** If I could—

**The Convener:** Other members have questions to address on the figure of £70 million. Please be brief.

**Sandra White:** Thank you for your patience, convener.

Councillor Purcell explained that it was an SPT project on which SPT was working with the council and various others. I am surprised that the gentleman who is speaking on behalf of SPT does not seem to be familiar with the report. Is SPT aware of the £70 million? What input did it have to the report if you are not sure about the £70 million? Do you have a report that I could download or have a look at?

**Charles Hoskins:** Sorry, convener. The project was transferred to Transport Scotland 18 months ago. That information—I think that it is in annex B to paper TIC/S3/09/22/3—was not provided by SPT.

**Sandra White:** I will leave it there, then.

**The Convener:** We will move on.

**Shirley-Anne Somerville:** I would like to pursue the point that Sandra White was making. Councillor Purcell says that the £70 million was included in the SPT budget before it was handed over, but Charles Hoskins is not able to confirm that. It is an important point. If Councillor Purcell can tell us that the £70 million was there, it is reasonable to expect the person from SPT to be able to say whether it was or was not and whether he recognises that figure of £70 million.

**Charles Hoskins:** At the point of transfer, not all of the detail of the breakdown would have been available. What we provided at the point of handover was all the costs and risks associated with the project, including all the elements at the airport—the fuel farm and the other facilities. Unfortunately, those documents have now left SPT. That is not an excuse; that is what happened during the transfer—all the documents went to Transport Scotland, along with the staff and all the knowledge. In annex A, Transport Scotland provides what it believes the breakdown was at that point. I believe that it was £7.8 million at 2004 prices; however, those prices were nine years different, so it is comparing apples with oranges.

I cannot really answer on the breakdown of the £70 million; I can simply state that all the costs and risks at the point of transfer were subject to due diligence, that all the agreements had gone through and that all of those estimates were provided to Transport Scotland.

**Shirley-Anne Somerville:** Okay. We are still no clearer on whether Councillor Purcell's point has been confirmed, but we will—

**Charlie Gordon:** Mr Darracott confirmed it. It will be in the *Official Report*.

**Sandra White:** We did not ask Mr Darracott.

**The Convener:** Can members speak one at a time, please?

**Shirley-Anne Somerville:** We have heard your concerns about the way in which the decision was announced to you. Some time has passed since then. What work has been going on since the announcement to secure alternatives to allow the project to proceed? You have had some time to consider the matter. Do you have some alternatives that you can bring to the committee for us to look at?

**Councillor Purcell:** My understanding is that it is Parliament that will decide whether the Glasgow airport rail link will proceed. I am arguing for the reinstatement of the Glasgow airport rail link for all the reasons that I have presented to the committee, not the least of which is its national importance, which has been recognised by ministers. That is one of the reasons why the Minister for Transport, Infrastructure and Climate Change asked for our agreement for the project to be transferred to Transport Scotland. It is also a vital infrastructure and construction project that will help us—not just in Glasgow, but across the west of Scotland—during the economic recession.

**Shirley-Anne Somerville:** I completely take your point about the need to continue capital expenditure in a time of recession. That is why my colleague Rob Gibson asked you about accelerating capital expenditure. I appreciate that you want the reinstatement of the project, but we now have the figures in front of us and you have had time to consider some of the alternatives that you said could have been proposed if people had only been consulted beforehand. Are you saying that the project should be delivered as it was first laid out, or are you looking at alternatives for the phasing or funding of the project? Do you take an all-or-nothing approach to the issue?

**Councillor Purcell:** At the moment, I am arguing for the reinstatement of the Glasgow airport rail link. I am happy to discuss alternatives with anyone if that is not a possibility. I would have been happy to have had those discussions over the summer and I am happy to have such discussions just now. However, I do not want to undermine my main argument, which is for the reinstatement of a project that is of national economic importance. As a pragmatic person, I am of course happy to sit down with anyone to look at alternative phasing or funding arrangements or alternatives to the design of the project that is currently on the table.

**Shirley-Anne Somerville:** Will you proactively put forward any such alternatives at this point? I

appreciate that you are trying to hold on to a bargaining position, but could there be any compromise on your part about possible alternatives?

**Councillor Purcell:** That is, I think, a tactical decision for me to take at the appropriate time.

**Shirley-Anne Somerville:** Have you written to other political parties in the Parliament to seek their support for the project's reinstatement? As you will be aware, we are a minority Government so proposals can be agreed to without the Scottish National Party Government's approval. Have you sought any reassurance from other political parties?

**Councillor Purcell:** I am speaking to a number of parties—some political and some not.

**Shirley-Anne Somerville:** We look forward to seeing whether they agree with you.

I want to ask about the £70 million, which has already been discussed in some detail. You said that you disagree with the figures that are laid out in annex B of paper TIC/S3/09/22/3—

**Councillor Purcell:** No, I never said that.

**Shirley-Anne Somerville:** If you do not disagree with those figures, let me give you an opportunity to say how you agree with them.

**Councillor Purcell:** I said earlier that there may be a debate about the breakdown within the £70 million, but I have never disagreed with the £70 million figure. What I disagree with—unless Transport Scotland can publicly demonstrate otherwise, which it has not done so as yet—is the idea that there has been an increase of £70 million since ministers made their statement on the overall costs of the project in December 2008. That is a very important point.

**Shirley-Anne Somerville:** We have considered how certain project costs have increased since its inception. In particular, the fuel dump seems to have greatly increased in cost. Given that, as I tried to point out earlier, we have a fixed budget, surely those cost increases must have implications for how many projects the Government can carry out when expenditure is increasing over time. Is that not the case?

**Councillor Purcell:** That question also needs to be asked of every other transport project that comes before the committee. That would only be fair.

**Shirley-Anne Somerville:** You are the person who is in front of us at the moment. As someone who wants us to persuade the Government to change its decision, do you agree that it is right that we should take it into account that a number of the project's costs have increased since its

inception? Do you accept that such increases must have implications for the budget?

**Councillor Purcell:** Since the Scottish Government's December 2008 statement on its budget for the project, the costs—on the basis of the figures that the Government has provided to the committee—appear to have increased by £2.5 million. I suggest that, within the budget for a project that the Government believes will cost £397.5 million, it would be very easy indeed to find £2.5 million of savings. We do that all the time in local government.

**Shirley-Anne Somerville:** If it is so easy, perhaps you can suggest some of the alternatives that I asked for earlier. We look forward to that.

**The Convener:** Councillor Purcell, you have raised a question about whether the figure of £70 million represents an increase on figures that were known in late 2008, when a statement was made. We can put that question to the cabinet secretary when he discusses the issues with us, but is it in the least bit credible that there could be such an increase on figures that were known in August or even early September this year, when, as you said, you were informed that the project was safe?

16:30

**Councillor Purcell:** If that was the case, it would be incredible. From my experience, not just as leader of Glasgow City Council for the past four years but as a senior elected member with responsibility for capital projects in the city for the past 10 years, it would be a public scandal if the figure had increased by such an amount in a matter of weeks. Therefore, I do not believe that it has, and I do not believe the figures that the finance secretary produced that suggest that it has increased by that amount since August, when we last sought assurances from the transport minister, or since ministers last published their figures from Transport Scotland.

**Des McNulty:** I want to clarify that point, Councillor Purcell. You told us that the project was handed over to Transport Scotland in good order and that you had assurances as late as September that the project was on track—I had assurances, too, because I raised that question. Suddenly, according to the Government, the project is £70 million over budget, which becomes the reason to cancel it. You said that you are in charge of a capital budget. I presume that, if you said that you were not going to do something because it was £70 million over budget, you would be crucified in Glasgow by people saying that the fact that the project was £70 million over budget was your responsibility. Is it not the normal circumstance in politics that you take responsibility for your failures as well as your successes?

**Councillor Purcell:** There is no question but that the project was in good order when it was transferred to Transport Scotland. If it was not, serious questions must be asked about the due diligence that Transport Scotland conducted and the decision that the Scottish ministers arrived at when they accepted Transport Scotland's recommendation. I am absolutely clear that, if the same thing happened in Glasgow City Council, as leader, I would have to take responsibility. If a project overran by that amount of money or if the due diligence that had been conducted and the advice that we had accepted were wrong, as elected members we would have to take responsibility for that.

I have spent a lot of time on the issue in the past few weeks, because the project is important, but the more we debate the issue, the more unanswered questions we find. When some of the questions are answered properly, I will be clearer in my head and I will be happy to come back to the committee and elsewhere to talk about the project. That is what I have been asking for, so that we can come to a conclusion on whether GARL is reinstatable. For example, when the questions are answered, we will be clearer about the alternatives that we can consider and discuss with parliamentary colleagues.

**Des McNulty:** The *Sunday Herald* has reported that Transport Scotland tried to pass responsibility for GARL to Network Rail in spring 2009 and that, after that failed, it recommended to ministers that the project be scrapped. That is obviously not consistent with what ministers said to you as late as August and September. Do you have any comments on that report and whether it has substance? Do you have any information that relates to it?

**Councillor Purcell:** No, I do not. However, given that many genuine questions are being raised as a result of the announcement and the lack of clarity and answers, I would not be surprised if that was the case. There are other important questions that are purely speculative at present. For example, what did Transport Scotland conclude on the issue of VAT for the project? Was that in the risk assessment? What did the due diligence say? Did ministers ask those questions of Transport Scotland?

I have also asked for information on the costs of cancelling the project to be made public, so that we can all see it. We know what has been spent on land acquisition, and many businesses have been bought out. We know what has been spent on the time of officials and consultants. All that money will now be wasted as a result of the cancellation.

What other implications are there? I want to hear about the VAT and the negotiations that are being

conducted with the European Union on the European money that was involved in the project. That might be an issue of cancellation or postponement.

A long list of questions must be answered before we can even look at alternatives, because the answers to some of those questions will inform us about whether GARL can be reinstated or whether we have to find alternatives. We need those answers, and I hope that the Transport, Infrastructure and Climate Change Committee will get them, whether from Transport Scotland, BAA or ministers. The sooner we get those answers, the quicker we can move on.

**Des McNulty:** In his response to an earlier question, Mr Darracott said that he was sure that ministers would have looked at the overall financial and economic implications of the decision to cancel. He has the advantage of me, because I have not seen any papers that indicate that.

Mr Purcell, you said that you are in charge of a significant council budget. If you had to find a saving in that budget, I assume that the council would look at a range of capital projects, work out their advantages and disadvantages, and produce a report that gave statistical back-up to the choice that you, as politicians, would have to make. We do not seem to have any of that in this context. It is as though ministers have decided that they are going to make a particular saving, but they have not looked at any alternative options or any of the evidence associated with the choice that they have made. Is that a plausible way of proceeding in the context of the way in which you are accustomed to operating Glasgow City Council?

**Councillor Purcell:** The way we operate is more than plausible. It is open and transparent, and in terms of our financial governance, it is the most responsible way to approach things.

We have to review our capital projects all the time. For example, when we reviewed our capital budget in order to assist the Scottish Government over the M74, I had to explain to committee in an open and transparent way the choices that we had decided to make over phasing and taking money from our balances. The figure of £144 million is misleading, because the majority of our capital balance budget, which is open for anyone on the committee to inspect, has now been allocated to assist the Scottish Government with the M74 project.

You are absolutely right, Mr McNulty; what you describe is entirely the most plausible, open and transparent way of proceeding. When I take such a report to committee, I expect members of both the administration and the opposition to examine forensically why we have chosen to postpone one

project over all the other capital projects, and why we have decided to phase things differently.

Other elected members always test the due process in comparing everything within the capital programme, risk and, of course, political priorities. Most significantly, the key test for us in Glasgow is the economic benefit of the project. The decision is based primarily on the economic implications. Financial governance and risk are also considered: what is the cost and what is the effect on other projects?

Our political priority is a social priority. We ask what the social and community benefits of the project are. As some members around this table know, when you take that to a committee in local government, you have to have done your homework.

**Des McNulty:** That seems to be a rational way of making decisions: you look at the options and their implications and at how much you have to save, then you make a choice that is informed by that analysis. That is precisely what Mr Swinney said should be done when he was asked the hypothetical question four weeks ago. The problem is that he adopted an entirely different approach when it came to making this particular decision.

The Paisley corridor element and GARL were deliberately put together, because that was seen to be cost-effective—both sides delivered added value. Now, one element of the project has been arbitrarily cancelled, but we are told that the other element will go ahead.

Mr Darracott and SPT might wish to answer this question. What evidence do we have on the benefits of the bit of the project that is going ahead? There does not seem to have been any discussion of that. It seems to me that, in running a capital project, before you spend millions of pounds, make commitments and take decisions, you need to analyse what the implications of those decisions might be.

We are left in a situation where the Government has decided that one chunk will be taken out of the project, but the other chunk will go ahead. Network Rail seems to be running around trying to find ways of quantifying the benefits of the bit that is left. Is that a sensible way to proceed? How could we get a sensible analysis of the bit of the project that apparently remains?

**Charles Hoskins:** From our perspective, it is early doors, because the announcement has just been made that part of the project—in effect, the bit between Glasgow and Paisley—will still happen. If the final decision is that the airport spur will not go ahead, we would welcome an opportunity to provide our views on how the capacity should be used. I am sure that Glasgow

City Council and Renfrewshire Council would take the same view. There are many iterations of capacity versus reliability versus where all the services should go to and from. That is an issue in itself. I am certainly not aware that the Paisley element was specifically analysed when we were promoting the project. GARL was trundling along and then it got combined with the Paisley resignalling project, so it became a bigger project that would deliver much more benefits. Now that the Paisley element seems to be getting split off, we would welcome the opportunity to work with Transport Scotland and Network Rail to see how we make best use of that, if that is the end product.

**Bob Darracott:** I echo many of those views, as you might expect. I am not aware that a specific analysis of the benefits of the partial project has been carried out. We understand that such analysis and investigation is now taking place. Our plea is for all parties here and beyond to be included in that process, because there are wider implications that do not relate simply to the boundaries of the line between Paisley and Glasgow. As I said in my opening statement, the line is critical to a major project that will have major economic development consequences for Renfrewshire in the next 10 to 15 years.

Comment was made earlier about lack of knowledge about budget provision or increases in budgets up to the recent announcement. I do not think that there has been effective communication between some of the key partners who were involved closely with SPT during the early stages of the GARL project and Transport Scotland as it worked through the project. I am concerned that, as further assessment of the partial project is undertaken, we might be left out of the loop again in the discussions between Transport Scotland, Network Rail and others.

16:45

**The Convener:** Thank you. Before we move on, I want to come back to the reports in the media that Transport Scotland tried unsuccessfully to pass the project to Network Rail before recommending that it be scrapped. Councillor Purcell commented on the reports but Mr Hoskins and Mr Darracott did not have an opportunity to say whether they can shed light on them, either because they received information formally or because they picked up the mood through the grapevine.

**Charles Hoskins:** As I said, for 18 months we have not been involved in GARL at all, so what we read in the papers—

**The Convener:** Gossip travels sometimes, though.

**Charles Hoskins:** We first heard about the issue when we read about it in the papers.

**Bob Darracott:** I have no knowledge of the issue.

**The Convener:** Thank you for being clear about that.

**Charlie Gordon:** My question is for SPT, but other witnesses are free to join in. Can you provide an update on the Clyde fastlink project and set out preferred routes, estimated costs and likely completion dates?

**Charles Hoskins:** I will do my best from memory, but I might have to follow up my answer with more information. We gave members of the SPT board an update earlier this year. We set out a vision for fastlink that involved a number of corridors across the conurbation.

I should take a wee step back and say that it is worth remembering that fastlink is one of a number of initiatives that we envisage for the conurbation of Strathclyde. Bus rapid transit would be complemented by improved bus services, modernisation of the subway and GARL, which all do different things.

Fastlink does a certain job in certain corridors. The two corridors that have been developed in most detail, with officers from Glasgow City Council, West Dunbartonshire Council and Renfrewshire Council, are along the north and south banks of the Clyde. Work has also just been done to consider a corridor to the east, in the Commonwealth games and Clyde gateway area.

If we are to change the modal split in relation to bus rapid transit, there must be high-quality infrastructure and vehicles, reliability and a saving on journey time. Members of the Transport, Infrastructure and Climate Change Committee will be familiar with theories of transport, but it is worth holding on to those points. That is the sort of bus rapid transit product that we are talking about when we talk about fastlink.

As part of the development, we have been in pretty close discussions with Transport Scotland and, in particular, Glasgow City Council officers about how to crack the issue—again, it is about funding. During the past few weeks, the discussions stalled a bit as people's efforts were directed into considering what the announcement on GARL meant.

Fastlink is being developed, and some corridors are better developed than others. I cannot off the top of my head give you a breakdown of the costs of all the corridors, but I will be happy to follow up on that if the committee needs me to do so. On the timing of the programme, I think that there will probably be one or two years' development from the design and applications and approvals phases

to construction. Again, I am happy to follow that up if you need more detailed programme information.

**Charlie Gordon:** Can you give us more detail on the corridors on the north and south banks of the Clyde? Your answer was a wee bit vague. Will you drop in some place names? I know that some people here are from other parts of Scotland, but we will keep them right.

**Charles Hoskins:** Sorry. I can do that—

**Councillor Purcell:** It does not go to Cathcart.

**Charles Hoskins:** The corridor runs along the north bank of the Clyde, down the Broomielaw to the Scottish Exhibition and Conference Centre, which is one of the key nodes of demand on that corridor. Then it goes west into West Dunbartonshire, as far as the Golden Jubilee hospital. We have been discussing how we phase that and what we can afford. There is a balance of costs and benefits.

**Charlie Gordon:** Are you looking for an off-road, dedicated right of way, as far as possible?

**Charles Hoskins:** There will be segregation where that is possible—that is the difficulty in trying to retrofit. That takes me back to my point about modal shift and the need to attract people with journey-time savings and high-quality vehicles and infrastructure.

On the south bank, the corridor runs over the squinty bridge—as it is now known—to the new Southern general hospital and on to Braehead and potentially Renfrew. We have been considering how we can penetrate Renfrew town centre, but that is difficult technically. I am sure that Mr Darracott can give more information on that.

I have described the northern and southern corridors. Work in the east is at an earlier stage, but we have looked initially at some corridors with Glasgow City Council colleagues.

**Charlie Gordon:** You mentioned that discussions have taken place. I think that you indicated that Transport Scotland has been involved, but have you had any discussions with the Scottish Government about fastlink? What support, financial or otherwise, has it offered?

**Charles Hoskins:** I may have to defer to my colleagues on the issue. We will have put the case for fastlink in the course of the normal dialogue that takes place with Scottish Government colleagues in the transport directorate, which sponsors the regional transport partnerships. I am pretty sure that a few years ago, before I was involved with fastlink, SPT submitted a document to the Scottish Government setting out the initial business case for the project. Like most projects, fastlink has moved on since then, so we need to provide the best information. A number of

discussions have taken place, but I am happy to supply the committee with further information.

**Charlie Gordon:** You may not be aware of the fact that last week, in answer to a written parliamentary question from me about whether he would offer financial support for what I called the “Fastlink project in Glasgow”, Stewart Stevenson, the Minister for Transport, Infrastructure and Climate Change, said that he would send his officials to speak to Glasgow City Council. Have they arrived yet?

**Councillor Purcell:** Not as far as I am aware. As I said, we are always ready and willing to talk to anyone who wants to travel along the M8 or, preferably, by rail to Glasgow.

**Charlie Gordon:** If agencies in the west of Scotland are invited to bid for the joined-up route option—the gold-plated option—do they have stuff that they made earlier ready to submit?

**Charles Hoskins:** As I explained, each corridor is at a different stage, but two corridors are well developed. There is a level of detail that could easily be updated. That is part of the work that we are sponsoring, with Glasgow City Council colleagues. We have a steering group that also includes members from West Dunbartonshire Council and Renfrewshire Council. We fully appreciate that there are key demand areas in Glasgow, but we must get the regional picture for fastlink. We accept that there are questions of phasing and affordability and that, in the short term, fastlink may serve only some areas, but many of the benefits will come from joining up with areas beyond those. A bid could easily be prepared.

**Bob Darracott:** I echo those comments. A steering group has been working on the project for two or three years. Earlier this year, an outline business case was discussed and presented to Transport Scotland, with a detailed breakdown of costs on a stage-by-stage basis. There is on-going dialogue between the partners that are involved in the project and Transport Scotland. The partners would be prepared to submit a strong, robust case in support of fastlink, if they were requested to do so.

**Des McNulty:** The kind of fastlink that you would like to see would involve the two well-developed corridors plus, potentially, the Dalmarnock extension. You are not really in the market for a few bus lanes; it is important that fastlink is considered as a sensible transport project.

**Charles Hoskins:** We describe fastlink as bus rapid transit, because we look at it as a regional network. We must remember that different modes do different things. We would support improvements to normal bus services, but fastlink

is a step beyond that. Fastlink is only one element of a whole package of improvements to existing bus services, the provision of a bus and rapid transit system and the modernisation of the subway system. Our study and indeed the strategic transport projects review confirmed potential in the longer term to convert some of the existing heavy rail network to light rail, which performs better on a suburban network. At the top of that tree is the existing heavy rail network. I am sorry if I am confusing the question about fastlink, but it is a bus and rapid transit system that has to have that quality to take the step up from regular bus services.

**Rob Gibson:** This question is for SPT initially: do you consider that the Clyde fastlink project is a reasonable alternative to GARL for access to Glasgow airport?

**Charles Hoskins:** I recall that a scheme was looked at to connect through Renfrew to the airport, although I would have to get back to you on the detail. My recollection from that time is that it would do a different job from the Glasgow airport rail link. It would go through so many suburbs that it would be following a different route for a different purpose. If demand grew to a high level and it went to the airport, it would be doing something different from what the Glasgow airport rail link might do.

In a spirit of openness and given everything else that we have spoken about, if a decision were made that Glasgow airport rail link will simply not happen, of course we would look at all the alternatives, as we said, but we are in limbo at the moment. I hope that that answers your question.

**Rob Gibson:** You said that your officials had been speaking about fastlink to Government officials. I have heard that Councillor Purcell's officials have not been speaking to the Government about fastlink. Is that so?

**Councillor Purcell:** Glasgow City Council officials have been in discussion with the Government since its election, as have I, about a number of transport projects, including Clyde fastlink. However, at the moment, it is clear to me that Clyde fastlink is not an appropriate alternative to the Glasgow airport rail link. It is a regional transport project that stands in its own right, so it is correct to say that at this stage we are not discussing it as an alternative. That will be the case unless our SPT colleagues can advise us that a form of fastlink would deliver the same advantages and economic benefits that the Glasgow airport rail link would deliver. I have to say that I doubt that. I do not see how even a proper bus rapid transit system could connect Glasgow city centre and the airport within 15 minutes.

You also have to remember that a rail connection between Glasgow airport and the city centre would provide a rail connection to other places. The convener mentioned crossrail. Linking the airport to the city centre and then to crossrail would be of huge economic benefit to the whole of Scotland and would put us in an extremely competitive position against other parts of the United Kingdom and Europe as regards inward investment, for example.

Mr Hoskins made an important point earlier about our seeing transport infrastructure not solely as a debate on how we link the airport with the city centre; it is also about ensuring that we have a balance. We believed that we had that balance through an agreement with the Scottish Government and Transport Scotland about what was seen as a national project and other projects that were our responsibility, either in the Clyde valley working with surrounding local authorities, or in Glasgow, where we would create a network of different modes of transport that would contribute to economic growth as well as to a much more sustainable transport infrastructure. We do not want the point to be lost. We feel that we have had the debate about the Government's clear view of which projects are national projects and which are our responsibilities, either in the city or with our partners in the city region.

17:00

However, as I said in response to an earlier question, if the conclusion is that the Glasgow airport rail link is to be cancelled or postponed, and there is an offer to consider all the other projects as some form of alternative—either an airport link or another transport project that can be funded and delivered—we are pragmatic people and of course we will want to sit down and discuss such alternatives with colleagues in Parliament and elsewhere.

**Rob Gibson:** Have you or your officials had any recent meetings with the Government about the Clyde fastlink, in any shape or form?

**Councillor Purcell:** I can speak only for myself, and the answer is no. I cannot tell the committee when our officials last met representatives of the Government, although I can provide that information after the meeting.

**Charles Hoskins:** We meet regularly. We meet Transport Scotland and city council transport officers all the time. That is our day-to-day business. There will have been recent meetings on fastlink. We can provide information on meetings between ourselves, Glasgow City Council officers and Transport Scotland officials to discuss the details of fastlink as well as other issues.

**Councillor Purcell:** In case I was not clear in my earlier answer, I should add that we had accepted that Clyde fastlink was not included among the national projects that were identified by the Scottish Government and Transport Scotland. At least until now, it has been a responsibility for us, as a local and regional project. I would not expect there to have been many recent meetings with either the Government or Transport Scotland, except to discuss the wider issue of how the different transport modes and pieces of transport infrastructure that we are all attempting to fund and create will complement one another. We would welcome any meeting to discuss financial support for the fastlink project.

**Rob Gibson:** We are talking a lot about the costs of GARL, but what role does the Clyde fastlink have in transport plans for the Commonwealth games?

**Councillor Purcell:** It was not included as a guarantee for the Commonwealth games.

**Rob Gibson:** What is SPT's view about that?

**Charles Hoskins:** I echo what Councillor Purcell has said. It is not just about the games; there is also a huge regeneration in the Clyde gateway. We have a member of staff who is seconded to that for a day a week, specifically to help with transport. Fastlink is included among a basket of other things such as the redevelopment of Dalmarnock station. Dalmarnock station has been discussed in connection with the games but, in fact, it is very important for the future of that area. I go back to the point about the legacy of the games. We absolutely see the games as being important, but there are wider issues to do with the Clyde gateway and the regeneration of the area. We are in the mix, looking at all the transport options including fastlink.

To reiterate my earlier point about corridors, we have been supporting the work that has been led by Glasgow City Council officers to consider how to develop some initial corridors. However, it is very difficult to retrofit.

**Sandra White:** If I could perhaps correct Charlie Gordon, the cabinet secretary did announce extra moneys for fastlink in the budget, and Dalmarnock station is being upgraded, as per the budget.

**Charlie Gordon:** I was relying on the transport minister's written answer.

**Sandra White:** Well, you were in the chamber for the budget statement.

**The Convener:** Order. This is not a debate between members. We will have the opportunity to put questions to ministers later.

**Sandra White:** Thank you. I wanted to correct what has been said. The details are on record, in the budget statement.

I have the SPT's fastlink document in front of me, and no doubt the witnesses will be familiar with what it says. It mentions the "Eastern route and Commonwealth Games". It says that the route will help to

"leave behind a real, positive and lasting legacy for the people of the East End of Glasgow."

I presume that you would agree with that. How many passengers do you expect to use fastlink when and if it comes about?

I would like you to confirm something else for me. Your paper mentions the benefits of fastlink and says:

"Using a diesel-electric hybrid vehicle, Fastlink will reduce environmental impacts and reduce contributions to pollution from transport helping to drive forward a greener and cleaner public transport network".

I think that that is wonderful, and that fastlink is perhaps the project for the future. Is that what you envisage fastlink will be? According to your report, it will not just be a bus but will go on the eastern route during the Commonwealth games and will leave behind a lasting legacy. Is that still SPT's vision for fastlink?

**Charles Hoskins:** It is helpful that you have pointed to the report that we gave to members, which is entitled "Vision for Fastlink". Our vision has not changed since then. Again, convener, I am happy to come back with the patronage estimates that have been done for the various corridors because there will be various ranges depending on where they go. I am flicking through the report, but I do not think that that detail is in there.

Our vision sets out what we want to achieve in terms of vehicles, but the reality is the technology that is available at the moment. We are one of the lead agencies sponsoring and funding hybrid vehicles at the moment, and we are trying to learn a lot of lessons from that to see whether we could use them or whether we need more traditional vehicles of a higher quality that might eventually move on to something like hybrid technology. Our vision is clear about where we want to go. There will be a more detailed plan showing what the vehicles will look like and what technology they use as we work through the project.

**Sandra White:** The routes are costed in your report. You mention that the overall cost will be £150 million to £160 million.

I am asking the question because I want to see a transport link to Glasgow airport; I want to see crossrail. However, GARL without crossrail is unworkable, but fastlink could be much more



workable. The figures quoted said that only seven people were going to use GARL to go to the airport as opposed to using the shuttle bus system that is in place at the moment. Those are the official figures given at the committee meeting.

If your own cost estimate for fastlink is £150 million to £160 million, you must have done some work. You mention the benefits of fastlink. How many people going to the airport do you think could benefit? You could have a fast fastlink. How many people would benefit from the fastlink going to the east end of Glasgow and delivering for the Commonwealth games? People do not produce a report and then say that it is just something that they have been thinking about but they do not know whether it is going to work.

**Charles Hoskins:** There are a number of questions there and I will try my best to answer them.

Our paper does not actually state that the route to the airport is one of the corridors, so there is no patronage estimate for fastlink if it goes to the airport. I must apologise; I did not realise that we were going to go into the issue of patronage, but I would be happy to come back to the committee with those patronage estimates. We do have them and I would be happy to provide them.

We can clarify the assumptions behind the overall estimates of £150 million to £160 million. We are talking about early-stage work on feasibility, so it is important that those assumptions are understood. We have assumed that the project will be delivered in a certain time, but we have also been looking at how we might phase it. It is clear that there ain't £150 million around for us to build fastlink tomorrow—that is the message that we are getting—so we have been looking at how we can phase it and make it affordable. That work is under way, and I am happy to come back to the committee with the patronage estimates.

**Councillor Purcell:** We have been struggling to find a figure in the draft budget to set against Clyde fastlink. What the cabinet secretary said about that in his statement was welcome, but we cannot find a figure in the draft budget that would enable us to say to the committee today, "That will help us to do phase 1, or a part of phase 1, or to develop an alternative."

I promise that I will provide the factual information on this, but the last time that I was aware of a Scottish Government official contacting our officials to discuss Clyde fastlink was shortly before the budget announcement, and we were asked what we could do with fastlink for a figure of £6 million to £12 million. The answer that our official gave was, "Well, phase 1 is £40 million," so

we can get around 25 per cent done from the city centre towards the SECC.

**The Convener:** Before we finish, Councillor Purcell mentioned the crossrail—[*Interruption.*] Order.

Councillor Purcell mentioned the crossrail project in passing. It would bring benefits across the region to rail capacity that would not be limited to Glasgow airport. Part of the rationale for not including it as a priority in the strategic transport projects review was an alternative, more expensive piece of infrastructure for Glasgow public transport that began at about £1.5 billion. That is clearly not going to happen now, so would you say that the wider case for crossrail is at least as strong as—if not stronger than—it was before the GARL announcement was made?

**Councillor Purcell:** That is certainly the conclusion that Transport Scotland must have come to now that it has recommended the cancellation of Glasgow airport rail link.

**The Convener:** Does SPT want to add anything on that?

**Charles Hoskins:** We have been working with Transport Scotland and Glasgow City Council to look at project 24, which is the term that is being used for the west of Scotland rail enhancements. I am not aware that those discussions have reached a conclusion on the best fit of crossrail, light rail and bus rapid transit. That whole pot is still being mixed, I guess. The proposed crossrail infrastructure was intended to do a couple of things, such as increase capacity at Central station, and not just enhance cross-city journeys, so that has been part of the discussions, and it will continue to be so.

**The Convener:** Do any of our three witnesses have any other comments to make on the wider transport aspects of the draft budget beyond the issues that have been raised already?

**Charles Hoskins:** SPT cuts across all modes of transport and I have already touched on some of the work that we have been doing and which will be coming forward. We have spoken internally about plans for the modernisation of the subway and plans to glue Glasgow transport together through integrated ticketing. We are working on those plans at the moment and I am sure that we will be coming to officials and members with them in the future.

**The Convener:** I thank all three of you for your time in answering questions today. On a couple of occasions, we identified information that you could provide in writing to the committee. If you keep in touch with the clerks, they will make sure that it is circulated to members.

Before I close the meeting, Des McNulty wants to raise a separate issue for discussion.

**Des McNulty:** I think that it would be appropriate to reflect briefly on the tragic collision at the Halkirk level crossing on 29 September. Issues might well emerge from that accident that the committee should look at once the investigation into the specific causes has been established. There are 23 ungated level crossings in Scotland. Bearing in mind the circumstances of the tragedy and the fact that there have been previous incidents at such crossings, it might be appropriate for the committee to identify a way of looking into the issue.

I am conscious that the accident happened in Rob Gibson's part of the world, but I am just raising the general issue. Perhaps it would be appropriate for him to say something about this as well.

**Rob Gibson:** I attended the Caithness transport forum on Friday, at which people were very careful about their remarks. They were not making over-the-top claims about solutions, and they want to wait for the results of the investigation.

We know that a number of ungated crossings are in the far north and north-east of Scotland. They tend to be on railways that have lower levels of usage, which is why that level of expenditure was undertaken.

It would be a good idea for the committee to wait until we get a proper report on accidents that have happened and a clear picture from Network Rail and the Office of Rail Regulation of the experience of passengers and drivers of the crossings that exist.

Of course, we all feel very sad for the family of the people who were killed and for the driver of the train, who will have to live with what happened for the rest of his life even though it was not necessarily his fault—who knows? We should await the results of the investigation and then discuss the issue as part of our future business.

17:15

**The Convener:** Yes, it is important to recognise Rob Gibson's comments. Is there a willingness in the committee to consider taking evidence once the appropriate information is in the public domain?

**Charlie Gordon:** I am prepared to consider a scoping paper, perhaps done by the clerk. There are all sorts of issues. They might not be constitutional, but the institutional relationships are complex when Network Rail is involved. I do not think that we could just say that we are going to start taking evidence on the subject; I would like

the clerks to do a wee scoping or issues paper for us first.

**The Convener:** We will look at the opportunities to pursue the issue in future and report back to members.

*Meeting closed at 17:16.*

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